

**RHA**

*Driving business on our roads*

**RHA Driver Training**

**Annual Report  
& Accounts 2021**

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**Moreton Cullimore**  
National Chairperson

2021. What a time to assume the appointment of National Chairperson of the RHA.

Not only has the economy and our industry emerged from a pandemic but there have been a number of crises that have unfolded in that time - ranging from the regular issues including the price of fuel and interruptions to the supply chain, to exacerbated HGV/Coach driver and mechanic shortages.

Within the RHA we have been supporting members tirelessly whilst also transitioning into a more modern, balanced, inclusive and effective Association. Our strategy, as approved by your Board, has now come into full effect where we have started to see campaigns and the organisations resources channeled into the most critical issues that affect the industries in which our members operate.

Our current campaigns covering driver facilities, the environment, and skills, are three examples of our latest initiatives and I would urge you to get involved.

Membership options and services go from strength to strength, and your Association is now evolving into an organisation we can all be proud of and have every faith in its continued growth, its influence, and its support - both for, and to its members.

With all these challenges and a new strategy for the RHA it is essential that we have the staunch support of a robust Board of Directors and I want to thank them for their continued support and contributions over the last 12 months. I believe we as a team are evolving with the Association itself.

I must also thank the RHA executive who work tirelessly and have really gotten their teeth into the Association's evolution and without excellent teamwork this would not have been possible. We are a far more communicative and effective Association, and I am confident that this will continue to increase. My own role as National Chairperson has grown too and is far more 'firsthand' than ever before.

I want to take this opportunity to encourage all our members to take an active role in moving the RHA forward, to make it even better in its representation and its support as a member led and focused organisation.

We continued to focus on the Governance of our organisation with the following Committees meeting regularly and reporting back to the Board of Directors at each Board meeting: -

- Governance Committee
- People and Remuneration Committee
- Finance and Audit Committee
- Strategy Committee
- Truck Cartel Committee





# Successes

*The RHA policy team campaigns on behalf of members to achieve wins tackling the skills shortage of HGV drivers to much needed investment in lorry parking facilities. We are here to create the right environment for our members to grow.*

## Sleeper Cab Allowance Scheme - extended

We have secured confirmation from HMRC for an extension to the sleeper cab allowance scheme past 6 April 2022. We have also ensured HMRC will review the allowance of £26.20 given current cost pressures.

## Fuel duty cut and vehicle excise duty frozen

The last Budget saw us secure a 5p cut in fuel duty in addition to the continued freeze on vehicle excise duty for HGVs and a suspension of the HGV road user levy.

## New Skills Bootcamps for HGV drivers

We have secured £34.5m in investment to train 11,000 new HGV drivers and ensured HGV driving is added to the UK Government's list of Skills Bootcamps.

## New HGV driver apprenticeships

We have secured two new apprenticeships for individuals to become Class C qualified, or Class C+E qualified.

## Increased funding for HGV apprenticeships

We secured an increase in funding for C+E apprenticeships to £7,000 and Urban Driver apprenticeships to £5,000, supporting firms to recruit and train new drivers.

## Review of Driver Certificate of Professional Competence (CPC)

Following months of campaigning, the Department for Transport announced a review of Driver CPC

## Investment in driver facilities

We have secured £32.5m investment in roadside facilities for HGV drivers.



**Richard Smith**  
Managing Director

The impact of the UK's exit from the EU and COVID-19 meant that 2021 was another difficult year for members and the industry as a whole.

A combination of factors contributed to a significant shortage of labour in the last half of the year, leading to operators having to increase wages to retain their workers. However, rates must support overheads and the reality is that profit margins were squeezed even further.

Despite these extraordinarily challenging times, decision-makers pressed on with the UK's domestic policy agenda at speed with commercial vehicle operators needing to invest to meet standards such as Direct Vision and those specified by several clean air zones which were introduced throughout the year. Those that could not support investment, can no longer service certain towns and cities without facing yet more cost. Similarly, the lack of certainty which still hangs over the issues around accessibility on coaches together with the prospect of an end to diesel power in little over a decade, is seriously challenging the investment decisions for operators in that sector.

We developed our strategy with the objective of furthering our position as the go-to organisation for driving business on our roads. It is this strategy that has seen the development of two training schools which plan to train over 450 new drivers in their first year. Towards the end of 2021, campaigns were developed to address three of our members biggest challenges - skills, driver facilities and the environment. By the time you read this document the campaigns will have been launched and will be underpinning all the work that we do in these areas, considering a broader church of stakeholders and partners to influence change and support our members.

Moving forward I anticipate an organisation which has a much stronger emphasis on collaboration, working more closely with stakeholders, other trade associations, local authorities, and the devolved nations in recognition that the decisions that impact our members do not all emanate from London.

We represent a membership in four nations at the heart of which is the member who provides a vital service to the economy moving goods and people around the UK. Our commercial performance allows us to continue to invest and drive forward for our haulage, coach, and van members.

# Industry Facts and Figures

**99%**

of all goods consumed in the UK are moved by road

**600,000**

UK commercial drivers are currently in employment

**85%**

of UK commercial vehicle operators are SMEs

**2.9m**

employed in the haulage and logistics sector - the UK's 5th largest employer

**40,000**

full time staff employed in the coach industry

**510,000**

commercial vehicles over 3.5 tonnes are registered in the UK

**84%**

of operators listed on the Motor Transport Top 100 list are members of the RHA

**8,000**

RHA members, ranging from owner drivers to big fleet owners (80% have less than 15 trucks)

**69,528**

Operator Licence holders in the UK

**6,602**

PSV O licence holders



**Rod McKenzie**

Executive Director,  
Policy and Public Affairs

## Policy, Media and Public Affairs

2021 was the year, RHA members like everyone, learned to live with COVID-19. After the bumpy road that was the pandemic, the commercial transport sector came roaring back in full force. Of course, for many businesses, flat out supplying essential goods and services during the pandemic, nothing had changed – but the full array of commercial road transport was back in business – not least the coach sector.

Lorry driver shortages were a big factor as the economy restarted and up to mid-summer they worsened. But the RHA campaigned hard to ensure they weren't ignored by government and many of the ideas in our 12-point plan were taken up by ministers including bootcamps training 11,000 new drivers, increased funding for apprenticeships, incentive payments for apprentices and temporary visas.

The standard of driver roadside facilities remains poor and has our attention: we secured a £32m boost in the budget for this issue.

We have also secured a share of £300m investment to help commercialise low and zero emission technologies – including trials of 3 zero emission HGV technologies.

These issues – skills, facilities and the environment will continue to be our key campaigning goals.

We also secured a swift resumption of DVSA vocational testing including more slots and examiners and ensured that DVLA processed license applications faster.

The Sleeper Cab Allowance was extended by HMRC after campaigning led by the RHA and fuel duty was frozen in the autumn budget before being cut by 5ppl in the Spring – VED was also frozen.

We have secured a review of the unpopular DCPC following months of campaigning.

Those are just two ways in which drivers' concerns are at the forefront of our minds.

There is much more to do, but the RHA is at the front and centre of campaigning and lobbying on behalf of our members – coach, van or lorry – and our social media and other platforms such as the excellent free news app RoadwayLive ensure our members stay up to date with the issues that affect them and their businesses.



# RHA Training

The training team went through some major changes in 2021. We moved from Livingston to our new Training Centre in Bathgate, we started to carry out 3a driving tests and employed the first HGV driver trainees in the RHA's history.

It was a bleak start to an exciting year for us, the pandemic restrictions continued to put pressure on the knock on effect of the backlog in driving tests from 2020.

With this in mind it took until May before we actually got our planned training on track and started pushing as many driver trainees into the system as we and the test centres could handle. From then on we trained and tested 136 new drivers either through the Skills Development Scotland Freight Logistics Apprentice scheme, Tilbury on Thames Trust ex-forces scheme or from individuals who had answered the call to come and work in the industry.

A record number of apprentices started with RHA in 2021, 321 in total. The vast majority of these are on the Driving Goods Vehicles route and will progress onto driving HGVs as part of their training.

Without doubt the most challenging project of the year had to be the move from Kirkton House in Livingston to Blackburn Road in Bathgate.

Many readers will remember that we took on Kirkton house in 2015 in order to accommodate the larger numbers of classroom trainees we were seeing. This rate continued to climb and there were many occasions up to the pandemic where parking and training in Livingston had become a logistical exercise in itself.

The result is a fantastically refurbished office building that provides first class Training Centre accommodation as well as member meeting facilities, offices and an excellent driver training area complete with reverse grid marking and parking for RHA Training's vehicle fleet.

As the year drew to a close we were at the forefront of helping DVSA with the new Vocational Driving test. Though not perfect, it has allowed an increased number of tests and we currently have four instructors qualified as DVSA Approved Examiners. In the last weeks of 2021 they conducted 17 part 3a tests and 31 part 4 DCPC tests for our trainees.

We mentioned in the introduction that we also employed some drivers in 2021, this came about via the Government Kickstart Scheme. This involved RHA employing 16 to 24 year olds to be trained to work in the Transport Sector, the first four started work with RHA in December and in March 2022 three passed their HGV driving test.

So what of the way ahead? The backlog from the pandemic is coming down, new drivers are being added to the ranks weekly and we have trained new staff to take up the mantle for the coming years.

Laura Melville joined the RHA only a month before the lockdown in 2020 as an administrator. Laura took responsibility for online training during this time assisting the trainers with IT and booking processes.

This led to her expressing an interest in becoming a trainer and as of April 2022 Laura will be the first RHA Employee to move from an Admin role to become a trainer as well as being the first female Trainer in the RHA's long history.



**Charles Heaton**

Interim Director,  
Finance

Although the challenges of COVID-19 in 2020 continued into 2021 which manifested itself into uncertainty about the growth across revenue streams, the Executive introduced a number of cost control measures and focused the organisation on generating more commercial activity to ensure the organisation delivered an acceptable profit.

As a result, the RHA delivered an operating profit of £232k against £225k in 2020. This was a satisfying result and when taking account of a number of exceptional costs in 2021 the adjusted operating profit was £590k (2020: £225k).

Despite a slow start in commercial activity due to COVID-19 restrictions there was an increase in activity in the last quarter which contributed to commercial activity increasing its share of total revenue from 59.1% to 61.9%. This focus sits well within the strategic direction the RHA Executive are driving the organisation. Gross margin achieved on commercial activity also improved by 0.4%.

The logistics industry particularly with smaller transport companies and sectors such as Coach and Vans see the advantage of membership and total membership at 31st December 2021 was 8,188a net increase of 738 (9.9%) from 31st December 2020.

Unfortunately, the COVID-19 pandemic had a detrimental impact on the Commercial Vehicle Show for 2021 which had to be scaled back and was delayed to the end of August 2021. As a consequence, the RHA's share of profit from the show was £58k significantly reduced from 2020 level of £366k. This reduction accounts for the decline in profit before tax from £589k to £292k.

The Executive submitted an R&D Tax claim to HMRC relating to the work on its CRM system for the years 2019 and 2020. The net benefit of £342k after fees together with retained profit has delivered an increase in net assets from £4,025k to £4,508k.

Throughout 2021 the Executive has focused on working capital management which has ensured funds from operations and investment income has supported capital expenditure of £389k and support payments to the Defined Benefit Scheme while retaining £593k to increase cash reserves to £4,115k.



# RHA Benevolent Fund

## "A helping hand in times of need"

### How can we help?

We provide assistance to qualifying beneficiaries and deliver help in ways which bring the best value of support under guidance from the Trustees.

Over the years the Benevolent Fund has helped hundreds of people.

In the current climate meeting the needs of children is a challenge for most families, but it is even more difficult for those who are dependent on low incomes due to disability or unemployment.

Each application is assessed on its individual circumstances. There are many instances where this financial assistance has already made a difference and there will be many more to come.

If you meet the criteria by having a proven RHA connection and are in need of support and/or financial assistance or know of someone who might benefit from some help please contact us.

### We have helped with:

- The purchase of white goods
- The purchase of clothes
- The purchase of much needed aid equipment such as wet rooms, electric wheelchairs, specialist beds, etc
- Travelling expenses for visiting hospitals
- Help with outstanding bills/priority debt – rent, utility bills (electricity, gas, water, etc)

### Contact Us

RHA Benevolent Fund,  
Road Haulage Association Ltd,  
Roadway House, Bretton Way  
Bretton  
Peterborough  
PE3 8DD

[www.rha.uk.net/about-us/rha-benevolent-fund](http://www.rha.uk.net/about-us/rha-benevolent-fund)

**Naomi Hirst**  
benevolentfund@rha.uk.net  
07710 173 047

**Peterborough Office**  
01733 842 775

RHA Benevolent Fund – registered charity number 1082820.



**Laura Taylor**  
Director,  
Human Resources

### People Report

For the majority of 2021 our teams were back working in our various offices with the necessary COVID-19 safety systems in place. We are proud of how our teams have continued to provide our membership with fantastic service during the last few turbulent years especially with COVID-19 impacting many colleagues in different ways.

Along with the strategic refresh, our key areas of focus for 2021 were remuneration, succession planning and upskilling.

- We acknowledged that our colleagues remuneration needed some analysis, so we carried out comprehensive benchmarking for the whole organisation and have aligned salaries with market rate and we are now satisfied that our salaries are competitive within the industry.
- We carried out succession planning training for the whole organisation and introduced half year PDRs to focus on career development.
- We spent time upskilling our colleagues and holding more discussion forums and introduced working groups on diversity and inclusion, and our values. We also introduced Knowledge Now sessions and held these on a variety of areas including the menopause, being an introvert in the workplace and financial wellbeing. We also gave internal training on brand awareness, anti-discrimination, and mental health awareness training with the Leadership Team.

We carried out an employee pulse survey specifically online manager support which had a response rate of 72% which is well above average.

As in many organisations, we struggled with recruitment in 2021, however we still filled 37 vacancies with 7 of those being internal promotions. The vacancies were a result of 11 new roles to support growth in various areas and 26 roles were replacement roles.

Like 2020 absence was just below 1% but the cost to the business was 8.6k less than 2020.

#### 2022 Focus

As outlined in the Strategic Review, our HR focus for 2022 is:

- An internal recognition event
- Obtain ILM accreditation for internal management training
- Establish people champions for championing initiatives and cascading information
- Commencement of Board upskilling
- Revise the Employee Engagement Survey
- Create an internal CSR Committee



# RoadwayLive

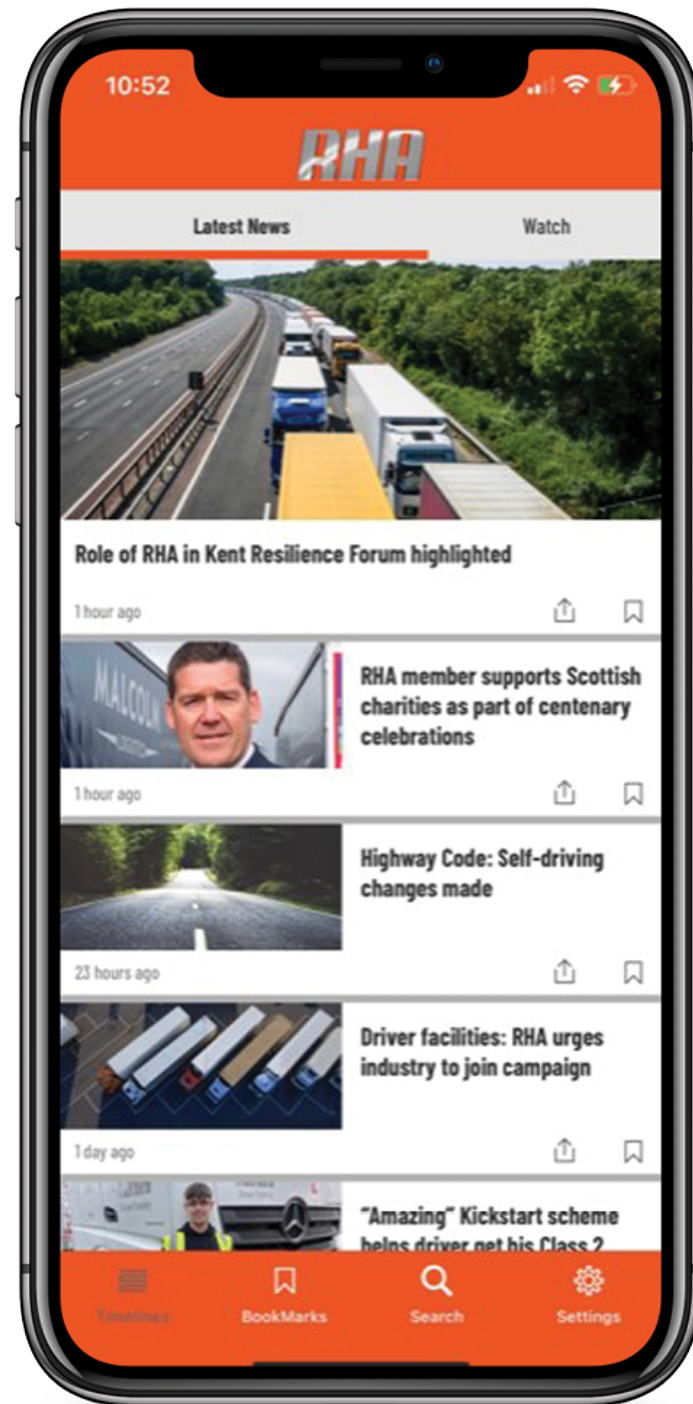
## The latest news tool from the Road Haulage Association

Get the latest industry news updates, bulletins and events info delivered straight to your phone for free!

The app is free, and provides users with:

- News
- Videos
- Events
- Interviews
- Tweets
- Images
- Press releases

Updated throughout the day, every day, by the RHA's Media Team.



**Martin Reid**  
Director,  
Scotland and Northern Ireland

After the issues surrounding 2020, we had hoped for a more settled 2021 but, along with many other sectors, it was a case of more of the same. The team continued to work remotely while at the same time maintaining service levels on both sides of the Irish Sea in what remained to be difficult trading conditions.

We drove costs down while at the same time helping members with their issues and problems. Member appreciation of this was reflected in a deletion rate of 2%, the lowest ever.

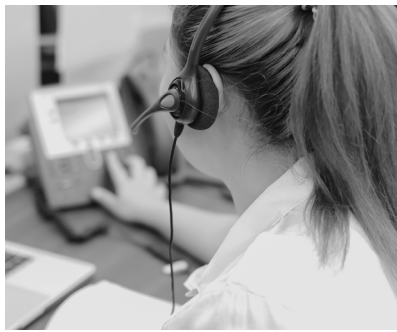
Membership grew too, especially in Northern Ireland where our policy manager, John Martin, was standing shoulder to shoulder with members, highlighting the post-Brexit issues that have added several levels of administration and cost for those who move freight.

When times are difficult, it is always best to have the support of your trade association and the last couple of years have proved that. The overall numbers for the region were strong too and we finished the year with a surplus 26% ahead of budget, testament to the hard work the regional team put in for our members in 2021.

We continue to maintain excellent relationships with the Scottish government and its agencies, regularly meeting and updating key stakeholders on industry issues and we have an ever-growing reputation in NI.

We have given evidence to committees in Holyrood, Stormont, and Westminster, with, and on behalf of our members. We will continue to ensure their voices are heard in the corridors of power this year and beyond.

# Exclusive Member Benefits and on the ground support



## RHA Helpdesk

Operated by qualified and experienced staff who provide free information and advice to members. With a wide range of knowledge and expertise they can answer most questions right away. From EU Drivers' Hours regulations and general compliance to employment issues, they have the answers.



## Member briefings

An opportunity for members to hear, first-hand about the latest information both regionally and nationally on changes to legislation and compliance.

Traditionally held in the Spring and Autumn, briefings in 2020 were held online and were, as usual, regularly attended by the Traffic Commissioners.



## Exclusive use of the RHA Conditions of Carriage 2020

Recognised as the industry standard, if you do not use them, under common law, you could be held responsible for the full value of the load being carried and for any losses arising from damaged or short delivery. Specialist conditions are also available.



## Area manager support

Despite personal visits by area managers to members being put on hold as a result of COVID-19, regular contact with members was maintained. Area managers continued to represent the interests of the membership at online meetings.



## Campaigning

Our dedicated policy team work tirelessly on your behalf lobbying to government at all levels on all issues that concern our members and the wider haulage industry, ensuring your voice is heard every step of the way.



## Use of the RHA logo

Use of the RHA logo on company stationery, your website and on advertisements to highlight that your company is a professional organisation.

Free RHA logo stickers are available from the RHA online shop for use on your vehicles.



## Phil Snowden

Director,  
UK Membership

The past 12 months were very much dictated by the COVID-19 restrictions in place, and these obviously steered our operational ability. That said, the help, support and guidance for the membership continued unabated.

We handled over 10,000 support calls in 2021, with the teams working either fully remote or hybrid we still delivered for the membership.

As things began to return to 'normal,' we tested the appetite for face-to-face support and as such, we were able to deliver the round of Spring Traffic Commissioner seminars across our nations. In fact, the enthusiasm for such took us by surprise with over 1500 delegates registered to attend. It was evident at these events that operators value the networking opportunity along with the industry updates from the RHA, the Traffic Commissioners, and our business partners.

The constant throughout 2021 was the passion of the membership to overcome these once in a lifetime challenge and deliver for their clients as they drive business on our roads.

The RHA supported those member challenges both operationally and politically for which members saw the exceptional value for membership; clearly demonstrated in the world class retention rates for a trade association and the high new member acquisition that was constant throughout 2021.

With membership in constant growth throughout the year, with over one thousand new members onboarded in 2021 and high retention rates our number now stands at the highest that I can remember.

The new membership options which launched in 2020 - Individual, Professional and Van - have continued to grow across the year. With the launch of our new Coach Membership in March 2021, we now have a membership to suit all operators of commercial vehicles and affiliates in the UK.

A personal highlight was the first ever comprehensive RHA membership survey, carried out in August 2021, with members scoring the RHA either satisfied or extremely satisfied in over 85% of their responses, so whilst this is an excellent result, we are far from complacent and will make every effort to exceed this figure over the next 12 months.



# 2022 Annual General Meeting

The RHA's 2022 Annual General Meeting will be held via video conference and at the Grand Hotel, Colmore Row, Birmingham, B3 2BS on Thursday 26th May 2022 at 09.00.

Members in attendance will have the opportunity to consider and vote on the resolutions below. Resolutions 1 to 4 will be proposed as Ordinary Resolutions and Resolutions 5 and 6 will be proposed as Special Resolutions.

Members will receive more information and **Formal Notice** of the meeting by email week commencing 25th April 2022. This **Formal Notice** will include details of how to register to attend, vote and raise any questions.

You can find out more by visiting [www.rha.uk.net/agm](http://www.rha.uk.net/agm) or register your interest in this event by emailing [agm@rha.uk.net](mailto:agm@rha.uk.net)

Ordinary Resolutions	<div>1. Annual Accounts<div>a. To receive the Income and Expenditure Account for the year ended 31 December 2021, the balance sheet at that date and the Auditor's Report.</div></div> <div>2. Strategic Report and Report of the Directors<div>a. To receive the Strategic Report and Report of the Directors for the year ended 31 December 2021.</div></div> <div>3. Auditor<div>a. To reappoint Grant Thornton (NI) LLP as auditor for 2022 and fix their remuneration fee at £25,000.</div></div> <div>4. Any other business<div>a. To consider any other business admitted by the National Chairperson.</div></div>
Special Resolutions	<div>5. THAT the following amendments be made to the Company's existing Articles of Association:<div>a. in Article 2.1 the reference "Deputy" be deleted;</div><div>b. in Article 2.1 the reference "Holding Company" be deleted;</div><div>c. in Article 17 the words "or, being a Holding Company, elects not to be a Member in any Region" be deleted;</div><div>d. Article 20.1.2 be deleted and the remaining articles be renumbered accordingly;</div><div>e. Article 20.2 be deleted; and</div><div>f. in Article 25 the words "and may appoint as additional Directors representatives, duly appointed under Article 4.2, of holding companies" be deleted;</div></div> <div>6. THAT the following amendment be made to the Company's existing Articles of Association:<div>a. sentences 3 and 4 of Article 25 be deleted, and the following three sentences be inserted in place thereof: "The Board may at any time and from time to time appoint no more than three persons to be Directors (Co-Opted Directors) who by their knowledge or capabilities should in the opinion of the Board be able to make valuable contributions to the work and objects of the Board. A Co-Opted Director may at any time be removed as a Director by resolution of the Board. The Co-Opted Directors shall attend a minimum number of Board meetings that are specified in the Rules from time to time."</div></div>





# Company information

Directors	Mr Moreton Cullimore	Mr Andrew Percival Howard
	Mr Allen Terence Rees (appointed 27 May 2021)	Mr David Craig Bratt (resigned 27 May 2021)
	Mr Gary James Hughes (appointed 27 May 2021)	Mr Andrew Macrae
	Mr William Cyril Hockin	Ms Emma Collins
	Mr Timothy John Slater (resigned 21 February 2022)	Mr David James McCutcheon (resigned 26 October 2021)
	Mr Andrew Buchanan Malcolm (resigned 1 February 2021)	Mr David Ward
	Mr Robert Henry Wilcox	Mr Ashley Benjamin Barry McCulla (resigned 28 January 2022)
	Mr Steven Ward	Mr Richard Smith
	Mr Barry Jordan	Mr Dean Fisher (resigned 24 September 2021)
	Mr Richard Burnett (resigned 31 December 2021)	Mr David Scott McIntyre (appointed 27 May 2021)
	Mr Raymond Nigel Clegg (appointed 27 May 2021)	Mr Brian Beattie (appointed 31 March 2022)
Registered number	00391886	
Registered Office	Roadway House Bretton Way Bretton Peterborough PE3 8DD	
Independent auditor	Grant Thornton (NI) LLP Chartered Accountants & Statutory Auditors 12 - 15 Donegall Square West Belfast BT1 6JH	
Bankers	Yorkshire Bank 6 Bridge Street St Helens WA10 1NF	
Solicitors	Birketts LLP 141-145 Princes Street Ipswich IP1 1QJ	





# Strategic Report

For the year ended 31 December 2021

## Introduction

The directors of the Road Haulage Association Limited ('RHA') have the pleasure of submitting their report and accounts for the year ended 31 December 2021. The members of the Board of Directors are appointed or elected in accordance with the Articles of Association and retire biennially. The company is limited by guarantee and does not have share capital.

## Business review

The RHA is a not for profit industry association that represents the whole industry and its purpose is to be 'The Voice' representing all commercial vehicle operators, including distribution and warehousing.

The RHA continues to be the flagship for the industry with regards to the European Truck Manufacturers Cartel, by leading a group claim for compensation on behalf of operators (members and non-members alike) to the Competition Appeal Tribunal (CAT) in London. It is our understanding that the RHA claim is the largest of its type in Europe, currently having over 16,896 operators signed up to the action, an increase of 2,396 on last year. There is still time to join the RHA's claim and the RHA would encourage operators to do so in advance of the next hearing scheduled for April 2021. The Tribunal process is relatively new, and the case has several complicated matters that need addressing. Therefore, it may take several years to reach its conclusion. Nevertheless, the RHA remains committed to ensuring truck operators affected by the Truck Cartel are properly compensated.

That being said, the primary objective of the RHA is to support its members and deliver value for money.

The RHA provides a valuable service to its members: with advice, information and guidance, up-to-the-minute research, area manager support and it offers a comprehensive range of products and services to meet the needs of its members in the areas of compliance and improved business performance.

Complementing the direct support that the RHA provides its members, the RHA also provides intelligence and communication, which aid both the Government and public's understanding of the road haulage industry through extensive media and press coverage. Thanks to an ever-increasing media profile the RHA achieved a record reach of more than more than 1 billion in 2021 - that's the number of times people consumed media content about us on all platforms: print, broadcast and online including social media.

To support the on-going strategy of growth, the RHA aims to increase membership numbers whilst developing and growing commercial services that provide value and relevance to industry sectors.

The RHA must align to market changes, so it can effectively work with the industry, its members and to engage even better with the Government. The UK has now left the EU and during this transitional period, there will be an increased speed at which the UK Government will drive change as a result of trade negotiations. The RHA needs to be adept at understanding what these changes will mean for the industry as well as keeping aligned to technological changes. To achieve this, the RHA needs to reinvest in the structure for the future and growth in membership numbers and 'needs-based' commercial services, which play a vital part.

The total membership of the association on 31 December 2021 was:

# 8,188

(2020: 7,450) giving a net increase of 738 on the prior year.

The directors are pleased to report a profit for the year of £719,878 (2020: £577,663). The company carries an asset with regard to its Defined Benefit Pension Scheme based upon on the actuarial valuation of £52,000 (2020: £51,000), which is included in the company reserves of £4,508,600 (2020: £4,025,032).

## Principal risks and uncertainties

The directors remain vigilant to the risks prevalent in a commercial environment and continue to take steps to minimise or mitigate these risks. Member growth and retention is highly dependent on perceived value for money that RHA membership delivers. Continued investment in optimising business structure and processes, coupled with the development of 'needs-based' services, are deemed essential strategies in protecting the business from these risks.

As the business entered 2021 the primary business risks affecting it were viewed to be the uncertainty linked to the Coronavirus pandemic and economic recovery, end of Brexit transition and the competitive marketplace. The Commercial Vehicle (CV) Show event for 2021 was scaled back and management are working closely with the Show's other partners to limit financial risk to the association from the 2022 show's proposed structure. At this time, it is uncertain as to what the longer-term impact will be both to the wider economy, the road transport industry and therefore the knock-on impact to our membership and commercial services income from the pandemic and current cost climate and whether this will impact on the services demanded from the RHA. Management have put in place several measures to manage the risks, but it is not possible at this time to state what the final impact on the Company's performance for the current financial year will be.

## Financial key performance indicators

The directors continue to use both financial and non-financial key performance indicators to monitor and manage the business. Regular and timely reporting see particular focus on profitability versus budget, aged debtors and membership retention rates.

## Development and performance

The directors are confident that, going forward, with reinvestment back into the business, development of services for members and continuous improvement in internal controls and reporting will all have a positive impact on the financial performance and position of the company.

The directors consider that in light of the above comments, the company will strive to achieve its budget targets for the upcoming financial year. The strategic focus of the company will be reviewed regularly to ensure it reacts swiftly to changes in trading conditions.

This report was approved by the board on 31 March 2022 and signed on its behalf.

Mr Moreton Cullimore  
Director



# Directors' Report

For the year ended 31 December 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

## Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

### In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

## Principal activity

The company's principal activity is that of a trade association.

## Results

The profit for the year, after taxation, amounted to

**£719,878**

(2020 - £557,663).

## Future developments

The Directors aim is to maintain the management policies which have resulted in the company's growth in recent years.

## Matters contained in strategic report

Information the company has chosen, in accordance with S414C (II) of the Companies Act 2006, to set out in the strategic report which would otherwise be required by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008' to be contained in the directors' report is as follows:

- Principal risks & uncertainties

## Financial risk management

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures.

## Directors

The directors who served during the year were:

Mr Ashley Benjamin Barry McCulla  
(resigned 28 January 2022)  
Mr Andrew Percival Howard  
Mr Allen Terence Rees  
(appointed 27 May 2021)  
Mr David Craig Bratt  
(resigned 27 May 2021)

Mr Gary James Hughes  
(appointed 27 May 2021)  
Mr Andrew Macrae  
Mr William Cyril Hockin  
Ms Emma Collins  
Mr Timothy John Slater  
(resigned 21 February 2022)  
Mr David James McCutcheon  
(resigned 26 October 2021)

Mr Andrew Buchanan Malcolm  
(resigned 1 February 2021)  
Mr David Ward  
Mr Robert Henry Wilcox  
Mr Moreton Cullinore  
Mr Steven Ward  
Mr Richard Smith  
Mr Barry Jordan

Mr Dean Fisher  
(resigned 24 September 2021)  
Richard Burnett  
(resigned 31 December 2021)  
Mr David Scott McIntyre  
(appointed 27 May 2021)  
Mr Raymond Nigel Clegg  
(appointed 27 May 2021)

## Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

## Auditor

The auditor, Grant Thornton (NI) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 31 March 2022 and signed on its behalf.

Mr Moreton Cullimore  
Director



# Independent auditor's report to the members of the Road Haulage Association Limited

## Opinion

We have audited the financial statements of Road Haulage Association Limited, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity for the financial year ended 31 December 2021, and the related 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'

(United Kingdom Generally Accepted Accounting Practice).

In our opinion, Road Haulage Association Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the Company as at 31 December 2021 and of its financial performance and cash flows for the year then ended; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, namely the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances of the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities, and the responsibilities of the directors, with respect to going concern are described in the relevant sections of this report.

## Other information

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon, including the Directors' report and the Strategic Report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the 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 in the financial statements, 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.

## Opinions 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 Directors' report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements,
- the Directors' report and the 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 company and its environment we have obtained in the course of the audit, we have not identified material misstatements in the Directors' report and the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 and for such internal control as the directors 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, management is responsible for assessing the 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 management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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 their 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 an auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

### The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Data Privacy law, Employment Law, Environmental Regulations, Pensions Legislation and Health & Safety laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. \Y/e also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statement.

In response to these principal risks, our audit procedures included but were not limited to:

- enquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the company's regulatory and legal correspondence and review of minutes of board/ director's meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including the pension asset, investments, estimating the allowance for the impairment of receivables and revenue recognition; and review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

## The purpose of our audit work and to whom we owe our responsibilities

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

Neal Taylor  
(Senior statutory auditor)

for and on behalf of  
**Grant Thornton (NI) LLP**

Chartered Accountants  
Statutory Auditors

Belfast  
Date: 31 March 2022



# Statement of Comprehensive Income

For the year ended 31 December 2021

		2021	2020
	Note	£	£
Turnover	4	11,565,747	10,205,105
Cost of sales		(3,231,048)	(2,625,630)
<b>Gross profit</b>		<b>8,334,699</b>	7,579,475
Administrative expenses		(9,066,383)	(8,407,208)
Other operating income	5	963,532	1,052,827
<b>Operating profit</b>	6	<b>231,848</b>	225,094
Income from participating interests		58,308	366,599
Interest receivable and similar income	9	1,535	8,091
Interest payable and expenses	10	(3,005)	(9,391)
Other finance income/(costs)		3,000	(1,000)
<b>Profit before tax</b>		<b>291,686</b>	589,393
Tax on profit	12	428,192	(31,730)
<b>Profit for the financial year</b>		<b>719,878</b>	557,663
<b>Other comprehensive income for the year</b>			
Actuarial (losses)/ gains on defined benefit pension scheme		(246, 000)	37,000
Movement of deferred tax relating to pension deficit		9,690	(7,030)
<b>Other comprehensive income for the year</b>		<b>(236,310)</b>	29,970
<b>Total comprehensive income for the year</b>		<b>483,568</b>	587,633

The notes on pages 34 to 54 form part of these financial statements.

# Balance Sheet

For the year ended 31 December 2021

	Note	2021 £	2020 £
<b>Fixed Assets</b>			
Intangible assets	13	587,129	656,075
Tangible assets	14	1,627,665	1,513,770
Investments	15	158,309	466,600
		<b>2,373,103</b>	2,686,445
<b>Current assets</b>			
Stocks	16	432,530	567,874
Debtors: amounts falling due within one year	17	3,449,264	2,233,885
Cash at bank and in hand	18	4,115,103	3,522,014
		<b>7,996,897</b>	6,323,773
Creditors: amounts falling due within one year	19	(5,913,400)	(4,976,496)
<b>Net current assets</b>		<b>2,083,497</b>	1,347,277
<b>Total assets less current liabilities</b>		<b>4,456,600</b>	3,983,722
<b>Provisions for liabilities</b>			
Deferred tax	21	-	(9,690)
Pension asset		52,000	51,000
<b>Net assets</b>		<b>4,508,600</b>	4,025,032
<b>Capital and reserves</b>			
Profit and loss account	22	4,508,600	4,025,032
		<b>4,508,600</b>	4,025,032

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 March 2022.

Mr Moreton Cullimore  
Director

The notes on pages 34 to 54 form part of these financial statements.

# Statement of Changes in Equity

For the year ended 31 December 2021

	Profit and loss account £	Total equity £
At 1 January 2021	4,025,032	4,025,032
<b>Comprehensive income for the year</b>		
Profit for the year	719,878	719,878
Actuarial losses on pension scheme	(236,310)	(236,310)
<b>Total comprehensive income for the year</b>	<b>483,568</b>	483,568
<b>At 31 December 2021</b>	<b>4,508,600</b>	4,508,600

# Statement of Changes in Equity

For the year ended 31 December 2020

	Profit and loss account £	Total equity £
At 1 January 2020	3,437,399	3,437,399
<b>Comprehensive income for the year</b>		
Profit for the year	557,663	557,663
Actuarial gains on pension scheme	29,970	29,970
<b>Total comprehensive income for the year</b>	<b>587,633</b>	587,633
<b>At 31 December 2020</b>	<b>4,025,032</b>	4,025,032

The notes on pages 34 to 54 form part of these financial statements.



# Statement of Cash Flows

For the year ended 31 December 2021

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	719,878	557,663
<b>Adjustments for:</b>		
Amortisation of intangible assets	209,315	181,158
Depreciation of tangible assets	128,210	134,226
Loss on disposal of tangible assets	206	(7,646)
Government grants	(72,682)	-
Interest paid	3,005	9,391
Interest received and income from investments	(59,843)	(8,091)
Taxation charge	(428,192)	31,730
Decrease/ (increase) in stocks	136,344	(82,003)
(Increase) in debtors	(787,187)	(16,709)
Increase/(decrease) in creditors	689,902	(450,923)
<b>Net cash generated from operating activities</b>	<b>537,956</b>	<b>348,796</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(140,368)	(204,866)
Purchase of tangible fixed assets	(248,798)	(120,288)
Sale of tangible fixed assets	6,488	12,812
Government grants received	72,682	-
Interest received	1,535	8,091
Income from investments in related companies	366,599	-
<b>Net cash from investing activities</b>	<b>58,138</b>	<b>(304,251)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(3,005)	(9,391)
<b>Net cash used in financing activities</b>	<b>(3,005)</b>	<b>(9,391)</b>
<b>Net increase in cash and cash equivalents</b>	<b>593,089</b>	<b>35,154</b>
Cash and cash equivalents at beginning of year	3,522,014	3,486,860
<b>Cash and cash equivalents at the end of year</b>	<b>4,115,103</b>	<b>3,522,014</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	4,115,103	3,522,014
	<b>4,115,103</b>	<b>3,522,014</b>

# Analysis of Net Debt

For the year ended 31 December 2021

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	3,522,014	593,089	4,115,103
	3,522,014	593,089	4,115,103

The notes on pages 34 to 54 form part of these financial statements.

# Notes to the financial statements

As at 31 December 2021

## 1. General information

Road Haulage Association Limited is a company limited by guarantee and incorporated in England. Its registered office is located at Roadway House, Bretton Way, Bretton, Peterborough, PE3 8DD. The Company's principal activity is that of a trade association.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

### 2.2 Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

### 2.3 Foreign currency translation

#### Functional and presentation currency

The Company's functional and presentational currency is GBP.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The following criteria must also be met before revenue is recognised:

#### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Membership subscription has a duration of 12 months and associated income is recognised over the term of the membership.



## 2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

## 2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

## 2.7 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

## 2.8 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

## 2.9 Pensions

### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- the increase in net pension benefit liability arising from employee service during the period; and
- the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

## 2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## 2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software development costs - Straight line between 3-5 years

## 2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

**Freehold property** – 50 years

**Long-term leasehold property** – 3 years

**Motor vehicles** – 4 years

**Office equipment** – 4 years

**Computer equipment** – 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### 2.13 Associates and joint ventures

Associates and Joint Ventures are measured at fair value. Changes in fair value are recognised in profit or loss. Fair value is estimated by using a valuation technique.

### 2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### 2.15 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

### 2.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

### 2.19 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## 3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are required when applying accounting policies. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future, which can involve a high degree of judgement or complexity. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

#### Software Development Costs

The company has adopted a policy of capitalising development expenditure when certain criteria are met. An assessment is made on a project by project basis at the start of the development phase as to whether the company expects to derive future benefits from the developed asset, and whether it has sufficient technical knowledge to complete the asset as specified in the design brief. This determination is made based on the technical expert used by the company to determine if these technical solutions meet its operational needs. The derived intangibles are assessed at each reporting period for indicators of impairment. The directors consider that all such capitalised assets play an important part in generating profits for the business.



#### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on future investments, economic utilisation and the physical condition of the assets.

#### Truck Cartel - Acting as agent not principal

As class representative, the Road Haulage Association Limited (RHA) is the 'representative body' or 'class representative' bringing together a group claim for the industry (those members and non-members who wish to sign up) under the Consumer Rights Act 2015. The RHA itself has not suffered directly as a result of the cartel's behaviours, therefore is acting as an agent, not principal, for the class action.

#### Carrying value of stock

Stock represents goods for resale and is measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. Provision is made for obsolete and slow moving stock based on historical experience.

## 4. Turnover

An analysis of turnover by class of business is as follows:

	2021	2020
	£	£
Membership subscriptions	4,624,433	4,170,314
Other membership services and publications	5,267,921	4,456,702
Sales to member	1585,231	1,548,375
Exhibitions, conferences and seminars etc	88,162	29,715
	11,565,747	10,205,106

All turnover arose within the United Kingdom.

## 5. Other operating income

	2021	2020
	£	£
Management re-charge for Truck Cartel costs	890,850	903,592
Government grants receivable	72,682	149,235
	963,532	1,052,827

## 6. Operating profit

The operating profit is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	128,210	134,227
Amortisation of intangible assets	209,314	181,158
Auditor's remuneration	23,000	22,000
Auditor's remuneration - corporate tax compliance	3,000	3,000

## 7. Employees

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	5,282,121	5,115,729
Social security costs	545,114	532,310
Cost of defined benefit scheme	23,000	29,000
Cost of defined contribution scheme	322,602	318,197
	6,172,837	5,995,236

The average monthly number of employees, including the directors, during the year was as follows:

	2021	2020
	No.	No.
Employees	128	126
Directors	18	19
	146	145

## 8. Directors emoluments

The highest paid director received remuneration of £388,513 (2020 - £248,677).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2020 - £NIL).

	2021	2020
	£	£
Directors' emoluments	500,389	535,090
Compensation for loss of office	212,527	-
Pension contributions	10,900	10,041
Value of assets transferred	5,412	-
	729,228	545,131

## 9. Interest receivable

	2021	2020
	£	£
Other interest receivable	1,535	8,091
	1,535	8,091

## 10. Interest payable and similar expenses

	2021	2020
	£	£
Bank interest payable	3,005	9,391
	3,005	9,391

## 11. Other finance (income)/costs

	2021	2020
	£	£
Net interest on net defined benefit liability	(3,000)	1,000
	(3,000)	1,000

## 12. Taxation

	2021	2020
	£	£
Corporation tax		
Adjustments in respect of previous periods	(428,192)	-
	(428,192)	-
Total current tax	(428,192)	-
Deferred tax		
Origination and reversal of timing differences	-	31,730
Total deferred tax	-	31,730
Taxation on (loss)/profit on ordinary activities	(428,192)	31,730



12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£	£
Profit on ordinary activities before tax	291,686	589,393
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	55,420	111,985
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,470	1,207
Fixed asset differences	6,985	8,948
Adjustments to tax charge in respect of prior periods	(428,192)	-
Non-taxable income	(365,430)	(309,128)
Amounts charged directly to equity	-	(7,030)
Other permanent differences	-	1,342
Deferred tax not recognised	301,555	224,406
Total tax charge for the year	(428,192)	31,730

13. Intangible assets

	Trademarks	Website costs	Software development costs	Total
	£	£	£	£
Cost				
At 1 January 2021	16,540	191,527	1,198,688	1,406,755
Additions	4,190	73,528	62,650	140,368
At 31 December 2021	20,730	265,055	1,261,338	1,547,123
Amortisation				
At 1 January 2021	3,208	-	747,472	750,680
Charge for the year on owned assets	1,908	55,961	151,445	209,314
At 31 December 2021	5,116	55,961	898,917	959,994
Net book value				
At 31 December 2021	15,614	209,094	362,421	587,129
At 31 December 2020	13,332	191,527	451,216	656,075

## 14. Tangible fixed assets

	Freehold property	Long-term leasehold property	Motor vehicles	Office equipment	Computer equipment	Total
	£	£	£	£	£	£
<b>Cost or valuation</b>						
At 1 January 2021	1,573,196	43,663	18,848	273,349	331,846	2,240,902
Additions	9,804	60,000	55,000	36,724	87,271	248,799
Disposals	-	(43,663)	-	-	(38,468)	(82,131)
<b>At 31 December 2021</b>	<b>1,583,000</b>	<b>60,000</b>	<b>73,848</b>	<b>310,073</b>	<b>380,649</b>	<b>2,407,570</b>
<b>Depreciation</b>						
At 1 January 2021	217,590	43,012	4,903	209,392	252,235	727,132
Charge for the year on owned assets	35,095	1,667	6,283	29,581	55,584	128,210
Disposals	-	(43,012)	-	-	(32,425)	(75,437)
<b>At 31 December 2021</b>	<b>252,685</b>	<b>1,667</b>	<b>11,186</b>	<b>238,973</b>	<b>275,394</b>	<b>779,905</b>
<b>Net book value</b>						
<b>At 31 December 2021</b>	<b>1,330,315</b>	<b>58,333</b>	<b>62,662</b>	<b>71,100</b>	<b>105,255</b>	<b>1,627,665</b>
At 31 December 2020	1,355,606	651	13,945	63,957	79,611	1,513,770

## 15. Fixed asset investments

	Investments in associates
	£
<b>Cost or valuation</b>	
At 1 January 2021 (as previously stated)	100,001
Reclassification of accrued income	366,599
At 1 January 2021 (as restated)	466,600
Payment of profit share	(366,599)
Share of profit/ (loss)	58,308
<b>At 31 December 2021</b>	<b>158,309</b>

The Road Haulage Association Limited, the Society of Motor Manufacturers and Traders Limited and SOE Services Limited, jointly and equally controlled The Commercial Vehicle Show LLP. The LLP undertakes arrangements for, and the staging of, the Commercial Vehicles Shows.

The profit/loss of The Commercial Vehicle Show LLP is shared equally between the three partners. In the year ended 31 December 2021, the Road Haulage Association Limited's share of the profit was £58,308 (2020: £366,599). The audited accounts of The Commercial Vehicle Show LLP for the year ended 30 June 2021 do not disclose any contingent liabilities or capital commitments.

The Road Haulage Association Limited's investment of £158,308 (2020: £466,599) is based on directors valuations.

RHA Trustees Limited was incorporated in July 2014 when 1 Ordinary Share of £1 was allotted and issued to Road Haulage Association Limited. This company is wholly owned subsidiary of Road Haulage Association Limited and has been dormant since incorporation. RHA Retirement Benefits Plan Trustees Limited acts as Corporate Trustee for the RHA Retirement Benefits Plan Pension Scheme.

## 16. Stocks

	2021	2020
	£	£
Finished goods and goods for resale	432,530	567,874
	432,530	567,874



## 17. Debtors

	2021 £	As restated 2020 £
Trade debtors	1,810,149	1,136,594
Other debtors	304,191	267,433
Prepayments and accrued income	906,732	829,858
Tax recoverable	428,192	-
	<b>3,449,264</b>	<b>2,233,885</b>

## 18. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	4,115,103	3,522,014
	<b>4,115,103</b>	<b>3,522,014</b>

## 19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	678,669	751,382
Other taxation and social security	349,570	221,169
Other creditors	589,585	401,326
Accruals and deferred income	4,295,576	3,602,619
	<b>5,913,400</b>	<b>4,976,496</b>

## 20. Financial instruments

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<b>4,268,104</b>	3,988,614

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

There are no financial liabilities measured at fair value through profit or loss.

## 21. Deferred taxation

	2021 £	2020 £
At beginning of year	<b>(9,690)</b>	29,070
Movement in year	-	(38,760)
Charged to other comprehensive income	<b>9,690</b>	-
At end of year	-	(9,690)

The deferred taxation balance is made up as follows:

	2021 £	2020 £
Pension deficit	-	(9,690)
	-	(9,690)

## 22. Reserves

### Profit and loss account

Included all current and prior period retained profits and losses.

## 23. Contingent liabilities

There is a contingent liability attaching to any IRU carnet issued within the previous 27 months, but not yet returned and subsequently proved to be used fraudulently. The directors are not aware of any such claims.

## 24. Pension commitments

The Company operates a Defined benefit pension scheme.

The Road Haulage Retirement Benefits Plan, providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested in Treasury Stock and with insurance companies. The contributions made to the scheme over the financial year have been equivalent to 20.1% of the pensionable salaries by the company and 5% by the employees. Special contributions of £250,000 were made during the year. A full valuation was undertaken as at 31 December 2018 and updated to 31 December 2021 by a qualified independent Actuary. The major assumptions used by the Actuary are summarised below in this note. The insurance assets have not been disclosed in the financial statements as, in the opinion of the directors, these are not material.

Reconciliation of present value of plan (assets)/liabilities:

	2021	2020
	£	£
Reconciliation of present value of plan (assets)/liabilities		
At the beginning of the year	(51,000)	171,000
Interest (income)/cost	(3,000)	1,000
Actuarial losses/(gains)	246,000	(37,000)
Contributions	(267,000)	(215,000)
Benefits paid	23,000	29,000
At the end of the year	(52,000)	(51,000)

Composition of plan liabilities:

	2021	2020
	£	£
Present value of scheme assets at the beginning of period	20,055,000	18,350,000
Current service cost	23,000	29,000
Employee contributions	4,000	6,000
Interest (income)/cost	255,000	360,000
Actuarial losses/(gains)	(1,045,000)	2,030,000
Benefits paid	(844,000)	(720,000)
Total plan liabilities	18,448,000	20,055,000



## Composition of plan assets:

	2021	2020
	£	£
Present value of scheme assets at the beginning of period	20,106,000	18,179,000
Interest on scheme assets	258,000	359,000
Actuarial gains/(losses)	(53,000)	2,067,000
Benefits paid	(844,000)	(720,000)
Contributions paid by the Company	267,000	215,000
Employee contributions	4,000	6,000
Change in non-recoverable surplus	(1,238,000)	-
Total plan assets	18,500,000	20,106,000

	2021	2020
	£	£
Present value of plan assets/(liabilities)	52,000	51,000
Net pension scheme asset	52,000	51,000

The amounts recognised in profit or loss are as follows:

	2021	2020
	£	£
Current service cost	(23,000)	(29,000)
Interest on obligation	3,000	(1,000)
Total	(20,000)	(30,000)

The return on the plan assets was £205,000 (2020: £2,426,000).

The cumulative amount of actuarial gains and losses recognised in the Statement of comprehensive income was (£246,000) (2020 - £37,000).

The Company expects to contribute £250,000 to its Defined benefit pension scheme in 2022.

## Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2021	2020
	%	%
Discount rate	1.90	1.30
Future salary increases	0.00	0.00
Future pension increases	3.40	2.90
RPI assumption	3.50	3.00
CPI assumption	3.00	2.50

## Mortality rates

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI 2020 future improvement factors and a long-term rate of future improvement of 1.0% p.a. (2020: S3PA with CMI 2019 future improvement factors and a long-term future improvement rate of 1.0% p.a.). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 21.7 years (previously 21.8 years);
- Female age 65 now has a life expectancy of 24.1 years (previously 24.1 years);

## Defined Contributions Scheme

As from 1 October 1999, the Company introduced a new 'Defined Contributions Pension Scheme' in respect of new entrants. The pension charge for the year was nil (2019: £nil). The pension scheme was closed as from 31 January 2006 and where appropriate, the accrued benefit transferred to the GPP Pension Scheme.

## Group Personal Pension Plan

As from 1 February 2006 the Company introduced a new 'Group Personal Pension Plan' in respect of new entrants and those already in the Defined Contributions Pension Scheme. The contribution rates in respect of the Group Personal Pension Plan are as follows:

Employer's contributions - matched contributions from 1% to 5%  
 Employees' contributions - 0.8% minimum up to HM Revenue and Customs limit

All contributions are invested with Aviva. The related pension charge for the year was £180,900 (2020: £174,521). Contributions totalling £nil (2020 - £25,986) were payable to the fund at the balance sheet date and are included in creditors.

## 25. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	262,610	149,406
Later than 1 year and not later than 5 years	674,997	349,491
Later than 5 years	232,500	2,941
	1,170,107	501,838

## 26. Special Interest Groups

The results of the related activities undertaken by Special Interest Groups are not considered part of the Company's activities and accordingly are not included in the Company's statement of comprehensive income. The Company holds funds on behalf of these Groups which at 31 December 2021 amounted to £343,577 (2020: £337,824).

## 27. Related party transactions

The Company's related parties comprise its Board if Directors and its key management. There were no related party transactions with Directors or key management to disclose.

Key management personnel compensation for the financial year totalled £728,061 (2020: £693,336).

## 28. Company status

The Company is incorporated as a company limited by guarantee and without share capital. In the event of a winding-up or dissolution of the Company, every member has a liability to contribute to its debts as required to an amount not exceeding 25 pence.

## 29. Controlling party

The Directors consider that the board structure means that there is no directly identifiable controlling party.

## 30. Change in accounting policy

The company has changed its accounting policy to measure investments in associates at fair value. Previously the company measured investments in associates at cost less impairment. The change has been made as it more accurately reflects the value of the investment at the year end by accounting for profit share not received.

The impact of the change in accounting policy on the prior year is to decrease the debtors due within one year by £366,599 and increase the investments in associates by £366,599. There is no impact on reserves.

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