

Company Registration No 923975
Charity Registration No 254591

Roffey Park Institute Limited
Consolidated Reports and Accounts
For the Year Ended
31 July 2020

Roffey Park Institute Limited
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Roffey Park Institute Limited
Report of the Trustees and Directors
31 July 2020

Board of trustees and directors

The trustees of Roffey Park Institute Limited, who were also the directors, and who, unless otherwise stated, served throughout the year were:

Ø*+&	Mr R Leek	(Chair)
&	Mr C S Horton	
	Mr S Ling	
*	Ms C Waddington	(Resigned 14/02/2020)
Ø * +&	Ms A J Ritchie	
	Ms C Waters	(Resigned 22/11/2019)
Ø	Mr J Sardar	(Resigned 14/02/2020)
*&	Mr M Haworth	
Ø	Mr J Ramji	
+	Mr N Perks	(Appointed 09/04/2020)
*+	Mr A Bailey	(Appointed 09/04/2020)
+&	Ms J Morris	(Appointed 09/04/2020)
*&	Mrs S Harris	(Appointed 09/04/2020, resigned 09/02/2021)
*	Mr M Guerin	(Appointed 09/04/2020)
	Mr N Tesseymen	(appointed 09/04/2020, resigned 11/05/2020)

- * Member of the Audit and Risk Committee
- Ø Member of the People and Reward Committee
- +
- + Member of the Business Development Committee
- & Member of the Charitable Purpose Committee

Key Management Personnel

Chief Executive	Mr R Coles
Academic Operations Director	Mr A Cameron
Head of Governance and Company Secretary	Mrs A K Humphrey
Head of Finance	Mr S de Winter

The registered office and principal operating address is:

Forest Road
Horsham
West Sussex
RH12 4TB

Website: www.roffeypark.ac.uk

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Professional Advisers:

Auditor: RSM UK Audit LLP
Portland, 25 High Street
Crawley, West Sussex
RH10 1BG

Banker: Unity Trust Bank Plc
Nine Brindleyplace
Birmingham
B1 2JB

Insurance broker: Sutton Winson
Greenacre Court
Station Road
Burgess Hill
RH15 9DS

Solicitor: Irwin Mitchell LLP
Belmont House
Station Way
Crawley
West Sussex
RH10 1JA

Roffey Park Institute Limited
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The trustees and directors present their report and audited accounts for the year ended 31 July 2020 and confirm that they comply with 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) (second edition effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE INFORMATION

Constitution and structure

Roffey Park Institute Limited (“the Institute”, “Roffey Park”) is a registered Charity No 254591 and a Company limited by guarantee and not having a share capital. Roffey Park Institute was incorporated under the Companies Act on 30 November 1967, registration no. 923975. Membership is by invitation from the Board of Trustees and Directors and the total number of members is limited to 50. Upon dissolution of the Institute, members guarantee to pay the sum of £1 each.

The trustees and directors, officers and the principal address of the charity are listed on page 3 and particulars of the charity’s professional advisers are provided on page 4.

GOVERNANCE AND MANAGEMENT

Governing document and body

The charity’s governing documents are its Memorandum and Articles of Association. The governing body of the charity is the Board of Trustees who are also the directors of the company.

Recruitment and training of trustees

The Board’s nominations committee nominates potential new trustees. Candidates from existing members or member companies are considered having regard to the overall skills required by the Board. The induction process includes interviews with existing Board members and the Chief Executive and the receipt of a trustee’s induction pack. All trustees are briefed and updated on their professional responsibilities regularly. They are also enabled to attend a training event at Roffey Park or elsewhere when needed to help further their understanding.

A new trustee may be appointed to the Board at any time during the year. The appointment is confirmed at the following Annual General Meeting. The number of the Board of Trustees is limited at any one time to 18.

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Organisational management

The Board is legally responsible for the overall management and control of the charity and meets quarterly. It currently comprises 11 independent trustees drawn from the current 41 members of Roffey Park. Trustees belonging to corporate members submit themselves for re-election every three years; other trustees submit themselves for re-election annually. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance and employment.

In addition, the following standing committees meet at least once a year to discuss key areas in more detail and to report back to the main Board. The primary purpose of each standing committee is as follows: the Audit and Risk Committee meets to consider financial matters, the future budget, the Institute's approach to risk and our public benefit initiatives; the People and Reward Committee meets to consider employment related matters including those affecting the future budget; and the Nominations Committee considers the potential recruitment of new trustees. Other committees may be formed from time to time to address particular issues.

Pay policy for senior staff

The Board of trustees and directors consider the senior management team, who comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day-to-day basis. All the trustees give of their time freely and received no remuneration in the year other than reimbursement of expenses on Roffey Park business.

The pay of the senior staff is reviewed annually, as part of the People and Reward Committee meeting, to ensure their pay and any pay rises awarded reflect individual performance, market rates and pay settlements generally, whilst also being mindful of the charity's responsibility to consider its own financial position.

Group structure and related parties

Roffey Park Institute Limited has two wholly owned subsidiaries and is a member of an Irish entity:

Roffey Park Services Limited undertakes lettings and bar activities and uses the Institute's facilities for third party use at times when they are not required for the charity's own use. Its turnover for the year was £660k (2019 £1,145k). As a result it was able to make a gift aid donation to the charity of £206k (2019 £190k).

Roffey Park Asia Pacific Pte Ltd undertakes training and research activities in Asia Pacific. Its turnover for the year was £312k (2019 £356k).

Roffey Park Institute Ireland undertakes training and research activities in Ireland. Its turnover for the year was £38k (2019 £Nil).

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Risk management

The Board of Trustees is responsible for the management of the risks faced by Roffey Park. Detailed considerations of risk are delegated to the Audit and Risk Management Committee who are assisted by the Management Team. Risks are identified, assessed, and controls established throughout the year. A formal review of the charity's risk management process is undertaken on an annual basis.

The key controls used by the charity include:

- formal agendas and minutes for all committee and Board activity;
- detailed terms of reference for all committees;
- comprehensive strategic planning, budgeting and management accounting;
- organisational structure and lines of reporting.

The trustees have conducted their annual review of the major risks to which Roffey Park is exposed and are satisfied that systems have been established to mitigate those risks. The main risks identified in the year were:

- The economic and political outlook, in part due to Covid-19, and the continuing Brexit negotiations
- the financial health of the Institute and the impact of recent economic upheavals on its financial health
- the leadership and management organisation structure of the Institute and its ability to redirect the focus of the Institute in the face of the economic events of the last 12 months.

The mitigating actions being taken include proactive market intelligence and client insight gathering; reviewing income streams and redesigning portfolio to reflect changes in the market environment; investment in technology for business development and digital delivery of our programmes; tight cost and cash controls; and appropriate reward, recognition and succession planning.

OBJECTS AND AIMS

Charity objects

Roffey Park's two formal objectives are closely linked:

- To conduct, promote and support, for the benefit of the public, research into questions affecting the health and welfare of all those engaged in industry, commerce and the public services, particularly concerning the relationship between management and employees.
- To advance education by providing training and discussion programmes in all or any aspects of the science of personnel management for managers, administrators, supervisors and others having similar responsibilities.

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Aims and intended impact

Our aim in life is to develop organisations and their people in ways that promote inclusiveness and sustainability. In addition, we undertake specific projects from time to time which benefit our community in related ways.

How we achieve this

Whilst Roffey Park Institute Limited was established as a company limited by guarantee in 1967, our work and organisation first started in 1946 at the end of the Second World War. A group of pioneers, led by Lord Horder and Thomas Ling, researched and developed innovative ways to assist individuals, with occupational or psychological disorders, back into the workplace. They ran programmes in which the “discussion method” was chosen as the preferred learning vehicle. Whilst with time the focus of these programmes has moved on, the same dialogic and group-oriented methods continue to underpin our work today. At the individual level, we are committed to our participants developing themselves and taking responsibility for their own learning. At the organisational level, our clear approaches to critical thinking and inclusive learning allow organisations to develop creative strategies to tackle current and emerging issues.

Our people

We have an excellent and committed team of people across all our locations. Our learning and development professionals consist of full and part time staff, supported by our Associate faculty. Together with our researchers, facilities and administrative staff, we all put into practice our philosophy. This is instrumental to the overall quality of the learning experience that our participants enjoy.

Our facilities

After doubling our footprint in 2003, our facilities are modern and purpose built to meet our research and development training needs. They continue to provide a tranquil setting and nurturing space in which to undertake the full range of Institute activities. This has enhanced Roffey Park's reputation as an excellent venue for off-site conferences, workshops and learning events.

PUBLIC BENEFIT

In September 2013 the Charity Commission published their revised General Guidance on Public Benefit. Our Public Benefit activities at Roffey Park are centred on the core work of the Institute, namely research and development programmes for the benefit of people in the workplace as well as undertaking specific projects.

Our beneficiaries

The Charity Commission's first principle of public benefit is that there must be an identifiable benefit or benefits and that this is backed by evidence where necessary.

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The outputs from our research projects are available without charge, for the benefit of the public, as publications or via our website. Our development programmes are primarily available to people within organisations, in positions of responsibility. The beneficiaries of our programmes are the participants and their groups or teams, the organisations that they work for and other organisations that they come into contact with. They benefit in three specific ways; first, we take a group dynamics approach to learning that encourages interaction and cross-group development. This enhances the learning effect for all and promotes self-development as well as skills development. Secondly, we promote reflection and feedback as part of our development programmes, giving learners the opportunity to hear others and adapt their behaviour. Thirdly, we promote a continuous learning approach to self-development, reflecting our impact objectives of inclusivity and sustainability.

The opportunity to benefit

The Charity Commission's second principle of public benefit is that the benefit must be to the public or a sufficient section of the public. In particular, people who cannot afford to pay our fees should have the opportunity to benefit in some material way that is related to our aims. Similarly, less "well off" or marginalised people must not be excluded from the opportunity to benefit.

We recognise that the cost of providing top quality development training and working with small groups is high. Whilst our fees are affordable to the majority of people working in positions of responsibility in medium and larger organisations, there will be some, typically those in smaller and not for profit organisations, for whom this may not be the case. Therefore, we specifically address both the availability and accessibility of our work to people in these organisations. We offer discounts to charities and NGOs, for in-house programmes as well as personal discounts to delegates signing onto our open programmes.

More recently, adopting digital technologies has allowed us to benefit learners from other countries, as well as learners who may not be able to physically attend programmes due to illness, disability or learning difficulties. This has widened our reach to encompass individual registrants on our programmes from Asia, Africa, Australia and North America. These programmes were part of the Navigator process, designed to promote knowledge sharing and social connection during the Covid pandemic, for the benefit of all.

We also offer in-kind activities when working with local and national charitable organisations. When not being used for our own training activities, our training facilities are available to and are used by local organisations including charities and local schools.

Details of all our research reports and newsletters are available on our website www.roffeypark.ac.uk. The majority of these, together with guides written by our faculty on leadership and management development, personal effectiveness and organisational development (OD), are available free of charge.

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STRATEGIC REPORT

Achievements and Performance: Review of the year

This has been an extremely difficult year. In the first half, the Institute was performing well against its budgets and targets, in line with the change processes set in train in the previous year by Dr Robert Coles, our CEO. However, the national lockdown has had an extremely negative effect on revenues and has caused a considerable financial deficit to accumulate.

As a measure of our overall charitable impact there were 11,927 (2019:14,045) development training days. Our faculty provided 1,534 days (2019: 2,047 days) of programmes with 43% (2019 39%) taking place on site. As can be seen, this performance represents a severe drop in activity, but one that is not unique to Roffey Park. Adaptive work undertaken during the shutdown, detailed below, will make us far more resilient and able to cope with future shocks of the type we have experienced in the last year.

Our research activity shifted in response to Covid-19 and changes in the workplace. We worked extensively with partners in Singapore, Ireland and the UK to present ideas and thought leadership on the future of work, personal and organisational resilience, the challenge of virtual working and organisational responses to Covid-19, among other topics.

We also took an action research approach to enabling knowledge exchange between the civil administrations of countries around the world on how they had organised and enacted responses to the Covid-19 outbreak and what lessons could be learned for the future.

The 2019-20 Val Hammond Research Competition selected the winning entry as research conducted with social workers in Children's Services in Neath Port Talbot Council in Wales. The paper titled 'The Key to Retaining Talent: the leader's role in creating a supporting & caring culture' focused on the importance of building a supportive and caring culture to influence retention in this sector.

The annual Singapore research report 'Working in Asia: Key HR and leadership priorities for 2020' now in its fifth year, consolidated its international reach, drawing data from Australia, China, Hong Kong, and Singapore. It also included a special section on data regarding responses to Covid-19. Again, responding to Covid-19, we have taken a different approach to the overall report, preparing a series of short articles and thought pieces on mental health, resilience, diversity and inclusion, and responses to Covid-19.

Our partnership with the University of Sussex continues to develop. Our three joint PhD candidates all passed their probationary year successfully, and are now in research mode, focused on the field of the Future of Work. We are redeveloping our Masters in People and OD, to strengthen the depth of teaching and quality of the Masters research outcomes.

We have created a digital learning capacity that did not exist prior to Covid-19; and we are redeveloping all of our portfolio so that it is multi-channel, resilient to future shocks and more widely available to a larger potential learner base than ever in our history. We have made the best out of a difficult year, putting ourselves in the best possible position for the future.

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Last, and by no means least, we have come through the year with all of our staff and community unscathed by Covid-19, something for which we are deeply grateful.

We remain committed to our Asia Pacific and Irish subsidiaries and have recruited facilitators in both locations to develop and deliver programmes locally.

We continue to expand our domestic reach by redeveloping our classroom portfolio into digital, 90 minute modules, that can be bought independently of each other, or combined into a myriad of cross-disciplinary programmes. This will increase both the reach and variety of our offering, and internationalise future cohorts.

We continue to develop partnerships to co-create international programmes, and further widen our reach, mitigating the risks associated with Brexit and Covid-19.

Progress against our charitable objectives for the year

1. To enhance our capability for reach and impact domestically and internationally across different sectors of society:
 - Our reach and impact in the digital/social media space continued to grow despite the Covid-19 disruption, with 215,529 (184,639 last year) website visitors and 6,338 (5,284 last year) social media followers.
 - International training and research revenues as a percentage of total revenues were 13% (15% last year).
 - We provided fee concessions in each of our business streams and as a percentage of total revenues they were 6.7% (7.0% last year).
2. To strengthen our brand and reputation as a thought leader domestically and internationally:
 - We launched our new website toward the end of the financial year, incorporating strong brand and purpose messages, and updating our research and programme offering to the market
 - We continue to build our online presence by regularly publishing optimised content and thought leadership – video, podcast and blogs.
 - We continue to present at domestic and international events on a wide variety of leadership, human resources and organisational development related subjects.
3. To lay down the foundations for further systems improvements for this:
 - Our Salesforce CRM system went live this year, as part of a wider update of our IT systems, including Zoom Rooms, Guestline for the venue, and Breathe HR for staff engagement and management.

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- This included the implementation of two digitally optimised classrooms complete with telepresence robotics for blended class/digital learning. We are the first Executive Education charity to implement this innovative approach.
4. To continue our focus on ensuring financial stability.
- We have cut costs as far as we can in order to retain as much cash in the organisation as possible during the shutdown in the UK
 - We implemented the UK Government furlough scheme to reduce salary costs and protect jobs
 - We applied for CBILs funding in order to protect our ongoing liquidity throughout the shutdown period

Financial Review

Review of the year

Covid-19 had an immediate impact on the Institute when it was declared a pandemic in March 2020 and the site in Horsham was closed to staff and clients. In addition, our tutors were not able to offer face to face training to clients in their own or other premises, so the income generated from March 2020 onwards dropped to very low levels. This situation was mirrored in our Singapore subsidiary. The resulting deficit made for this year was thus £1,594k, based on an income of £4,701k (the income generated last year was £6,704k).

The deficit made meant our cash balances dropped to £400k by year end. We took advantage of the Job Retention Scheme and cut salaries of staff to mitigate the cash outflow. In addition, we were able to secure a CBIL from NatWest of £1m which was made available to us in August 2020. The CBIL does not require any repayment or incur any interest costs for the first 12 months following draw down. Subsequently, it will be repayable over 5 years at an interest rate of 3.74% above base rate.

The site in Horsham reopened to clients and staff in September 2020 before a further near total closure in January 2021 following the lockdown restrictions.

The results for the year ended 31 July 2020 are shown on page 20 of the accounts in the Consolidated Statement of Financial Activities. Our net assets at year end stood at £5.6m

Reserves policy

The group's reserves at 31 July 2020 were £5,622k (2019: £7,215k), there are no restricted funds held. Total designated funds including the revaluation reserves and Val Hammond fund were £253k (2019: £287k). Funds totalling £7,349k (2019: £7,346) were tied up in fixed assets. There were no unrestricted free reserves (2019: £1,276k). The target level of free reserves is for Roffey Park to aim towards having three to four months of funds not committed or invested in land and buildings (the free reserves).

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Subsequent to the year end (February 2021), the bank have issued a reservation of Rights, confirming that as a consequence of the breach an event of default has occurred. They have stated that it is not the present intention of the bank to exercise its rights in connection with the default, but the bank retains all Rights in respect of the breach, and have not waived the default, which constitutes a material uncertainty for the charity.

Subject to the adherence to certain conditions as laid down by the bank and ongoing discussions with Unity, the charity is seeking to revise the covenants attached to the loan going forward.

With the £1m CBIL drawn down in August 2020 the level of reserves was sufficient to cover between two and three months of budgeted expenditure (i.e. currently between £1,000k and £1,500k). A successful implementation of our future plans, described below, will see us achieve this target in 2022.

Going concern

The group has net current liabilities at the balance sheet date totaling £1,727k (2019 net current assets of £1,230k). Following a technical breach of the financial covenant with Unity Bank (note 13), the long term loan has been restated as due in less than one year.

As outlined in the accounting policies in note 1 to the financial statements, in making their assessment of the going concern position of the group, and the preparation of the financial statements on this basis, the Trustees have considered the position, including the impact of the global Covid 19 pandemic, on that assumption.

During the spring and Summer of 2020 we created a digital learning capacity that did not exist prior to the pandemic. We expanded our domestic and international reach by redeveloping our classroom portfolio into digital, 90 minute modules. Adopting digital technologies, along with our new digital learning capacity, has allowed us to continue to offer all of our traditional face to face programmes but in a virtual environment. We are therefore much more resilient to future shocks, such as the recent lockdowns, as all learners, including those unwilling or unable to travel, can benefit from our programmes remotely. As we start quarter three of the new financial year, we already have 75% of our target income for 2021 (£5.8m) confirmed, of which the vast majority is virtual training and thus not at risk of any possible future shutdowns of our premises or clients' premises. The Site at Horsham is able to host events of 'National Importance' currently and if the planned easing of restrictions in the Spring proceed as planned then the Site will be able to open more fully in April.

In August 2020 we drew down the CBIL of £1m to support our cash balances. Further options, including obtaining a second smaller non secured CBIL, are being considered if income generation does stall in the second half of the year.

Looking ahead, the forecasts prepared indicate that our cash balances will remain sufficient to continue trading and therefore it is valid to assume the going concern principle. The forecasts are based on reasonable assumptions, including that the Site at Horsham will reopen fully in late Spring, the market will see a moderate upswing as business sentiment improves and restrictions are lifted as per the timetable set out by the Government. We anticipate that whilst next year will see a return of face to face training there will still be a high demand for programmes to be delivered virtually which

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we are well positioned to deliver and benefit from. The Trustees are closely monitoring performance against forecasts and cash flow projections and are confident that the matters referred to above will continue to be managed effectively. The Trustees and Directors are of the opinion that these measures will be sufficient for the company to continue as a going concern. The financial statements have been prepared on a going concern basis which assumes that the charitable group will be able to continue in operational existence for at least twelve months from the date of approval the financial statements. However, there remains a material uncertainty as described above due to the non waiver of the bank loan breach at the balance sheet date.

Future Plans

We have come through a difficult period, thus far intact. Whilst we are mindful of the financial and market constraints around us, we remain utterly focused on developing ourselves as an independent, alternative voice in Executive Education.

We are examining all our costs carefully, not least those in the areas of business development, marketing and programme delivery. We have set clear and achievable performance targets and implemented a new performance management process to ensure we have positive and transparent conversations about our performance as the year progresses.

We have set both a budget and target for performance this year that reflects a great deal of hard work on the part of all our staff during the lockdown and crisis period. A huge amount of effort went into protecting and keeping our client business with us, engaging with them to offer help, advice and assistance where needed. We also remained active online, in programme development and deployment, launching the Navigator process for organisational recovery successfully, and in business development. So much thanks should go to our staff, who came together as one big team, changed Roffey Park for the better, and made us future ready. It is because of this huge effort that we can look forward with some confidence.

We will rewrite and design all our core programmes to reflect the multi-channel world in which we now operate. We will research with our markets and clients and work to launch new relevant offerings around the world.

We will strengthen our business development and market offering, making sure we are super close to our clients and prospective clients, listening, understanding and responding to their needs.

We will continue to develop the Roffey Park Digital Learning offering, enhancing our reach whilst staying true to our group dynamics and self-directed learning roots.

We remain committed to developing partnerships and alliances to better serve the learning needs of our marketplaces. We are working with institutions in Europe, Singapore and the UK to co-develop research and programmes. We will continue to work with wider initiatives, including diversity and inclusion, intersectionality in learning practice, and partnering with learning organisations in other parts of the world to increase access to learning for minorities.

We will also continue to engage with our local community colleges and groups, seeking to add value to schools and colleges with a particular focus on deprived and ethnic minority children and their

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ability to access education, be successful at University and be competitive in the workplace. We will stand for their aspirations, working with partner colleges and our key partner, the University of Sussex.

There will undoubtedly be stresses in the year ahead. We are mindful of this and will support all our staff as best we can to cope with the stress, dislocation and ambiguities of the year ahead.

- To maintain a rigorous approach to both cost management and margin management to protect and rebuild cash reserves.
- To exceed targets in all locations and all service lines.
- To operate an integrated business development, marketing and portfolio development/delivery plan for each quarter of the year.
- To closely monitor utilisation management and a strict focus on billing for work and eliminating non-billable client time.
- To roll-out a digital, multi-country approach to our open programmes, enabling us to run them around the world, increasing access to learning.
- To develop a strong relational network approach to local colleges and universities, to enable a combined effort in employability for marginalised students of all kinds.
- To complete redesign of all portfolio in all categories by January 2021.
- Launch and scale WSQ and Apprenticeship programming in Singapore and UK.
- To launch our Masters as a global, distance learning offering, with the first global cohort in Spring 2021.
- To continue the excellent work of the UK site team, growing our reputation as a great venue to work, study and learn.
- To recognise and reward the staff of Roffey Park for their hard work and entrepreneurial spirit.
- To increase our research activity in areas related to our five core portfolios, as well as in our dialogic and group-based learning approaches, working in concert with partners to create joint research propositions and seek grant and research council funding.
- To develop our charitable activities locally especially in the area of mental health/wellbeing as well as in the area of care support (through our annual Carers Weekend – now in its eighth year) and other health and wellbeing-related events.
- To participate in the Kickstart scheme for young unemployed, providing opportunities for meaningful jobs and gaining experience, and support our local community.

Statement as to disclosure of information to auditor

The Trustees, who were in office on the date of approval of these accounts, have confirmed that, as far as they are aware, there is no relevant audit information of which the company's auditor is unaware and have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Third party indemnity provision for trustees (directors)

Qualifying third party indemnity provision is in place for the benefit of all trustees (directors) of the company.

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Auditor

RSM UK Audit LLP has agreed to offer themselves for re-election as auditor to the charity.

The Trustees' Annual Report of the Trustees and Directors is approved by order of the Board as trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 30th March 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R. Leek', written in a cursive style.

R. Leek

Chair

Forest Road

Horsham

West Sussex, RH12 4TB

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Statement of Trustees' Responsibilities

The trustees (who are also directors of Roffey Park Institute Limited for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic 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 that give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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Independent auditor's report

Independent auditor's report to the members of Roffey Park Institute Limited

Opinion on financial statements

We have audited the financial statements of Roffey Park Institute Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise as the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent charitable company's affairs as at 31 July 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 .

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

Material uncertainty related to going concern

We draw attention to the going concern accounting policy (note 1) in the financial statements, which indicates that the group has breached its bank loan covenant and therefore that the bank loan is repayable on demand. As stated in the going concern accounting policy, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees and Directors 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.

Roffey Park Institute Limited

Independent auditor's report

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' and Directors' Report and the incorporated Strategic 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 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Zoe Longstaff-Tyrrell (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor, Chartered Accountants

Portland, 25 High Street, Crawley, West Sussex RH10 1BG

1 April 2021

Roffey Park Institute Limited
Consolidated Statement of Financial Activities
(Including Consolidated Income & Expenditure Account)
For the year ended 31 July 2020

		Unrestricted funds	
		2020	2019
	Note	£	£
INCOME from			
Charitable activities			
Education	2	3,824,728	5,458,655
Research		185	99,975
Other trading activities	3	660,483	1,145,009
Other Income			
Job Support Scheme		215,127	-
Total income		4,700,523	6,703,639
EXPENDITURE on			
Raising funds			
Trading activities	3	562,025	821,175
Financing costs		44,968	50,071
Charitable activities			
Education		5,550,437	5,349,794
Research		136,864	254,640
Total	6	6,294,294	6,475,680
NET (EXPENDITURE)/INCOME		(1,593,771)	227,959
NET MOVEMENT IN (EXPENDITURE)/FUNDS		(1,593,771)	227,959
RECONCILIATION OF FUNDS			
Total funds brought forward		7,215,484	6,987,525
Total funds carried forward	15	5,621,713	7,215,484

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

Roffey Park Institute Limited
Company Registration No. 923975
Consolidated and Charity Balance Sheets
At 31 July 2020

	Note	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Fixed assets					
Intangible assets	7	106,121	106,121	16,900	16,900
Tangible assets	8	7,242,529	7,238,573	7,329,356	7,324,901
Investment in subsidiaries	9	-	100	-	100
Total Fixed assets		7,348,650	7,344,794	7,346,256	7,341,901
Current assets					
Stocks	10	33,159	25,507	42,331	36,518
Debtors	11	497,437	810,649	1,172,317	1,036,821
Cash at bank and in hand		398,931	319,972	1,524,848	1,455,834
Total Current assets		929,527	1,156,128	2,739,496	2,529,173
Creditors: amounts falling due within one year	12	(2,656,464)	(2,569,941)	(1,516,231)	(1,381,054)
Net current (liabilities)/assets		(1,726,937)	(1,413,813)	1,223,265	1,148,119
Total assets less current liabilities		5,621,713	5,930,981	8,569,521	8,490,020
Creditors: amounts falling due after more than one year	13	-	-	(1,354,037)	(1,354,037)
Net assets		5,621,713	5,930,981	7,215,484	7,135,983
Total unrestricted funds	15	5,621,713	5,930,981	7,215,484	7,135,983

As permitted by section 408 of the Companies Act 2006, the parent charity's Statement of Financial Activities (including Income and Expenditure account) has not been included in these financial statements. The parent charity's result for the year was a deficit of £1,205,002 (2019: surplus £255,618).

The Board of Trustees approved and authorised for issue the accounts on pages 20 to 37 on 30th March 2021. The accounts are signed on behalf of the Board by:



R. Leek, Chair



A. Ritchie, Director

Roffey Park Institute Limited
Consolidated Cash Flow Statement
For the year ended 31 July 2020

	2020 £	2019 £
a) Cash flows from operating activities		
Net cash (used in)/provided by operating activities (note 18)	(778,418)	443,524
b) Cash flows from investing activities		
Interest paid	(44,968)	(50,071)
Receipts from sale of tangible fixed assets	250	1,083
Interest received	(1,364)	(1,743)
Payments to acquire tangible fixed assets	(255,511)	(175,979)
Net cash (used in)/provided by investing activities	(301,593)	(226,710)
c) Cash flows (repaying)/from financing activities	(45,906)	(54,473)
(Refinancing of loans, property loan repayments)		
d) Change in cash and cash equivalents in the year	(1,125,917)	162,341
Cash and cash equivalents at the beginning of the year	1,524,848	1,362,507
Cash and cash equivalents at the end of the year	398,931	1,524,848

Further details are shown in note 18.

Reconciliation of net cash flow to movement in net debt

(Decrease)/increase in cash in the year	(1,125,917)	162,341
Cash outflow from change in debt	45,906	54,473
	(1,080,011)	216,814
Net debt as at 1 st August	118,194	(98,620)
Net debt as at 31 st July	(961,817)	118,194

	1 August 2019 £	Cash Flows £	Non Cash Movements £	31 July 2020 £
Cash at hand and in bank	1,524,848	(1,125,917)	-	398,931
Bank loans due within 1 year	(1,406,654)	45,906	-	(1,360,748)
Bank loans due over 1 year	-	-	-	-
	118,194	(1,080,011)	-	(961,817)

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020

I. Principal accounting policies

Basis of accounting

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) (second addition effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

No acquisitions took place during the year and all consolidated activities are continuing.

The statement of financial activities (SOFA) and balance sheet consolidate the accounts of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. In accordance with s408 of the Companies Act, no separate SOFA has been presented for the charity alone.

Roffey Park Institute Limited 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.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

Going concern

As at 31 July 2020 Roffey Park Institute Limited had net current liabilities of £1,727k (last year net current assets of £1,223k). Following a technical breach of the financial covenant with Unity Bank (note 13), the long term loan has been restated as due in less than one year.

During the spring and Summer of 2020 we created a digital learning capacity that did not exist prior to the pandemic. We expanded our domestic and international reach by redeveloping our classroom portfolio into digital, 90 minute modules. Adopting digital technologies, along with our new digital learning capacity, has allowed us to continue to offer all of our traditional face to face programmes but in a virtual environment. We are therefore much more resilient to future shocks, such as the recent lockdowns, as all learners, including those unwilling or unable to travel, can benefit from our programmes remotely. As we start quarter three of the new financial year, we already have 75% of our target income for 2021 (£5.8m) confirmed, of which the vast majority is virtual training and thus not at risk of any possible future shutdowns of our premises or clients' premises. The Site at Horsham is able to host events of 'National Importance' currently and if the planned easing of restrictions in the Spring proceed as planned then the Site will be able to open more fully in April.

In August 2020 we drew down the CBIL of £1m to support our cash balances. Further options, including obtaining a second smaller non secured CBIL, are being considered if income generation does stall in the second half of the year.

Looking ahead, the forecasts prepared indicate that our cash balances will remain sufficient to continue trading and therefore it is valid to assume the going concern principle. The forecasts are based on reasonable assumptions, including that the Site at Horsham will reopen fully in late Spring, the market will see a moderate upswing as

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

I. Principal accounting policies (continued)

business sentiment improves and restrictions are lifted as per the timetable set out by the Government. We anticipate that whilst next year will see a return of face to face training there will still be a high demand for programmes to be delivered virtually which we are well positioned to deliver and benefit from.

The financial statements have been prepared on the going concern basis which assumes that the charitable group and the parent charity will be able to continue in operational existence for the foreseeable future. The validity of this assumption depends on the group and the parent charity continuing to meet its day to day working capital requirements. However, whilst the charity's bank have issued a Reservation of Rights letter in respect of the bank loan and breach of the associated covenants at the balance sheet date, they have not issued a waiver of their right to recall the debt. This constitutes a material uncertainty which may cast significant doubt over the ability of the group to continue as a going concern.

Income

Income, including fees receivable and charges for services and use of premises, are accounted for in the period in which the service is provided and are stated net of VAT.

- Income from trading activities include the trading activities of the subsidiary company, Roffey Park Services Limited and bank interest receivable.
- Income received from government grants (the Job Support Scheme) of £215,127 (2019: £nil). There were no unfulfilled conditions in relation to this income and no other assistance received from the UK government in 2020 (2019: nil).
- Charitable activities represent the educational and research activities. Fees receivable are stated after deducting concessions of £263,000 (2019: £460,000). These are available in each of the business streams.

Expenditure

Expenditure is accounted for on an accruals basis.

- Costs of raising funds include the trading activities of the subsidiary company, Roffey Park Services Limited and the financing costs associated with interest on the long term bank loan.
- Charitable activities represent the educational and research activities and include both the direct costs and the support costs relating to them. Expenditure on research is charged to the SOFA as incurred.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. allocating property costs on their usage and staff costs by time spent.

Intangible assets

Intangible assets purchased are only recognised when future economic benefits are probable and the cost of the asset can be measured reliably. Intangible assets are initially recognised at cost and subsequently measured at cost less accumulated amortisation from the point at which the assets come into use. Intangible assets are amortised through the SOFA over the expected useful lives as follows:

Computer software	2 - 5 years
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Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

I Principal accounting policies (continued)

Depreciation

Depreciation of fixed assets is charged by equal annual instalments commencing with the year of acquisition at rates estimated to write off their cost or valuation less any residual value over the expected useful lives that are as follows:

Freehold land	Nil
Freehold buildings	50 years
Grounds store and workshop	20 years
Furniture, fittings and equipment	4 - 10 years
IT equipment	2 - 5 years

Small items of capital expenditure under £500 are expensed through the SOFA and not depreciated.

Operating Leases

Rentals paid under operating leases are charged to the SOFA as incurred.

Stocks

Stocks, including consumables, are valued at the lower of cost and net realisable value, after making due allowance for obsolete and damaged items.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions

Tutorial staff that joined the Institute prior to 30 June 2003 are eligible for membership of the Teachers' Pension Scheme ("TPS").

The TPS is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Under the definitions set out in FRS 102 section 28, the TPS is a multi-employer pension scheme. The Institute is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the Institute has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Institute has set out above the information available on the scheme and the implications for the Institute in terms of the anticipated rates.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

I Principal accounting policies (continued)

As from 1 July 2003 all staff are eligible for participation in a group personal pension plan managed by Standard Life. This is a defined contribution scheme and contributions to the scheme are charged to the SOFA as incurred.

Taxation

Roffey Park Institute Limited is a registered charity and as such its income and gains falling within Sections 466 to 493 of the Corporation Tax Act 2010 or section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objects.

Foreign currency

Transactions expressed in foreign currencies are translated into sterling at rates of exchange approximating to those ruling at the date of transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities (SOFA).

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

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

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management consider there are no significant judgements or key sources of estimation uncertainty impacting amounts recognised in these financial statements.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

2 Education

16% (2019 18%) of the Institute's incoming resources from educational activities have been earned from services performed outside the UK and/or received from clients based outside the UK.

3 Subsidiary Undertakings: Roffey Park Asia Pacific Pte Ltd (RPAP) Roffey Park Services Ltd (RPS) and Roffey Park Institute Ireland CLG (RPE)

RPAP (registered address 600 North Bridge Road, 05-01 Parkview Square, Singapore 188778 and business address 3 Temasek Avenue, Level 21 Centennial Tower, Singapore 039190) undertakes training and research activities and RPS (registered and business address Forest Road, Horsham, West Sussex, RH12 4TB) undertakes lettings activities and provides bar facilities. The charity owns the whole of the share capital of each subsidiary. Their trading results for the year, as extracted from the audited accounts, are summarised below.

	RPAP	RPS	RPAP	RPS
	2020	2020	2019	2019
	£	£	£	£
Turnover	311,548	660,483	356,323	1,145,009
Cost of sales	(349,695)	(225,033)	(282,335)	(378,260)
Gross (loss)/profit	(38,147)	435,450	73,988	766,749
Administration expenses	(243,816)	(336,992)	(235,475)	(442,915)
Other operating income	-	-	-	-
Operating (loss)/profit	(281,963)	98,458	(161,487)	323,834
Corporation tax	-	-	-	-
(Loss)/profit on ordinary activities after taxation	(281,963)	98,458	(161,487)	323,834
Fixed assets	3,956	-	4,455	-
Current assets	56,246	65,493	114,411	211,462
Current liabilities	(406,058)	(29,397)	(182,760)	(67,967)
Net (Liabilities)/assets	(345,856)	36,096	(63,894)	143,495

RPS Trading costs of £562,025 (2019 £821,175), as shown on page 18, comprise cost of sales and administration expenses. On 12th April 2019, a new undertaking of the Charity was incorporated in Ireland (Roffey Park Institute Ireland (RPE), company number 648058). RPE's registered address is Trinity House, Charleston Road, Ranelagh, Dublin, Ireland and its business address is 4-5 Burton Hall Road, Sandford, Dublin, Ireland. It did not trade in the period to 31st July 2019. RPE is a company limited by guarantee, on winding up the Charity is guaranteed to pay £1.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

3 Subsidiary Undertakings: Roffey Park Asia Pacific Pte Ltd (RPAP) Roffey Park Services Ltd (RPS) and Roffey Park Institute Ireland CLG (RPE) (continued)

	RPE 2020 £	RPE 2019 £
Turnover	37,900	-
Cost of sales	(20,137)	-
Gross (loss)/profit	17,763	-
Administration expenses	(17,171)	-
Operating profit	592	-
Corporation tax	-	-
Profit on ordinary activities after taxation	592	-
Current assets	21,834	-
Current liabilities	(21,242)	-
Net Assets	592	-

	2020 £	2019 £
4 Expenditure		
Net expenditure for the year is stated after charging/(crediting):		
Auditor's remuneration - audit	24,350	20,850
- audit RSM Chio Lim LLP	7,100	7,500
- non audit services	9,446	27,139
Operating leases - equipment	71,675	76,390
Depreciation of tangible fixed assets - owned assets	253,117	236,818
(Profit) on sale of tangible fixed assets	(250)	(2,209)
Cost of goods sold	222,627	326,892
Foreign exchange differences	35,473	13,703

	2020 £	2019 £
5 Employees		
Staff costs:		
Wages and salaries	2,888,617	2,745,134
Termination payments	30,000	90,000
Social security costs	295,224	270,528
Pension contributions	167,219	160,571
	3,381,060	3,266,233

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

5 Employees (continued)

	2020	2019
	Number	Number
Average number of staff employed:		
Education	24	26
Research	1	4
Learning Resources and Information Technologies	4	6
Facilities	34	40
Administration and marketing	17	12
	<u>80</u>	<u>88</u>

The number of employees whose emoluments (total pay, vehicle and medical insurance) amounted to over £60,000 in the year was as follows:

	2020	2019
	Number	Number
£60,001 - £70,000	2	3
£70,001 - £80,000	3	6
£80,001 - £90,000	3	1
£90,001 - £100,000	1	1
£100,001 - £110,000	2	-
£110,001 - £120,000	2	-
£140,001 - £110,000	1	-
£150,001 - £160,000	-	1

No trustee received remuneration from the charity during the year.
Trustee indemnity insurance cover was provided.

	2020	2019
	£	£
Out of pocket, travel, subsistence and professional membership expenses incurred by and reimbursed to three (2019 three) trustees totalled:	<u>2,062</u>	<u>2,607</u>

The key management personnel of the group comprise the trustees, the Chief Executive, the Academic Operations Director, the Head of Governance & Legal and Company Secretary, the Head of Finance and the Head of Asia Pacific. The employee benefits of key management personnel for the group was £398,713 (2019: £407,664).

Pension costs

The Charity's employees are eligible for membership of either the Teachers' Pension Scheme (TPS) or the Standard Life Group Personal Pension Plan. However, the TPS was closed to new entrants with effect from 1 July 2003. The total pension cost for the period was £167,219 (2019: £160,571). The Charity did not contribute to the TPS (2019: Nil) and £68,326 (2019: £58,424) to Standard Life for 11 members of staff whose emoluments amounted to over £60,000 in the year.

Standard Life Group Personal Pension Plan

As from 1 July 2003 all staff are eligible for participation in a group personal pension plan. The charity contributes up to 8% of pensionable salary into this defined contribution scheme.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

6 Allocation of governance and support costs

Allocation of support costs within total expenditure:

	Roffey Park Services Ltd	Financing	Education	Research	2020	2019
	£	£	£	£	Total £	Total £
Direct costs	20,343	44,968	2,596,545	27,879	2,689,735	3,170,344
Support costs:						
- IT and Learning Resources	9,039	-	385,782	23,782	418,603	358,541
- Facilities	497,749	-	1,159,521	-	1,657,270	1,756,209
- Admin and Management	25,410	-	947,924	76,991	1,050,325	914,491
- Marketing	9,484	-	350,909	18,968	379,361	209,588
Governance costs	-	-	99,000	-	99,000	66,507
Total	562,025	44,968	5,539,681	147,620	6,294,294	6,475,680

Financing costs include £44,968 (2019: £50,071) of bank interest payable during the year on the property loans.

Governance costs are made up of follows:

	2020	2019
	£	£
Auditors' remuneration	31,450	27,900
Trustee expenses	2,062	2,607
Staff costs	65,488	36,000
	<u>99,000</u>	<u>66,507</u>

7 Intangible assets – Group and Charity

	Computer Software
	£
Cost	
1 August 2019	16,900
Additions	89,221
31 July 2020	<u>106,121</u>
Amortisation	
1 August 2019 and 31 July 2020	<u>-</u>
Net book amount	
31 July 2020	<u>106,121</u>
1 August 2019	<u>16,900</u>

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

8 Tangible fixed assets - Group

	Freehold Land & Buildings £	Furniture & fittings £	IT Equipment £	Total £
Cost or Valuation				
1 August 2019	7,972,647	2,544,761	541,073	11,058,481
Additions	-	96,315	69,975	166,290
Disposals	-	(14,792)	(21,544)	(36,336)
31 July 2020	7,972,647	2,626,284	589,504	11,188,435
Depreciation				
1 August 2019	1,352,711	1,905,287	471,127	3,729,125
Charge for year	73,902	144,694	34,521	253,117
Disposals	-	(14,792)	(21,544)	(36,336)
31 July 2020	1,426,613	2,035,189	484,104	3,945,906
Net book amount				
31 July 2020	6,546,034	591,095	105,400	7,242,529
1 August 2019	6,619,936	639,474	69,946	7,329,356
Historical cost information			2020	2019
			£	£
Cost of revalued land and buildings			7,802,212	7,802,212
Depreciation			(1,413,774)	(1,341,574)
Net book value			6,388,438	6,460,638

Capitalisation and replacement of Institute buildings and equipment

The original Institute land and buildings were professionally valued by N Hodgson ARICS on 19 January 1996 at £2,367,680 on an existing use basis of which £2,034,680 related to the buildings and £333,000 to the land. A later addition to acquire building development land was revalued by the trustees on 31 July 1999 at £260,000 of which £60,000 related to the buildings, now demolished, and £200,000 to the land.

Tangible fixed assets - Charity

	Freehold Land & Buildings £	Furniture & fittings £	IT Equipment £	Total £
Cost or Valuation				
1 August 2019	7,972,647	2,544,761	523,176	11,040,584
Additions	-	96,315	67,362	163,677
Disposals	-	(14,792)	(19,704)	(34,496)
31 July 2020	7,972,647	2,626,284	570,834	11,169,765
Depreciation				
1 August 2019	1,352,711	1,905,287	457,685	3,715,683
Charge for year	73,902	144,694	31,409	250,005
Disposals	-	(14,792)	(19,704)	(34,496)
31 July 2020	1,426,613	2,035,189	469,390	3,931,192
Net book amount				
31 July 2020	6,546,034	591,095	101,444	7,238,573
1 August 2019	6,619,936	639,474	65,491	7,324,901

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

9 Investments

	Charity 2020	Charity 2019
Cost	£	£
I August 2019 and 31 July 2020	<u>100</u>	<u>100</u>

The charity owns the whole of the 100 issued £1 ordinary shares of Roffey Park Services Limited, a company registered in England registration number 5025908 and with the registered address Forest Road, Horsham, West Sussex, RH12 4TB. The subsidiary has a coterminous year-end and is used for non-primary purpose trading activities, namely letting of spare training room and bedroom space at the Institute and bar trading. All activities have been consolidated on a line by line basis in the SOFA and profits are distributed via gift aid to the charity.

The charity owns the whole of the 1 issued S\$1 ordinary shares of Roffey Park Asia Pacific Private Limited, a company registered in Singapore on 23 July 2010. The subsidiary has a coterminous year-end and undertakes training and research activities. All activities have been consolidated on a line by line basis in the SOFA. The charity is a member of Roffey Park Institute Ireland CLG and has 100% effective control, so its results are also consolidated on a line by line basis in the SOFA.

	Group 2020	Charity 2020	Group 2019	Charity 2019
	£	£	£	£
10 Stocks				
Raw materials & consumables	4,552	4,552	8,270	8,270
Stocks for resale	24,607	16,955	30,061	24,248
Teaching aids	4,000	4,000	4,000	4,000
	<u>33,159</u>	<u>25,507</u>	<u>42,331</u>	<u>36,518</u>
11 Debtors				
Trade debtors	272,417	238,573	942,491	758,397
Amounts owed by subsidiary undertakings	-	370,174	-	107,825
Prepaid expenses	224,760	201,642	204,704	164,539
Accrued income	260	260	25,122	6,060
	<u>497,437</u>	<u>810,649</u>	<u>1,172,317</u>	<u>1,036,821</u>
12 Creditors: amount falling due within one year				
Bank loan	1,360,748	1,360,748	52,617	52,617
Trade creditors	392,445	369,356	396,881	357,651
Amounts owed to subsidiary	-	-	-	7,725
Other taxation and social security	55,084	53,169	315,763	267,141
Fees receivable in advance	584,214	553,177	506,453	470,467
Accrued expenses	263,973	233,491	244,517	225,453
	<u>2,656,464</u>	<u>2,569,941</u>	<u>1,516,231</u>	<u>1,381,054</u>

During the year, for the group, fees of £1,930,405 (2019: £1,744,386) were receivable in advance and fees of £1,852,644 (2019: £1,717,238) were released and recognised within the SOFA.

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

	Group & Charity 2020 £	Group & Charity 2019 £
13 Creditors: amount falling due after more than one year		
Bank loan	-	1,354,037
Amount payable:		
In more than one but not more than two years	-	59,267
In more than two but not more than five years	-	190,752
In five years or more	-	1,104,018
	-	1,354,037

The long term loan and short term loan were refinanced in June 2017 into one long term loan. The new bank loan is secured on the freehold property of the Institute. The long term loan is repayable by 30 June 2037 at an interest rate of 2.75% per annum above the Bank of England base rate. Following a technical breach of the financial covenant this year with Unity Trust Bank, the long term loan has been restated as being due within 1 year. Subsequent to the year end (February 2021), the bank have issued a Reservation of Rights, confirming that as a consequence of the breach an event of default has occurred. They have stated that it is not the present intention of the bank to exercise its rights in connection with the default, but the bank retains all Rights in respect of the breach.

14 Financial Instruments

The carrying amount of the Group's financial instruments at 31 July were:

	Group 2020 £	Group 2019 £
Financial assets:		
Debt instruments measured at amortised cost		
Trade debtors	272,417	942,491
Accrued income	260	25,122
Total	272,677	967,613
Financial liabilities:		
Measured at amortised cost		
Bank loans	1,360,748	1,406,654
Trade creditors	392,445	396,881
Accruals	263,973	244,517
Total	2,017,166	2,048,052

Roffey Park Institute Limited
Notes to the Accounts
31 July 2020
(Continued)

15 Total unrestricted funds

	Balance at 1 Aug 2019	Income	Expenditure	Transfers	Balance at 31 July 2020
	£	£	£	£	£
Revaluation reserve	94,345	-	-	(3,136)	91,209
Designated fund:					
Val Hammond Fund	193,009	-	(31,004)	-	162,005
General funds	6,848,629	3,475,465	(4,649,463)	3,136	5,677,767
Charity	7,135,983	3,475,465	(4,680,467)	-	5,930,981
Activities undertaken by Roffey Park Asia Pacific	(63,894)	311,548	(593,510)	-	(345,856)
Activities undertaken by Roffey Park Institute Ireland	-	37,900	(37,308)	-	592
Non charitable trading funds	143,395	660,483	(767,882)	-	35,996
Group	7,215,484	4,485,396	(6,079,167)	-	5,621,713

	Balance at 1 Aug 2018	Income	Expenditure	Transfers	Balance at 31 July 2019
	£	£	£	£	£
Revaluation reserve	97,481	-	-	(3,136)	94,345
Designated fund:					
Val Hammond Fund	172,212	-	(2,000)	22,797	193,009
General funds	6,610,678	5,202,307	(4,944,695)	(19,661)	6,848,629
Charity	6,880,371	5,202,307	(4,946,695)	-	7,135,983
Activities undertaken by Roffey Park Asia Pacific	97,593	356,323	(517,810)	-	(63,894)
Non charitable trading funds	9,561	1,145,009	(1,011,175)	-	143,395
Group	6,987,525	6,703,639	(6,475,680)	-	7,215,484

Depreciation on the revalued assets is transferred to the general fund account. The designated Val Hammond fund is held as cash and was created to provide start up resources for research projects and will be used as and when suitable projects arise. It will be funded by transferring 10% of the surplus made in future years, from the unrestricted general funds. All other assets and liabilities relate to unrestricted general funds.

Roffey Park Institute Limited
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31 July 2020
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15 Total unrestricted funds (continued)

Analysis of assets between funds

	Tangible fixed assets £	Net current assets/(liabilities) £	Creditors over 1 year £	Total as at 31 July 2020 £
Group				
Unrestricted funds				
General	7,257,441	(1,888,942)	-	5,368,499
Revaluation reserve	91,209	-	-	91,209
Val Hammond Fund	-	162,005	-	162,005
	7,348,650	(1,726,937)	-	5,621,713
Charity				
Unrestricted funds				
General	7,253,585	(1,575,818)	-	5,677,767
Revaluation reserve	91,209	-	-	91,209
Val Hammond Fund	-	162,005	-	162,005
	7,344,794	(1,413,813)	-	5,930,981

Analysis of assets between funds

	Tangible fixed assets £	Net current (liabilities)/assets £	Creditors over 1 year £	Total as at 31 July 2019 £
Group				
Unrestricted funds				
General	7,251,911	1,030,256	(1,354,037)	6,928,130
Revaluation reserve	94,345	-	-	94,345
Val Hammond Fund	-	193,009	-	193,009
	7,346,256	1,223,265	(1,354,037)	7,215,484
Charity				
Unrestricted funds				
General	7,247,556	955,110	(1,354,037)	6,848,629
Revaluation reserve	94,345	-	-	94,345
Val Hammond Fund	-	193,009	-	193,009
	7,341,901	1,148,119	(1,354,037)	7,135,983

16 Members' liability

Roffey Park Institute Limited is limited by guarantee of its members, whose maximum number is 50. Each member's guarantee is limited to a sum not exceeding £1

Roffey Park Institute Limited
Notes to the Accounts
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17 Guarantees and other financial commitments

The company, under a group VAT registration, is jointly and severally liable for Value Added Tax due by Roffey Park Services Limited. At 31 July 2020 this amounted to £46,343 (2019: £226,471). At year end, the Charity had committed to capital expenditure of £194,000.

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

	2020	2020	2019	2019
	Group	Charity	Group	Charity
	£	£	£	£
Due within 1 year	85,396	22,496	62,149	32,399
Due between 2 and 5 years	119,269	91,269	53,391	53,391
Due over 5 years	7,204	7,204	-	-
	<u>211,869</u>	<u>120,969</u>	<u>115,540</u>	<u>85,790</u>

18 Consolidated cash flow statements

Reconciliation of net expenditure to net cash flow from operating activities

Net movement in expenditure for the year

Adjusted for:

Investment income

Interest payable

Depreciation

(Profit) on disposal of fixed assets

Decrease/(Increase) in stocks

Decrease/(increase) in debtors

(Decrease)/increase in creditors

Net cash (used up)/provided by operating activities

2020	2019
Group	Group
£	£
(1,593,771)	227,959
1,364	1,743
44,968	50,071
253,117	236,818
(250)	(2,208)
9,172	(1,601)
674,880	(263,819)
<u>(167,898)</u>	<u>194,561</u>
<u>(778,418)</u>	<u>443,524</u>

19 Related party transactions

During the year, the charity entered into the following transactions with related parties:

Group companies

	2020	2019
	£	£
Sales	222,547	76,039
Purchases	(44,216)	(19,828)
Recharge of costs	621,222	818,573
Gift Aid received	205,884	190,000
Amounts owed to the Charity at the year end	<u>370,174</u>	<u>233,934</u>

Roffey Park Institute Limited
Notes to the Accounts
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20 Post balance sheet events

In August 2020 the Charity secured a coronavirus business interruption loan (CBIL) from NatWest bank of £1m to support its future working capital requirements. It was drawn down on 10th August 2020. The loan is secured on the property as a second charge behind Unity Trust Bank and is repayable over 6 years at an interest rate of 3.74% above base rate. In the first 12 months following draw down year there is no requirement to make any repayments and no interest cost will be accrued.