

Lantra (a company limited by guarantee)
Trustees' Annual Report and Consolidated Financial Statements
For the year ended 31 March 2016



Charity no 1022991
Scottish Charity no SC039039
Company no 2823181

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Chair's Report

I am pleased to introduce Lantra's 2016 Annual report which highlights our activities to support skills development within the land-based and environmental sector. In line with our founding principles our work has been employer-led and we continue to foster close links with the land-based industries to ensure that we identify and respond to skills needs.

Our key charitable objective is the promotion of education and training and we continue to deliver this objective through both our Awarding Organisation activity delivering both qualification and training solutions and through funded project activity. As an Awarding Organisation we are regulated by the four regulatory bodies for England, Scotland, Wales and Northern Ireland.

Policy uncertainty has been the dominant feature of the last twelve months especially in relation to the introduction of new apprenticeship standards (Trailblazers) in England and the future of National Occupational Standards across UK. Lantra has been actively supporting a variety of industry-led "Trailblazer" groups to develop new apprenticeship standards and assessment strategies. Much of this work (c. £130k) has been funded from Lantra's own resources in the absence of government funding for standards development.

In Wales Lantra successfully bid for one lot of the new "Farming Connect" programme and is the main sub-contractor on a second lot. In Scotland we continue to deliver the "Scottish Government Work Plan" secured last year, while in Northern Ireland, two further skills related projects for Prince's Countryside Fund and Ulster Wildlife have been secured and started delivery. I am particularly pleased that Lantra has successfully delivered twelve "Safety and Health Awareness Days" for farmers, on behalf of Health and Safety Executive (HSE), and secured a further contract for 2016/17. It is encouraging to see that despite continued downward pressure on government funding Lantra remains a valued partner.

Elsewhere in the business the new website was successfully launched and well-received; also the new "Skills+" software has been developed and deployed with all customers successfully migrated. ISO27001 (Information Security Management) accreditation has been achieved for this part of the business.

The land-based sector continues to face difficult economic challenges with business incomes under pressure and a consequent effect on training budgets. Competition in the training and qualifications market has also intensified affecting Lantra's income from technical awards and qualifications. This has been offset to some extent by stronger than expected demand from the highways sector where our income has risen by 13%.

The number of individuals directly benefiting from Lantra's activities is a key measure of the Charity's impact and it is satisfying to note that Lantra has exceeded its target by up-skilling 85,705 people in the year.

My thanks go to the Board for their wise counsel and guidance, and to all the staff who have worked tirelessly through the year, and who continue to give their dedicated support to this important sector.



Valerie Owen OBE

Chair

Trustees' Annual Report

The Trustees present their annual report, which incorporates the strategic report, with the audited financial statements for the year ended 31 March 2016.

Trustees and advisors

Details of Trustees and advisors are included on pages 31 and 32.

Raising Skills, backing business

Lantra is a charity, and the Sector Skills Council for the land-based and environmental sector.

Our objective is to work closely with employers and stakeholders to ensure that businesses can attract new entrants and develop the skills to reduce risk and improve productivity.

Financial Review

For 2015-16 Trustees approved a deficit budget of (£167,000) partly to fund retention of staff while new project contracts were negotiated. The financial statements show Lantra making a surplus of £281,194 (2015 deficit £103,701). In addition Lantra made a one-off payment to £750,000 to substantially decrease its pension deficit and reduce future interest payments. As a result reserves were increased to £2,388,024 (2015: £2,106,830 restated from £3,259,331).

Income

Total income for the year was £5,221,710 (2015: £6,030,528). This was generated from the provision of education and training services to employers, £3,497,502 (2015 £3,422,265), from grants and contracts secured from Government departments and agencies, £1,242,355 (2015: £2,149,298) and from activities to generate funds, £440,214 (2015 £448,087). Lantra does not undertake any fundraising activity.

All funds have been allocated to support charitable activities including costs associated with awarding and learner support, and general administrative expenditure.

Expenditure and net income

The Group incurred total expenditure for the year of £4,904,965 (2015 £6,131,694).

The Group generated net incoming resources for the year of £281,194 (2015: net outgoing resources of £103,701). Upskill UK Limited made a profit of £1,862 (2015: loss £932). Lantra Awards did not trade in the 12 months to 31 March 2016.

The Group has sufficient assets at the end of the year to meet its commitments and to support its future plans.

Trustees' Annual Report

Reserves policy

During the year the Trustees reviewed the level of reserves which are held in order to:

- Underwrite funding of the Charity's activities against periods of deficit
- Provide initial funding for the development of new services
- Provide confidence to external funding agencies that the Charity is prudently controlled
- Discharge all the Charity's obligations should it cease operations.

The recent ITB Pension Funds figures indicate that Lantra has a buyout debt of £16.9 million. However, the Trustees consider that the likelihood of this being triggered is relatively small. In consideration of the above they have set the reserves needed at a minimum of £1.5m, with a very long-term aim to work towards £16.9m provided this does not unduly damage the charitable objectives.

The Charity holds reserves of £2,38m, these are held to cover the wind up costs of Lantra of £1.1m and to provide a cushion against pension deficits which may arise as a result of actuarial valuations and to provide funds to undertake project activity which addresses the current shortage of new entrants in to the sector.

The level of unrestricted reserves held at 31 March 2016 for the Group was £2,379,413 (2015: £2,106,830 restated) and for Lantra £2,379,109 (2015: £2,108,391 restated) as shown in the balance sheet on page 18. There are no reserves which are in deficit at 31 March 2016.

Investment policy

Lantra does not hold any material investments beyond bank deposits and its investments in group companies.

The investment policy is reviewed annually taking account of the Charity's assets and future cash requirements. By adopting a short-term deposit strategy the Trustees seek to ensure a reasonable income return while retaining sufficient overall liquidity for the needs of the Charity.

Lantra does not make any social investments.

Financial risk management

The policies for managing risk are summarised below and remain unchanged from the previous year.

Interest rate risk

The Charity considers movements in interest rates to be the main financial risk. The Charity has a policy of maximising the returns on cash held by investing in high interest bank accounts in institutions of reputable standing.

Trustees' Annual Report

Outlook

The plan agreed by Trustees in 2015/16 in response to significant reductions in government funding remains on track with the operating deficit eliminated ahead of plan. Lantra will continue to focus on building sustainable income in order to fund the delivery of its charitable objectives.

Taxation status

Lantra and its subsidiary, Lantra Awards Limited, are exempt from corporation tax on their charitable activities. Upskill UK Limited will pay tax on profits generated in the future.

Third party indemnity provision for Trustees

Qualifying third party indemnity provision is in place for the benefit of all Trustees of the Charity.

Achievements and Performance

The work of the Charity has concentrated on providing increased access to qualifications and training; ensuring that provision is fit for purpose in the modern land-based sector. At the same time Lantra utilises available funding to build services to support individuals and businesses including providing business advice, support in finding learning solutions, identifying skills needs and advising on careers in the sector.

Increasing access to learning and qualifications

Lantra continues to develop new training courses and qualifications and to grow our network of accredited providers and instructors to increase the access to training and learning opportunities. This year Lantra has recruited 50 new instructors and added skills to a further 77 instructors. In addition, 52 new providers have been added to the quality assured network. More than 85,000 individuals have been developed through some form of training or qualification during the year.

Developing Standards

Much work has been focused on supporting the development of new "Trailblazer" apprenticeship standards in England including those for Agriculture, Arboriculture, Forestry, Animal Care, Fencing, Environmental Conservation, Horticulture and Landscaping, and Veterinary Nursing and National Highways and Sector Schemes. In Scotland new Modern Apprenticeships have been developed for Rural Skills and Aquaculture.

Lantra has also been active in developing and reviewing National Occupational Standards including Aquaculture, Land-based Engineering and a Welsh translation of para-professional standards. Scottish Vocational Qualifications in Aquaculture, Animal Care and Environmental conservation have also been reviewed and updated.

Recognising the professionalism of the sector and promoting continuous professional development

Trustees' Annual Report

During the year Lantra has fully redeveloped its Skills+ system which is an online platform to support professional frameworks, enable individuals and businesses to assess staff against these frameworks and plan and manage skills development. The new system is in use across a variety of industries including poultry production, arboriculture and bioscience research.

Promoting the sector to new entrants

Lantra continues to promote land-based careers as positive choice through a variety of online resources, social media communications and a programme of events, meetings and workshops to engage careers advisors and potential new entrants. To raise the profile of careers in the sector Lantra also runs showcase Land-Based and Aquaculture Learner of the Year Awards events in both Scotland and Wales and sponsors a "Commitment To Training Award" at the Farming Life Danske Bank Awards in Northern Ireland.

Plans for future

Lantra will continue to focus on improving provision of and access to education and training that raises skills in the land-based and environmental sector. We do this by developing high quality training and qualifications delivered through a growing network of quality assured training providers and instructors. Maintaining close links to employers to ensure that training and qualifications are highly relevant to their businesses remains a core requirement for our continued success.

Good progress has been made in building higher levels of engagement with training providers and this will continue; for 2016-17 we will also put more investment into instructors, including the creation of a dedicated team to manage and support this important network.

Maintaining the quality of our training and qualification products while getting them to market in time to meet customer needs is critical for Lantra. Our new product management process with embedded quality gateways should ensure that we meet this requirement.

While the funding environment for skills related projects remains challenging it is vital for Lantra to ensure effective delivery of existing projects and demonstrate their positive impact. This will enhance Lantra's reputation as a reliable delivery partner and increase our chances of securing further funding and diversifying funding partners.

We measure our success through a range of performance indicators including the number of quality assured providers and instructors, the number of individuals and businesses who benefit directly from Lantra's support.

Governance and management

Governing document

The Charity (Lantra) is a company, limited by guarantee and incorporated on 2 June 1993, it has no share capital. Its Memorandum and Articles of Association were last updated on 30 July 2015. The Charity has two wholly owned subsidiaries, each governed by their own Memorandum and Articles of Association.

Trustees' Annual Report

- Lantra Awards Limited; a charity whose business was transferred into Lantra on 1 July 2011 and is now dormant
- Upskill UK Limited; a company incorporated on 28 August 2007, to take forward the commercial opportunities.

The term 'Group' refers to the combined activity of Lantra, and its subsidiaries.

Appointment of Trustees

Trustees are appointed independently with recruitment and selection based on an assessment of the skills and experience needed. This assessment is updated regularly. Recruitment is planned to replace Trustees as their term of office expires and to fill casual vacancies as they arise.

Trustee induction and training

Incoming Trustees receive induction to ensure that they understand the charitable aims and strategic objectives of the Charity as well as the operation of the business and the duties and responsibilities of a Trustee. Performance of the Board and of individual Trustees is reviewed on an annual basis. Training and development is undertaken to ensure that knowledge and skills are appropriately maintained.

Organisational structure

The organisation structure consists of the main Board supported by the Audit and Quality Committee and the Remuneration Committee.

The Board of Trustees is comprised of not less than nine nor more than thirteen competent individuals; Trustees who served during the year were:

Valerie Owen OBE (Chair)
Tim Brigstocke MBE (resigned 4 November 2015)
Richard Capewell
Henry Graham
Dr David Llewellyn (resigned 1 December 2015)
Richard Longthorp OBE
Dr Stephanie Race
Peter Rees (appointed 1 October 2015)
Nigel Titchen
Campbell Tweed OBE (resigned 1 June 2016)
Stephen Vickers
Dr Lionel Walford (resigned 2 July 2015)

Trustees appointed since 31 March 2016 are:

Richard Clarke (appointed 1 May 2016)
Dr Geoffrey Mackey (appointed 1 May 2016)
Ian Marshall (appointed 1 June 2016)
Dr Geraldine Newton-Cross (appointed 1 May 2016)

Trustees' Annual Report

The Board of Trustees meets at least on a quarterly basis to ensure that the Charity is meeting its charitable objectives and remains financially sound. Trustees provide the strategic direction for the Charity and agree operational plans which are implemented by the Executive Team. Trustees regularly monitor strategic and operational performance through regular reports against agreed metrics and targets.

Related parties

Lantra as a Sector Skills Council (SSC) is part of a wider network of Sector Skills Councils licensed by Government. All these organisations share common goals and objectives but are entirely independent of each other.

Pay and remuneration of key management

The remuneration of all staff including key management is benchmarked using the Hays system against an approximation of the local authority salary base for the West Midlands. Based on this benchmark the key management team receive pay rises in line with all other staff in the Charity. In addition key management receive a bonus based on the achievement of performance targets set by the Trustees at the beginning of the year.

Risk management and internal control

The Trustees, through the Audit and Quality Committee, undertake a regular review of risks to ensure that appropriate measures are in place to control and mitigate them. In addition the Audit and Quality Committee undertakes quarterly reviews of the risk register. The Board and Audit and Quality Committee also consider any risks which may arise as a result of new activities or areas of work being considered by the Charity.

Lantra acknowledges its responsibility for maintaining a sound system of internal control to safeguard assets and resources and support the achievement of its charitable objectives. We recognise that any internal control processes are designed to manage risks rather than eliminate them. Lantra's system of internal control involves an ongoing process to identify and evaluate the nature and extent of the main risks which could affect achievement of our objectives, and to manage them efficiently, effectively and economically. This process has been in place throughout the 12 months ended 31 March 2016.

Key features of the system of internal control are:

Procedures for identifying the organisation's key risks in relation to its objectives:

- The development of the internal control strategy and risk management policy
- The allocation of risk ownership
- The use of internal audit and quality systems compliant with ISO 9001:2008
- Procedures for ensuring that aspects of risk management and internal control are regularly reviewed and reported on
- Systems for ensuring compliance with specific regulations or procedures laid down by key external parties and
- The Audit and Quality Committee reviews the systems and procedures in place against the risk schedule to provide guidance to the Executives.

Trustees' Annual Report

The key risks facing the organisation have been grouped into five main areas:

- Market – decline in demand for Lantra's products/services if we lose touch with customer requirements or fail to deliver appropriate service
- Business Operations – impact on our business if our internal processes and/or communications are not efficient and effective
- Policy Environment – change in government's policies and reduced levels of project funding
- Business Environment – intensification of competition from existing or new competitors.

These risk areas are reviewed in detail by the Audit and Quality Committee every three months. They review any changes to these risks, any new risks emerging and they consider the actions which are being taken by the company to mitigate those risks.

The key strategies and plans to manage these risks are:

- Plan 1 – Lantra has a variety of mechanisms for gathering feedback and intelligence from customers and end-users of our products and services. These include; feedback from sales team and other market/customer-facing staff, regular training provider "road shows", running various industry groups and/or attendance at other industry groups. Information from these sources is collated and reviewed to ensure that Lantra understands and responds to customer/market requirements.
- Plan 2 – Lantra has a well-developed and documented set of work processes with key performance indicators (KPIs) which are reported and reviewed on a monthly basis. There is an ongoing programme to improve both efficiency and customer-experience through greater use of technology including wider use of online ordering. Having updated and improved our technology infrastructure in 2015/16 we plan to use external advisors to identify and evaluate other areas where process improvement can benefit the organisation.
- Plan 3 – In an uncertain and evolving policy environment ongoing reduction in public funding are the only constant theme. Lantra keeps abreast of policy changes through a variety of forums (FISSS, AO Forum, etc...) and by maintaining regular direct contact with UK and devolved government departments and other agencies such as Skills Funding Agency. A process is in place to manage, scrutinise and risk-assess any bids for public funding. Employment arrangements in parts of the business dependent of public funding are designed to maintain maximum flexibility so the business can respond quickly to any changes.

Health and safety

Lantra has an identified Health and Safety Officer and a network of health and safety representatives across the organisation to maintain standards. Health and Safety is regularly reported on and reviewed both by management and by the Board of Trustees.

Support of volunteers

The Charity is supported by the work of a significant number of volunteers who freely provide their time to attend to steering and advisory groups. In addition, businesses make their time freely available to help provide research information and assist in the development of occupational standards and frameworks. It is difficult to put a value on this contribution, but to buy in this level of support would have cost Lantra a minimum of £300,000.

Trustees' Annual Report

Grant making policy

Lantra does not make or offer grants to individuals or businesses from its own reserves. The majority of its income is generated for the purpose of skills development in land-based and environmental businesses. Lantra does seek funding from government agencies on behalf of the sector for specific training and development outcomes. In this case Lantra acts as facilitator and passes on government grants.

Scottish activity

The Office of Scottish Charity Regulator (OSCR) requires certain additional information to be provided with regard to Lantra's operation in Scotland, which is laid out in the paragraph below.

The aims and objectives of Lantra in Scotland are consistent with those for the rest of the UK. Lantra operates across all four countries of the UK, with key functions and support services provided from our head office. Lantra's team in Scotland, undertakes a range of activities to support skills development in the land-based and aquaculture sector, including promotion of careers, celebrating the achievements of land-based learners (e.g. at the Royal Highland Show and Land-Based and Aquaculture Learner of the Year Awards), and employer engagement to promote the benefits of training and development and to influence skills policies and funding.

Scotland staff also work with specialist head office-based colleagues to develop, promote and review National Occupational Standards, Scottish Vocational Qualifications and Modern Apprenticeship frameworks. Lantra received £456,000 funding from Scottish institutions in 2015/16, and incurred £345,000 of costs locally. These costs exclude support from non-Scotland based staff and costs of providing the standards and qualifications development services which are applicable to Scotland but funded separately.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Lantra for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 Company and 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 Charity's SORP
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable 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 and the Group will continue in business.

Trustees' Annual Report

The Trustees are responsible for keeping adequate and proper 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, and with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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 confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the Charitable Company's auditors are unaware and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities.

Auditors

Moore Stephens LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the Charity receives notice under Section 488(1) of the Companies Act 2006.

Signed on behalf of the Board of Trustees



Valerie Owen OBE
Chair

Date: 15/8/16

Company number: 2823181

Independent auditor's report to the members of Lantra

We have audited the financial statements of Lantra for the year ended 31 March 2016 which comprise the principal accounting policies, the group statement of financial activities, the company statement of financial activities, the group and company balance sheets and the group cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charity's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body and its Trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 9-10, 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.

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charitable Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditor's report to the members of Lantra

Opinion on financial statements

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 March 2016 and of the Group's and the parent charitable company'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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- is otherwise misleading.

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.


Nicholas Simkins (Senior Statutory Auditor)

for and on behalf of

Moore Stephens LLP

Statutory Auditor

Chartered Accountants

BIRMINGHAM

31 / 8 / 2016

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Principal accounting policies

General information

Lantra is a private limited company limited by guarantee and domiciled in England and Wales.

The Registered office is Lantra House, Stoneleigh Park, Coventry, CV8 2LG.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (revised 2015), 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 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Lantra meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention except that certain investments are held at market value.

Reconciliation with previous Generally Accepted Accounting Practices

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement of the parent charity to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £17,436.

An additional liability recognised at the date of transition was for the pension deficit carried forward and arising in the year. The initial liability was for £1,135,065.

No other restatements were required. In accordance with the requirement of FRS 102 a reconciliation of opening balances is provided.

	31 March 2015 £	1 April 2014 £
Reconciliation of group funds and balances		
Fund balances as previously stated	3,259,331	3,364,132
Short term compensated absences	(17,436)	(18,536)
Pension deficit	(1,135,065)	(1,135,065)
Fund balances restated	2,106,830	2,210,531

Principal accounting policies

Basis of consolidation

The Group financial statements consolidate those of Lantra and its wholly owned subsidiary Upskill UK Ltd on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Income from grants and government contracts

The Charity carries out work for government bodies and undertakes European funded projects; income under these contracts is recognised once milestones attached to the income have been met.

Deferred income is recognised in the balance sheet when the Charity has received income in advance of milestones relating to that income being delivered.

Investment income is included when receivable.

Resources expended

All expenditure is accounted for on an accruals basis as a liability is incurred and has been classified under headings that aggregate all costs related to the category. Direct staff costs and overheads are allocated between charitable activities on the basis of estimated time spent on each project. Support costs are those incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with statutory requirements.

Fixed assets and depreciation

Tangible fixed assets are stated at cost net of depreciation. The cost of minor additions or those under £250 are not capitalised. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expended useful lives. The rates generally applicable are:

Long leasehold premises	4%
Training and office equipment and computers	20%
Telephony equipment and computers	33%
Office furniture	20%
Software and website development	33%

Principal accounting policies

Investments

Investments held as fixed assets are held at market value. Where investments are unlisted companies and the market value cannot be readily obtained the Trustees have based the valuation on the net assets of the subsidiary at the balance sheet date.

Stocks and work in progress

Stocks of training aids and publications are expended in the year and no value is recognised at the period end.

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.

Retirement benefits

Pension Scheme

The Charity participates in the ITB Pension Funds, a defined benefit scheme, which is externally funded and has its own direct contribution stakeholder pension. The fund is valued at least every 3 years by a professionally qualified independent actuary with the rates of contribution payable being determined by the Trustees on the advice of the actuary. The scheme operates as a pooled arrangement. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Charity.

In these circumstances, contributions are accounted for as if the scheme was a defined contribution scheme based on actual contributions paid through the year with the amount charged to the Statements of Financial Activities in respect of pension costs and other post-retirement benefits being the contributions payable in the year.

Leased assets

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease. Operating leases are where the risks and rewards of ownership remain with the lessor.

Restricted funds

Lantra receives some restricted income which can only be used for specified purposes as stated by the funder. Each type of restricted fund is accounted for and separately identified in the accounts.

Principal accounting policies

Unrestricted funds

Unrestricted funds are incoming resources received or generated for charitable purposes and are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the Financial Statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Transition to FRS 102

The opening fund balances at the date of transition have been restated (see above) due to a liability for holiday pay and pension deficit but no subsequent restatement of items has been required in making the transition to FRS 102. The transition date was 1 April 2014.

**Group statement of financial activities for the year ended 31 March 2016
(incorporating the income and expenditure account)**

		Unrestricted funds £	Restricted funds £	31 March 2016 £	31 March 2015 Restated £
INCOMING RESOURCES	Note				
Incoming resources from generated funds					
Other trading activities	1	439,443	771	440,214	448,087
Income from investments	2	37,580	2	37,582	9,375
Income from Charitable activities					
Awarding and Learning Grants and other Government contracts		3,497,502		3,497,502	3,422,265
Other services provided	3	1,232,389 4,077	9,946	1,242,335 4,077	2,149,298 1,503
Total group incoming resources		<u>5,210,991</u>	<u>10,719</u>	<u>5,221,710</u>	<u>6,030,528</u>
RESOURCES EXPENDED					
Expenditure on raising funds		524,235	2,003	526,238	617,978
Expenditure on Charitable activities		4,368,381	10,346	4,378,727	5,278,507
Interest on pension fund deficit		-	-	-	235,209
Total resources expended	4	<u>4,892,616</u>	<u>12,349</u>	<u>4,904,965</u>	<u>6,131,694</u>
Net income / (expenditure)		318,375	(1,630)	316,745	(101,166)
Actuarial gains/(losses) on defined benefit pension schemes		(35,551)	-	(35,551)	(2,535)
Net movement in funds		282,824	(1,630)	281,194	(103,701)
Total funds brought forward		2,096,589	10,241	2,106,830	2,210,531
Total funds carried forward	11/12	<u>2,379,413</u>	<u>8,611</u>	<u>2,388,024</u>	<u>2,106,830</u>

All activities during the period are classed as continuing.

The accompanying accounting policies and notes form an integral part of these financial statements.

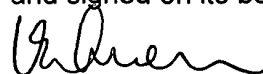
The Charity has taken advantage of section 408 of the Companies Act 2006 to not publish its own Statement of Financial Activities.

Consolidated Balance sheet as at 31 March 2016

		Group		Company	
		31 March	31 March	31 March	31 March
		2016	2015	2016	2015
	Note	£	restated	£	restated
			£		£
Fixed assets					
Tangible fixed assets	7	353,884	294,558	353,884	294,252
Investments	8	-	-	102	102
		353,884	294,558	353,986	294,354
Current assets					
Debtors	9	886,016	1,372,001	886,016	1,373,877
Cash at bank and in hand		2,268,454	2,858,624	2,267,505	2,857,582
		3,154,470	4,230,625	3,153,521	4,231,459
Creditors: amounts falling due within one year	10	(1,040,446)	(1,283,288)	(1,039,903)	(1,282,357)
Net current assets		2,114,024	2,947,337	2,113,618	2,949,102
Total assets less current liabilities		2,467,908	3,241,895	2,467,604	3,243,456
Creditors falling due outside one year	10	(79,884)	(1,135,065)	(79,884)	(1,135,065)
Net assets	13	2,388,024	2,106,830	2,387,720	2,108,391
Income funds					
Unrestricted funds	11	2,379,413	2,096,589	2,379,109	2,098,150
Restricted funds	12	8,611	10,241	8,611	10,241
		2,388,024	2,106,830	2,387,720	2,108,391

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The financial statements were approved by the Board of Directors on 15th August 2016 and signed on its behalf by:



Valerie Owen OBE
Chair

Company number: 2823181

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Cash Flows and Consolidated Statement of Cash Flows for the year ended 31 March 2016

	Note	Group 31 March 2016 £	Group 31 March 2015 £	Charity 31 March 2016	Charity 31 March 2015
Net cash provided by (used by) operating activities	16	<u>(498,364)</u>	<u>331,390</u>	<u>(473,595)</u>	<u>328,441</u>
Cash flows from investing activities					
Interest received	2	37,582	9,375	12,906	13,386
Purchase of fixed assets	7	(129,388)	(6,667)	(129,388)	(6,667)
Proceeds from the sale of fixed assets		-	-	-	-
		<u>(91,806)</u>	<u>(2,708)</u>	<u>(116,482)</u>	<u>6,719</u>
Net cash provided by (used in) financing activities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		<u>(590,170)</u>	<u>334,098</u>	<u>(590,077)</u>	<u>335,160</u>
Cash and cash equivalents at the beginning of the year		2,858,624	2,524,526	2,857,582	2,522,422
Cash and cash equivalents at the end of the year		<u>2,268,454</u>	<u>2,858,624</u>	<u>2,267,505</u>	<u>2,857,582</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements

1. Analysis of activities for generating funds

	31 March 2016 £	31 March 2015 £
Sale of Animal Care workbooks	14,798	9,057
MA certification	87,811	86,943
Room hire	62,438	76,827
Skills Manager sales	163,510	152,560
National Occupational based products	9,609	24,898
Consultancy	79,934	32,772
Other	22,114	65,030
	<u>440,214</u>	<u>448,087</u>

The income from activities for generating funds was £440,214 (2015: £448,087) of which £439,443 was unrestricted (2015: £448,087) and £771 was restricted (2015: £nil).

2. Investment income

	31 March 2016 £	31 March 2015 £
Interest on pension fund deficit	28,732	-
Interest receivable	8,850	9,375
	<u>37,852</u>	<u>9,375</u>

The income from investment activities was £37,852 (2015: £9,375) with £37,580 unrestricted (2015: £9,373) and £2 restricted (2015: £2).

Lantra is charged interest on its pension fund deficit at the equivalent rate of return the pension fund makes. During parts of the year to March 2016 this was negative leading to Lantra receiving an interest credit. In the year to March 2015 Lantra had incurred an interest cost (£235,209 which is included within resources expended in note 4).

3. Analysis of grants and other Government contracts

	31 March 2016 £	31 March 2015 £
Other Government contracts	935,290	1,827,176
Other UKCES contracts	274,933	262,272
Agency contracts	32,112	59,850
	<u>1,242,335</u>	<u>2,149,298</u>

The income from grants and other Government contracts was £1,242,335 (2015: £2,149,298) with £1,232,389 unrestricted (2015: £2,126,548) and £9,946 restricted (2015: £22,750).

Notes to the financial statements

4. Analysis of total resources expended

	Direct costs £	Staff costs £	Operating costs £	31 March 2016 £	31 March 2015 Restated £
Costs of generating funds	254,591	236,872	34,775	526,238	617,978
Charitable Activities:					
Awarding and Learning	669,304	1,938,565	286,327	2,894,196	2,893,790
Grants and Contracts	373,239	909,240	202,052	1,484,531	2,384,717
Interest on pension fund	-	-	-	-	235,209
Total	<u>1,297,134</u>	<u>3,084,677</u>	<u>523,154</u>	<u>4,904,965</u>	<u>6,131,694</u>

- Costs have been allocated to activities based on the estimated time spent by staff members
- Costs have been allocated based on direct costs attributable to each activity.

Total expenditure in the year was £4,904,965 (2015: £6,131,694) with £4,892,616 unrestricted (2015: £6,104,375) and £12,349 restricted (2015: £27,319).

Notes to the financial statements

5. Information regarding directors and employees

	31 March 2016 £	31 March 2015 £
Valerie Owen OBE emoluments	<u>26,269</u>	<u>25,000</u>

During the financial year in accordance with the Memorandum and Articles of Association of the Charity the sum of £26,269 was paid to Valerie Owen (the Chair of the Charity's Board of Directors) for consultancy services which the Chair provided to the Board during the year.

This year the Charity paid no other Trustees for additional work undertaken in line with its Articles of Association (2015, no remuneration was paid to any Trustees).

Expenses were reimbursed to 15 Trustees which amounted to £8,846 (2015: 10 Trustees £10,531).

Pension contributions worth £906 were made on behalf of the Chair (2015: £2,175).

Pension contributions worth £nil were made on behalf of any other Trustee (2015: £nil).

The total remuneration paid to key management personnel for their services provided to the Charity was £245,671 (2015: £247,932).

The average number of persons (including executive directors) employed during the year was:

By activity	2016 Number	2015 Number
Government Contracts	18	21
Awarding and Learning	41	42
Central Services	17	15
Total	<u>76</u>	<u>78</u>

	31 March 2016 £	31 March 2015 £
Staff costs (for the above persons)		
Salaries and wages	2,430,945	2,488,309
Social security costs	209,703	215,906
Pension costs	131,871	459,489
Restructuring costs	32,129	70,370
	<u>2,804,648</u>	<u>3,234,074</u>
Travel/Subsistence and other staff related costs	279,223	372,727
Total per note 4	<u>3,084,677</u>	<u>3,606,801</u>

Notes to the financial statements

5. Information regarding directors and employees (continued)

The number of staff whose emoluments for the year (including taxable benefits) exceeded £60,000 were as follows:

	31 March 2016 Number	31 March 2015 Number
£60,000 – £69,999	2	1
£70,000 – £79,999	-	1
£80,000 – £89,999	-	1
£90,000 – £99,999	1	1
£100,000 – £109,999	1	-
£120,000 – £129,999	-	-

Pension contributions made on behalf of higher paid staff amounted to £25,112 for the year (2015: £29,069 with no one off payments within the year).

The number of higher paid staff to whom retirement benefits are accruing is 3 (2015: 4).

6. Net incoming resources for the year

Net incoming resources for the year is stated after charging:

	31 March 2016 £	31 March 2015 £
Depreciation – owned assets	70,062	75,793
Loss on sale of fixed assets	-	-
Auditor's remuneration for:		
– fees payable to auditor for audit of Lantra's annual accounts	10,750	10,700
– fee payable to auditor for audit of subsidiary accounts	2,050	2,050
– other services pursuant to legislation	1,115	1,115
Operating lease rentals		
– plant and machinery	112,293	152,890
– land and buildings	66,456	66,093

Notes to the financial statements

7. Tangible fixed assets

Group	Long leasehold premises £	Office equipment £	Software and website development £	Office furniture £	Total £
Cost	690,727	118,756	150,505	11,902	971,890
At 1 April 2015					
Additions	27,401	42,896	59,091	-	129,388
Disposals	-	(34,773)	(150,505)	(4,142)	(189,420)
At 31 March 2016	<u>718,128</u>	<u>126,879</u>	<u>59,091</u>	<u>7,760</u>	<u>911,858</u>
Depreciation					
At 1 April 2015	449,766	73,404	145,969	8,193	677,332
Charge for the year	28,647	28,555	11,164	1,696	70,062
Disposals	-	(34,773)	(150,505)	(4,142)	(189,420)
At 31 March 2016	<u>478,413</u>	<u>67,186</u>	<u>6,628</u>	<u>5,747</u>	<u>557,974</u>
Net book value					
At 31 March 2016	<u>239,715</u>	<u>59,693</u>	<u>52,463</u>	<u>2,013</u>	<u>353,884</u>
Net book value					
At 31 March 2015	<u>240,961</u>	<u>45,353</u>	<u>4,535</u>	<u>3,709</u>	<u>294,558</u>
Company	Long leasehold premises £	Office equipment £	Software and website development £	Office furniture £	Total £
Cost					
At 1 April 2015	690,727	118,756	77,073	11,902	898,458
Additions	27,401	42,896	59,091	-	129,389
Disposals	-	(34,773)	(77,073)	(4,142)	(115,988)
At 31 March 2016	<u>718,128</u>	<u>126,879</u>	<u>59,091</u>	<u>7,760</u>	<u>911,858</u>
Depreciation					
At 1 April 2015	449,766	73,404	72,843	8,193	604,206
Charge for the year	28,647	28,555	10,858	1,696	69,756
Disposals	-	(34,773)	(77,073)	(4,142)	(115,988)
At 31 March 2016	<u>478,413</u>	<u>67,186</u>	<u>6,628</u>	<u>5,747</u>	<u>557,974</u>
Net book value					
At 31 March 2016	<u>239,715</u>	<u>59,693</u>	<u>52,463</u>	<u>2,013</u>	<u>353,884</u>
Net book value					
At 31 March 2015	<u>240,961</u>	<u>45,352</u>	<u>4,230</u>	<u>3,709</u>	<u>294,252</u>

Notes to the financial statements

8. Fixed asset investments

Company	12 months to 31 March 2016 £	12 months to 31 March 2015 £
Value at 1 April 2015	102	102
Value at 31 March 2016	<u>102</u>	<u>102</u>

The principal activity of Upskill UK Limited is the development and supply of IT solutions based on individual and business competency. The shares are unlisted and represent 100% of Upskill UK Limited; the Company is registered in England and Wales.

Lantra Awards Limited historically provided awarding and accreditation services to land-based and environmental industries but has been dormant since 1 July 2011. Lantra hold 100% of the issued share capital of Lantra Awards Limited which is registered in England and Wales. The shares are unlisted.

Lantra Awards Ireland Limited was struck off in the previous year.

The aggregate amount of the subsidiary undertakings assets, liabilities and funds are as follows:

	Assets £	Liabilities £	Funds £
Upskill UK Limited	7,158	(193,300)	(186,142)
Lantra Awards Limited	<u>2</u>	<u>-</u>	<u>2</u>

The incoming resources, resources expended and net incoming resources of the subsidiary undertakings are as follows:

	Incoming resources £	Resources Expended £	Net incoming resources £
Upskill UK Limited	24,150	22,288	1,862
Lantra Awards Limited	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the financial statements

9. Debtors

	Group		Company	
	31 March	31 March	31 March	31 March
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	825,598	1,275,605	825,598	1,275,075
Amounts owed by subsidiary undertakings	-	-	-	2,936
Other debtors	900	900	900	900
Prepayments	49,420	56,884	49,420	56,884
Accrued income	10,098	38,612	10,098	38,082
	<u>886,016</u>	<u>1,372,001</u>	<u>886,016</u>	<u>1,373,877</u>

10. Creditors: amounts falling due within one year

	Group		Company	
	31 March	31 March	31 March	31 March
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	374,856	808,998	377,118	808,998
Other creditors	684	684	686	686
Other taxation and social security	187,522	169,611	187,522	169,611
Accruals/other creditors	91,633	120,019	88,826	119,086
Deferred income	385,751	183,976	385,751	183,976
	<u>1,040,446</u>	<u>1,283,288</u>	<u>1,039,903</u>	<u>1,282,357</u>

Group deferred income comprises contract income received in advance of contract outputs/milestones being delivered. This figure is calculated based on actual outputs at the yearend compared to cash received and includes any provisions to allow for non-delivery by the conclusion of the project timetable.

Deferred income includes £256,831 to fund Farming Connect training in Wales, £8,333 from Big Lottery Fund and £19,719 from Princes Trust to support training in Northern Ireland, £20,522 to support a joint initiative with Indian Agricultural institutions and £8,333 for animal care to fund the development of a pilot traineeship programmes.

Creditors; amounts falling due after one year

	31 March	31 March	31 March	31 March
	2016	2015	2016	2015
	£	£	£	£
Pension fund	79,884	1,135,065	79,884	1,135,065
	<u>79,884</u>	<u>1,135,065</u>	<u>79,884</u>	<u>1,135,065</u>

Notes to the financial statements

	Group £	Company £
Balance as at 31 March 2015	183,976	183,976
Amount released to incoming resources	(183,976)	(183,976)
Amount deferred in year	385,751	385,751
Balance as at 31 March 2016	<u>385,751</u>	<u>385,751</u>

11. Unrestricted funds

	Group		Company	
	31 March 2016 £	31 March 2015 restated £	31 March 2016 £	31 March 2015 restated £
General fund:				
Balance at the start of the year	2,096,589	2,195,723	2,098,150	2,195,723
Net incoming/(outgoing) resources for the year	282,824	(99,134)	280,959	(97,573)
	<u>2,379,413</u>	<u>2,096,589</u>	<u>2,379,109</u>	<u>2,098,150</u>

The opening reserves as of 1 April 2014 have been restated to account for the inclusion of the provision for the pension fund deficit of £1,209,321.

Restated opening balance of Group 2015 £2,096,589 and Company £2,098,150 (2015 Group £2,195,723 and Company £2,195,723).

The net incoming / (outgoing) resources for 2015 have also been restated to reflect the change in accounting practice relating to the treatment of the provision for the pension fund deficit. The previous stated deficit was £100,234.

12. Restricted funds

Group and company	Opening balance £	Income £	Expenditure £	Closing balance £
Frank Parkinson Trust	3,600	-	400	3,200
Animal Care Lead Body	4,376	2	-	4,378
R2	2,265	771	2,003	1,033
Historic & Botanic Gardens Training Programme	-	9,946	9,946	-
	<u>10,241</u>	<u>10,719</u>	<u>12,349</u>	<u>8,611</u>

The Frank Parkinson Trust contributed funds towards building costs.

Animal Care Lead Body funds provide support for the keeping of animals in educational establishments.

Notes to the financial statements

R2 provide funds to support the promotion of the arboriculture professional skill register to the industry.

Historic and Botanic Gardens Training Programme funds are utilised to support students meet their training needs.

13. Analysis of group net assets between funds

Group	Restricted Funds £	Unrestricted funds £	2016 Total £	2015 Total restated £
Tangible fixed assets	3,200	350,684	353,884	294,558
Investments	-	-	-	-
Current assets	5,411	3,149,059	3,154,470	4,230,625
Current liabilities	-	(1,040,446)	(1,040,446)	(1,283,288)
Long term liabilities	-	(79,884)	(79,884)	(1,135,065)
Total net assets	8,611	2,379,413	2,388,024	2,106,830

Company	Restricted Funds £	Unrestricted funds £	2016 Total £	2015 Total restated £
Tangible fixed assets	3,200	350,684	353,884	294,252
Investments	-	102	102	102
Current assets	5,411	3,148,110	3,153,521	4,231,459
Current liabilities	-	(1,039,903)	(1,039,903)	(1,282,357)
Long term liabilities	-	(79,884)	(79,884)	(1,135,065)
Total net assets	8,611	2,379,109	2,387,720	2,108,391

14. Guarantee

Lantra is a Company limited by guarantee. The members of the Company have each agreed to contribute £1 to the assets of the Company in the event of it being wound up.

15. Pension obligations

Under the definitions set out in FRS 102, the ITB Pension Funds is a multi-employer pension scheme. Lantra is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, Lantra has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. Lantra has set out below the information available on the surplus in the scheme and the implications for Lantra in terms of anticipated contribution rates.

The pension cost is assessed every three years in accordance with the advice of an independent qualified actuary using the prospective benefit valuation method. The objective of this method is to provide for benefits to be funded by contributions paid throughout a member's active service at a rate which would be sufficient to finance the cost of a typical new entrant to the scheme. The

Notes to the financial statements

latest actuarial valuation of the scheme was as at 31 March 2013. The assumptions that have the most significant effect on the valuation are as follows:

Pension obligations (continued)

Risk free real rate of return	-0.45%
Discount rate above the risk free rate – future service	2.20%
Discount rate above the risk free rate – technical provisions	1.25%
Rate of price inflation	3.40%
Rate of earnings increases – in line with RPI for the next 3 years then RPI plus	1.10%.
The assets in the scheme and the expected rate of return were:	
Market value of assets at date of last valuation	£808.7 million
Deficit in scheme	£23.8 million

16. Reconciliation of net movement in funds to net cash inflow from operating activities

	Group 2016 £	Group 2015 restated £	Company 2016 £	Company 2015 restated £
Net movement in funds for the period	281,194	(103,701)	279,329	(109,869)
Interest receivable	(37,582)	(9,375)	(12,906)	(13,386)
Depreciation charge	70,062	75,793	69,756	69,228
Loss on sale of fixed assets	-	-	-	-
(Increase) / Decrease in debtors	485,985	187,211	487,861	190,139
Increase / (Decrease) in long term creditors	(1,055,181)	-	(1,055,181)	-
Increase / (Decrease) in creditors	(242,842)	181,462	(242,454)	186,329
Net cash provided by (used in) operating activities	(498,364)	331,390	(473,595)	328,441

17. Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	(590,170)	334,098
Notice deposits (less than 30 days)	2,858,624	2,524,526
Net funds at 31 March 2016	2,268,454	2,858,624

Notes to the financial statements

18. Financial commitments

At 31 March 2016 the Group and Company had annual commitments under non-cancellable operating leases as follows:

	2016		2015	
	Land and buildings £	Other £	Land and buildings £	Other £
Leases which expire:				
Within one year	67,901	111,854	66,292	45,979
Between two and five years	221,390	166,358	228,390	111,041
Over 5 years	3,575,362	676	3,625,891	-
	<u>3,864,653</u>	<u>278,888</u>	<u>3,920,573</u>	<u>157,020</u>

19. Contingent liability

The Group has been in receipt of significant income from a variety of grant making bodies in recent years, and takes all reasonable steps to ensure it complies with the terms attaching to the receipt of all such income. However, the Trustees recognise that this is a complex area and there is always a risk that some funding could become repayable as a result of an inspection by those bodies.

It is not possible to estimate the value, if any, or timing of any such repayments.

20. Related party transactions

As Lantra Awards Limited and Upskill UK Limited are wholly owned subsidiaries of Lantra, Lantra is exempt from the requirements of FRS 102 section 33 to disclose transactions with these companies.

21. Financial derivatives

The Charity had no financial derivatives at 31 March 2016 or 31 March 2015.

Trustees, Senior Staff, Governance Committees and Professional Advisors

Company registration number: 2823181

Charity registration number: 1022991

Scottish Charity number: SC039039

Registered office:
Lantra House
Stoneleigh Park
Coventry
Warwickshire
CV8 2LG

Trustees:
Valerie Owen OBE (Chair)
Tim Brigstocke MBE (resigned 4 November 2015)
Richard Capewell
Richard Clarke (appointed 1 May 2016)
Henry Graham
Dr David Llewellyn (resigned 1 December 2015)
Richard Longthorp OBE
Dr Geoffrey Mackey (appointed 1 May 2016)
Ian Marshall (appointed 1 June 2016)
Dr Geraldine Newton-Cross (appointed 1 May 2016)
Dr Stephanie Race
Peter Rees (appointed 1 October 2015)
Nigel Titchen
Campbell Tweed OBE (resigned 1 June 2016)
Stephen Vickers
Dr Lionel Walford (resigned 2 July 2015)

Trustees, Senior Staff, Governance Committees and Professional Advisors

Chief Executive and Senior Staff:	Marcus Potter (Chief Executive Officer) Robert Tabor (Chief Operating Officer) Sallyann Baldry (Business Development Director, appointed 20 July 2015)
Secretary:	Robert Tabor
Bankers:	National Westminster Bank plc 16 Warwick Road Kenilworth Warwickshire CV8 1ZJ
Solicitors:	Harbottle Associates Old West Farm House West Road Nottage Porthcawl, Bridgend South Wales CF36 3SS
Auditor:	Moore Stephens LLP Statutory Auditor Chartered Accountants 35 Calthorpe Road Edgbaston Birmingham West Midlands B15 1TS