COMPANY ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 95

COMPANY REGISTRATION No. 2788160

REGISTERED CHARITY No. 1017372

Registered Address:

10 Norwich Street London EC4A 1BD



Operating Address: Suite C, Shenley Hall Rectory Lane, Shenley Radlett, Herts

Radlett, Herts WD7 9AN

Introduction

On behalf of the Directors of the Council, I am delighted to report that the Council has enjoyed an extremely successful second year of operation. It has continued to build upon the firm foundations laid down last year and during its previous formative years under its original title of Road Haulage Industry Training Standards Council.

The Council continues to actively promote itself within the industry and other associated organisations and it is pleasing to note the wide ranging interest being expressed through contacts with the Council.

Development of the framework for National/Scottish Vocational Qualifications (N/SVQs) has continued to be a key priority with the launch of qualifications at Levels 3 and 4 for Supervisors and Managers taking place in November 1994 and we look forward to the introduction of Level 5 for Senior Managers later in 1995. To date it is extremely encouraging to place on record that some 500 N/SVQs have already been issued to employees in the industry, with over 600 candidates registered. The Council believes this is a sound start to ensuring that these qualifications are firmly established as the benchmark for vocational competence throughout our industry and are also, equally, being recognised across industries which have a relationship with road transport operations.

It is believed that the country may well be slowly emerging from economic recession. The immediate future for our industry is still rather uncertain. However the industry should now be taking stock of its operational resourcing and preparing to meet 'customer' driven demands which are likely to incorporate effective quality standards.

Due to the Council's rapid development, successful achievement of its initial objectives and ever increasing demands on its resources, a full review of its Corporate Plan was conducted during 1994. This now gives an up to date proactive framework in which the Council may further develop its status, a sound reputation and income generation to meet challenges in the future and long term financial commitments.

The year end accounts reflect the commitment and versatility provided by all the staff who continue to effectively meet the challenges of a proactive Industry Training Organisation. On behalf of the Council I extend sincere thanks to the staff who have provided the teamwork and sound commitment for the achievement of the Council's objectives and commitments.

Council Membership and Structure

During the year there have been limited changes to the representation. Mr R F Jenkins resigned due to him leaving the employment of the RHA and Mrs R Pott is now the RHA representative and Director on the Council. Mr J Hill also filled the vacant Directorship in respect of TGWU representation. A complete list of representation on the Council, its respective four subcommittees and staff resources is shown at Appendix 1.

The Council is deeply grateful for their participation during a most demanding year in the development of the Council and its resources.

Operations

Occupational Standards and Qualifications

In pursuance of its role as the Lead Body for the Industry the Council achieved a further milestone in the development of the occupational standards and qualifications framework for N/SVQs. On 23 November 1994 at the Queen Elizabeth II Conference Centre in London some 60 people from a wide variety of organisations attended the launch of the Occupational Standards for Levels 3 and 4 N/SVQs for Supervisors and Managers. Since that time some 250 copies of the standards have been issued. Interest in the standards for N/SVQs at Levels 1 and 2 launched in November 1993 continues to develop with some 609 candidates currently registered for Levels 1 and 2 and over 500 full NVQs already awarded. Further development work is in hand to establish requirements for a Level 5 Senior Management qualification.

Over the past months considerable interest has been shown by organisations not directly associated with road haulage but having an active interest in road transport operations, in adopting the RHDTC standards in particular at Levels 1 and 2. Key developments are as follow:

Motor Cycle Couriers: This industry has adopted the Transporting Goods by Road - Level 2 Qualification and delivery of the standards is being undertaken by Camelot Training - the first motorcycle courier training organisations to achieve approved NVQ status. Certificates will clearly record the use of a motorcycle in the achievement of the standards and the Council is developing promotional material to assist in raising awareness and the profile of the qualification.

<u>Livestock Haulage</u>: The National Proficiency Tests Council (NPTC) is to become a joint awarding body for the four RHDTC qualifications at Levels 1 and 2. These awards complement a range of awards already administered by the NPTC in respect of animal welfare and will be pertinent to the livestock haulier. Certification will clearly identify this context on the certificate. An official launch is planned for early July 1995 at the Royal Agricultural Show.

<u>Water Industry</u>: The Certification and Assessment Board for the Water Industry (CABWI) has been approved by NCVQ to act as an awarding body for the Council's 'Transporting Goods by Road' NVQ within the water industry.

<u>Petroleum Industry</u>: Similar interest is being expressed by the Petroleum Employers Skills Council which is currently examining the feasibility of adopting the 'Transporting of Goods by Road' qualification.

Modern Apprenticeship

During the year the Council has developed a Modern Apprenticeship for the industry in partnership with employers, trade unions, training providers and the TECs. The framework, based on national Government criteria is primarily in support of the training and development of young persons in the 16-17 age group to acquire NVQs at Level 2 and Supervisory Management (MCI) Level 3. Work continues during 1995/96 to gain Government endorsement to the framework and to implement pilot schemes.

Labour Market Survey

As one of its objectives in support of ITO operations the Council commissioned and published its first Labour Market Survey Report of the Road Haulage and Distribution Industry. This report provides invaluable information concerning the shape of the industry and its skills needs. Its content will be reviewed periodically to reflect changes in the industry which currently has some 126,000 licensed operators with 428,500 vehicles and where only 11% of its operators run fleets of over 5 vehicles.

Driver Training

The Council has agreed to manage the future operation of the centre approval scheme previously operated under RTITB Services Ltd. Arrangements are in hand to update the criteria and administration arrangements. Development of an NVQ qualification for instructors is under active consideration with a wide range of interests. The Young LGV Driver Training Scheme which has not been operational for some three years is now being revised and managed by the Council and will form part of the Modern Apprenticeship.

Awarding Bodies

Joint awarding body arrangements are now operational with RTITB Services Ltd, RSA Examinations Board and the Scottish Vocational Education Council (SCOTVEC). The Council acknowledges and appreciates the support these organisations are providing in the promotion and implementation of National and Scottish Vocational Qualifications (N/SVQs) for the industry as at 31 March there are 47 RSA, 20 RTITB Services Ltd and 4 SCOTVEC centres approved to deliver N/SVQs on behalf of the above awarding bodies and the Council. In addition other awarding body arrangements are being established with those organisations referred to on page 3 which are adopting the Council's standards.

European Activities

Staff have continued to take a prominent part in the work of Euroqualification and following the first implementation phase which finished in early 1994, 22 of the 32 trainees who successfully completed found full time jobs in the industry. Trainees were not only awarded a certificate to mark their Euroqualification achievements but were also awarded relevant NVQ certificates. Currently a second implementation phase for Transport Managers is being undertaken with support funding through the European Social Fund.

The Council is participating in a FORCE project involving European road transport operations. For the UK this is a joint initiative with Bus and Coach Training involving a sectoral survey and a limited number of case studies which reflect a variety of training initiatives within varying sizes of operation. This work continues into 1995/96 with submissions being presented to Brussels.

In addition the Council has been represented by the Chief Executive on the working group for Environmental Training for Road Transport Managers - a FORCE funded initiative. This

comprised the active participation of seven partners from the European Union (EU), managed by the Freight Transport Association to provide a comprehensive training package which details the range of environmental duties and responsibilities required by EU law, including best practice developed for compliance.

Facilities and Resources

The Council has continued to enjoy its office location at Shenley Hall and during the year a review of staffing resources was conducted. It was agreed to recruit a Business Development Manager whose key responsibilities are to generate significant levels of income through development, promotion and direct management of new products and services which will enable the Council's operations to be totally self-funding. Support funding continues to be provided through the agreement with RTITB Services Ltd until 2002 but as more demands are placed on the Council this funding will not be adequate. The Council's current staffing level is now five with a Chief Executive, Standards and Qualifications Development Manager, Business Development Manager, Administration Manager and Administrator.

As demands on the Council's resources continue to grow, administration arrangements have been kept under constant review to ensure adequate and effective back up is being maintained in support of the wide ranging activities. In particular this has involved the introduction of computer technology in support of the maintenance of data and accounting requirements which have developed as income generation increases, the need to maintain ED and Euro funding records continues to develop and awarding body/ N/SVQ administration progressively increases.

Staff development continues through attendance at conferences and seminars also further specific computer training for administration staff has taken place in support of operational developments.

Once again the Council recognises the valuable support provided by Pye-Tait Associates of Harrogate and ATI of Cardiff in the provision of consultancy services in supplementing the already stretched resources of the Council through project development which has been support funded by the ED and the European Social Fund.

Business Development

A Business Development Manager was appointed in November 1994 and has been instrumental in setting up a Marketing Steering Group (MSG) as a sub-group of the Council. Already improvements to existing business arrangements have reflected increased revenue in the latter stages of the year and in conjunction with the MSG active pursuit of short term plans for the forthcoming year and plans for the longer term income generation to support future self funding arrangements are being undertaken.

The need to generate 'awareness building' in particular through the network of training providers and the trade associations in support of the 80% of the industry as small operators is receiving specific attention. This key objective for ITOs in general in respect of small businesses is

reflected in the Council's plans. A series of seminars is being planned to run at locations nationally in May 1995.

Bob Little - Press and PR has continued to provide supporting services in the development of Trailblazer. Two editions were distributed through Commercial Motor to some 30,000 readers on each occasion with some 2,000 copies being distributed to enquiries held on the Council's database. Over 50 supporting articles have also been developed for a wide variety of journals and as a result winning some 2400 column inches.

Other avenues of communication are also being used including those available through TECs/LECs. 1213 copies of the N/SVQ Standards for Levels 1 and 2 have been issued since their launch in November 1993, 284 copies of Level 3 Standards and 265 copies of Level 4 Standards since their launch in November 1994. A review of the Council's promotional material and associated pricing structure is being conducted within the business development plans.

Promotion of publications and services has involved all members of staff who have enthusiastically played a part in establishing the necessary framework for the Council's operations. The successes to date will provide the necessary motivation for tomorrow.

The Future and Conclusion

The Council continues to be an effective organisation gaining prominent recognition in the industry and within the many associated organisations including those of Government and within Europe.

The demands on its services are such that if adequate financial support can be established its resources can be developed to provide wide ranging services for the benefit of industry.

Staff continue to provide the team effort and commitment required in effectively taking forward the development of the Council's status within the national framework and within its day to day activities.

The industry is now beginning to see the benefits of the Council and it looks forward to building on these benefits with a view to establishing a further successful year and a well perceived future.

Victor M Ross Chairman

Company Registration No: 2788160

Registered Charity No: 1017372

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1995

REPORT OF THE DIRECTORS

The Directors present their report together with the financial statements for the year ended 31 March 1995

1 Status

The Council operates as a non profit making company limited by guarantee and is a registered charity.

2 Objectives

The Company exists to establish and maintain standards and to ensure the adequate provision of effective training in Great Britain of persons employed or intending to be employed in the road freight and distribution industry.

Review of the developments, activities and achievements

A review of the developments, activities and achievements of the company is set out in the accompanying Chairman's statement.

4 Directors

The directors in office at 31 March 1995 and at 31 March 1994 are listed below. Mr. R.F. Jenkins resigned as a director on 13 July 1994. Mr. R. Playford was appointed on 21 September 1994 and resigned on 6 October 1994.

V. M. Ross - Chairman

Dr. H. E. Avery

J. Coates

R. L. Davies

M. H. Durant

Dr. P. A. Hedges - Deputy Chairman

J. Hill (appointed 21 September 1994)

Dr. J. C. Massey

R. Pott (appointed 22 March 1995)

M. D. Price

N. K. Rogers

J. E. Searle

K. H. Taylor

G. R. Westcott

The directors form the Council of Management.

5 Directors responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the result of the company for that period. In preparing those accounts the directors are required to:

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;

prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

6 Share Capital

The company does not have a share capital and is limited by guarantee.

7 Auditors

The auditors, Godley & Co., will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

In preparing this report the directors have taken advantage of special exemptions applicable to small companies provided by Part II of Schedule 8 to the Companies Act 1985.

Signed on behalf of the Board

D. B. Scott Secretary

6 June 1995

Suite C, Shenley Hall Rectory Lane

Shenley Radlett

Herts. WD7 9AN

AUDITORS REPORT TO THE MEMBERS

OF

ROAD HAULAGE AND DISTRIBUTION TRAINING COUNCIL

We have audited the financial statements on pages 11 to 16, which have been prepared under the accounting policies set out on page 13.

Respective Responsibilities of Directors and Auditors

As described on page 9, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1995 and of the excess of income over expenditure for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Godley & CO.

Chartered Accountants and Registered Auditor

1 Upper Gladstone Road

Chesham

Bucks HP5 3AF

6 June 1995

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 1995

		1	1995		1994	
	Notes	£	£	£	£	
Income Grant income	4		257299		377499	
Euroqualification & development projects funding			101517		148719	
ED Standards and support programmes Other income		_	16540	_	78605 2365	
Interest received		_	375356 9293	_	607188 5396	
			384649		612584	
Expenditure Personnel Administrative Establishment Financial Development projects Start up costs	2 3 4 5 6	113656 67090 29177 14496 109643	334062	100713 48583 25790 7871 199110 53790	435857	
Excess of income over expenditure	;		50587		176727	
Council capital brought forward			176727			
Council capital carried forward			£ 227314		£ 176727	

Continuing operations

All income and expenditure relates to continuing operations

Total recognised gains and losses

There are no recognised gains or losses other than those shown in the income and expenditure account.

The accompanying notes form part of these financial statements

BALANCE SHEET AT 31 MARCH 1995

		1	1995		1994	
	Notes	£	£	£	£	
Fixed assets						
Tangible assets	7		43897		18956	
Current assets						
Debtors Cash at bank and in hand	8	31696 212418	-	28396 160219		
		244114		188615		
Creditors: amounts falling due with year	nin one 9	60697	-	30844		
Net current assets			183417		157771	
Total assets less current liabilities			£ 227314		£ 176727	
Council capital						
Income less expenditure			£ 227314		£ 176727	

The directors have taken advantage of special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the financial statements and have done so on the grounds that, in their opinion, the company qualifies as a small company.

Signed on behalf of

V. M. Ross Director

Approved by the Board: 6 June 1995

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

b) Income

Income is taken into account in the year of receipt, except where payments in advance are identifiable.

c) Expenditure

Expenditure is taken into account in the year in which costs are incurred.

d) Depreciation

Depreciation is calculated to write down the cost of all tangible fixed assets by equal instalments over their useful lives.

The periods generally applicable are:

Motor vehicles - 4 years
Office equipment - 4 years

e) Pension contributions

Contributions to the ITB Pension Funds are based on the contributions payable in respect of the accounting period.

f) Operating leases

Rental costs under operating leases are charged to the income and expenditure account in equal instalments over the periods of the lease.

Personnel 2.

ne!	1995 £	1994 £
Salaries Seconded and temporary staff Motor expenses Pension contributions Medical insurance Contribution to motor expenses Other employee contributions	107784 4052 2790 4407 658 (4416) (1619)	76442 20192 3376 3448 505 (3250)
	£ 113656	£ 100713

The company contributes on behalf of its employees to the ITB Pensions Funds. The pension cost charge represents contribution payable to the Funds and amounted to £4407 . (1994: £3448).

The directors received no remuneration in the period.

Administrative 3.

	Administrative	1995 £	1994 £
	Seminars and training courses Travel and subsistence Committee expenses Telephone and fax Postage and carriage Printing and stationery Publications Professional services and memberships Marketing and advertising General expenses	1611 6512 3923 3067 2515 23164 707 3459 21319 813	2036 3687 2994 3620 1861 6430 541 1257 25112 1045
4.	Establishment	1995 £	1994 £
	Office accommodation Insurance	22178 6999	20648 5142
		£ 29177	£25790

Financial 5. 1994 1995 £ £ (1230)Profit on disposal of fixed assets 4093 9671 Depreciation 2350 2350 Audit and accountancy Office equipment leases and maintenance 1428 3705 £ 14496 £ 7871 Development projects 6. 1994 1995 £ £ 110884 67441 Euroqualification and Force 88226 42098 ED supported projects 104 Seminars £ 109643 £ 199110

The salary and other costs of company personnel have not been included in the above analysis of development projects.

7.	Tangible fixed assets	Total £	Motor vehicles £	Office equipment £
	Cost At 1 April 1994 Additions Disposals	23049 37027 (3968)	15541 30495 (3666)	7508 6532 (302)
	At 31 March 1995	£ 56108	£ 42370	£ 13738
	Depreciation At 1 April 1994 Provided in period On disposals	4093 9671 (1553)	3143 6316 (1452)	950 3355 (101)
	At 31 March 1995	12211	8007	4204
	Net book amount at 31 March 1995	43897	_34363	9534
	Net book amount at 31 March 1994	18956	12398	6558

8. Debtors: Amounts falling due within one year

1995 1994

Other debtors

£31696 £28396

9. Creditors: Amounts falling due within one year

1995

1994

Other creditors

£ 60697 £ 30844

10. Operating lease commitments

At 31 March 1995 the company had annual commitments of £531 (1994: £1380) under non-cancellable operating leases which expire within two to five years and £830 (1994: NIL) under non-cancellable operating leases which expire within one year.

11. Status

The company is limited by guarantee and does not have a share capital.

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 1995

CHAIRMAN'S REPORT

Appendix 1

ROAD HAULAGE AND DISTRIBUTION TRAINING COUNCIL REPRESENTATION

DIRECTORS

ASSOCIATION OF PRINCIPALS OF COLLEGES

Dr H E Avery Principal Tile Hill College

BRITISH ASSOCIATION OF REMOVERS

Mr M D Price Director BAR (Training Services) Ltd

FREIGHT TRANSPORT ASSOCIATION LTD

Mr R L Davies Group Training Manager TDG Distribution Division

Dr J C Massey Distribution Manager J Sainsbury plc

Mr N K Rogers Training Manager Biffa Waste Services

Mr J Searle Training Manager Wincanton Distribution Services Limited

Mr K H Taylor Director of Personnel & Business Services Freight Transport Association Ltd

ROAD HAULAGE ASSOCIATION LTD

Mr J Coates Managing Director J Coates (HGV Services) Limited

Dr P A Hedges Education Adviser Parcelforce

Mrs R Pott Controller, Employment and Distribution Road Haulage Association Limited

Mr V M Ross Human Resources Director NFC UK Ltd

Mr G Westcott Managing Director G J Cooper Holdings Ltd

TRADES UNIONS

Mr M Durant Divisional Officer United Road Transport Union

Mr J E Hill Branch Secretary Transport & General Workers Union

OTHER REPRESENTATION

TRAINING, ENTERPRISE AND EDUCATION DIRECTORATE - DEPARTMENT OF EMPLOYMENT

Mr M Humphreys Development Manager Qualifications & ITOs Branch Employment Department (Deputy Chairperson)

(Chairman)

Mr D B Scott Chief Executive Road Haulage and Distribution Training Council (Secretary)

RTITB SERVICES LTD

Mr G Marshment Deputy Chief Executive RTITB Services Limited

FINANCE AND GENERAL PURPOSES COMMITTEE MEMBERSHIP

Dr P A Hedges Education Adviser Parcelforce (Deputy Chairperson)

Dr J C Massey Distribution Manager J Sainsbury plc

Mr V M Ross Human Resources Director NFC UK Ltd (Chairman)

Mr D B Scott Chief Executive Road Haulage & Distribution Training Council

Mr G Westcott Managing Director G J Cooper Holdings Ltd

Mr R Bartup Director G B Liners Limited

Mr T Marshall Finance Director P&O Distribution Ltd

ROAD HAULAGE AND DISTRIBUTION TRAINING COUNCIL STANDARDS DEVELOPMENT STEERING GROUP MEMBERSHIP

Mr R Alcock ATI Welsh Joint Education Committee

Mr M Bray County Transport Manager East Sussex County Council

Mr J Bridge Managing Director CW Bridge (General Haulage) Ltd

Mr H Calderwood Training Adviser Transport Training Services Ltd (Northern Ireland)

Ms V Caldwell SVQ Project Officer SCOTVEC

Mr M Carter Awarding Body Manager RTITB Services Limited

Dr P Hedges Education Adviser Parcelforce (Chairperson)

Mr G Hobson Supplies Operations Manager British Gas plc Mr M A Humphreys Development Manager Qualifications & ITOs Branch Employment Department

Mrs L James ATI Welsh Joint Education Committee

Mr P Lister Health & Safety Executive

Miss D Norman Senior Adviser Accreditation & Quality Assurance NCVQ

Mr D Norris Driving Standards Agency

Mrs R Pott Controller, Employment and Distribution Road Haulage Association Ltd

Mr D Rowlands Standards & Qualifications Development Manager Road Haulage & Distribution Training Council

Mr D Scott Chief Executive Road Haulage & Distribution Training Council

Mr J Sparham Head of Training Freight Transport Association Ltd Mr E Watt NVQ Programme Coordinator for Distribution Tesco Stores Ltd

Mr P West Scheme Manager RSA Examination Board

Mr P Wetherby Licensing Policy Division The Department of Transport

MARKETING STEERING GROUP MEMBERSHIP

Mr R Davies Group Training Manager TDG plc (Chairman)

Mr I Hetherington Business Development Manager Road Haulage and Distribution Training Council

Mr M Price Director BAR (Training Services) Ltd

Mr J Sparham Head of Training Freight Transport Association Ltd

Ms N Spencer NVQ Project Manager Logistics Personnel & Training Boots the Chemists

Mr T Graham Managing Director Wessex Transport Training

Mrs R Pott Controller, Employment & Distribution Road Haulage Association Ltd

ROAD HAULAGE AND DISTRIBUTION TRAINING COUNCIL YOUNG DRIVER SCHEME COMMITTEE MEMBERSHIP

Mr J Coates Managing Director J Coates (HGV Services) Limited

Mr M Durant Divisional Officer United Road Transport Union

Mr J E Hill Branch Secretary Transport & General Workers Union

Mr K H Taylor Director of Personnel & Business Services Freight Transport Association Ltd

Mr M Humphreys Development Manager Qualifications & ITOs Branch Employment Department

Mr P Wetherby Licensing Policy Division Department of Transport

Mr D B Scott Chief Executive Road Haulage and Distribution Training Council

STAFF

Mr D B Scott Chief Executive

Mr D H Rowlands Standards & Qualifications Development Manager

Mr I R Hetherington Business Development Manager

Miss J N Wilson Administration Manager

Mrs G M Patschinsky Administrator