

REGISTERED NUMBER: 06032686 (England and Wales)

FUTUREWORKS TRAINING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

FUTUREWORKS TRAINING LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2023**

DIRECTORS:

C Mayo
G Arnold
J S Brooks
R J Campbell
R Tyrrell
A Doyle

SECRETARY:

C Mayo

REGISTERED OFFICE:

Aldine House
New Bailey Street
Manchester
M3 5FS

REGISTERED NUMBER:

06032686 (England and Wales)

AUDITORS:

Clarke Nicklin LLP
Chartered Accountants and
Statutory Auditors
Clarke Nicklin House
Brooks Drive
Cheadle Royal Business Park
Cheadle
Cheshire
SK8 3TD

FUTUREWORKS TRAINING LIMITED (REGISTERED NUMBER: 06032686)**BALANCE SHEET
31 AUGUST 2023**

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Intangible assets	5		853,829		768,473
Tangible assets	6		<u>250,222</u>		<u>272,887</u>
			1,104,051		1,041,360
CURRENT ASSETS					
Debtors	7	451,864		349,843	
Cash at bank		<u>237,040</u>		<u>221,031</u>	
		688,904		570,874	
CREDITORS					
Amounts falling due within one year	8	<u>943,155</u>		<u>631,174</u>	
NET CURRENT LIABILITIES			<u>(254,251)</u>		<u>(60,300)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			849,800		981,060
CREDITORS					
Amounts falling due after more than one year	9		<u>3,486,521</u>		<u>3,581,966</u>
NET LIABILITIES			<u>(2,636,721)</u>		<u>(2,600,906)</u>
CAPITAL AND RESERVES					
Called up share capital			1,500		1,500
Retained earnings			<u>(2,638,221)</u>		<u>(2,602,406)</u>
SHAREHOLDERS' FUNDS			<u>(2,636,721)</u>		<u>(2,600,906)</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 14 December 2023 and were signed on its behalf by:

C Mayo - Director

R J Campbell - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. STATUTORY INFORMATION

Futureworks Training Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These accounts have also been prepared using the OFS Regulatory Advice: Accounts Direction 9 dated 25 October 2019.

The financial statements are presented in Sterling (£).

Grant

The OfS grant is recognised using the performance model.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

The OfS grant does not impose specified future performance-related conditions on the recipient.

Going concern

The financial statements have been prepared on a going concern basis and the Board of Directors consider this to be appropriate. Cashflow forecasts have been prepared for the next 24 months based on the company's recruitment, conversion and retention rates as well as known and anticipated costs. These show that the company has sufficient resources and access to external resources to meet its obligations. Regular, and ongoing reviews of the financial position of the company for cash, income and expenditure will ensure that appropriate risks are highlighted and mitigated in a timely manner.

Budgets and forecasts have been subjected to stress testing based on assumptions regarding the impact on recruitment and retention. The scenarios used range in likelihood and the directors believe the company has sufficient resources to continue to meet its obligations. The directors have therefore concluded that there are no material uncertainties that would cast doubt over the company's ability to continue as a going concern for a period of 12 months after the date of the approval of these accounts (the going concern period).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

3. ACCOUNTING POLICIES - continued

Judgements and key sources of estimation uncertainty

Estimates and judgements 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 estimations and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below:

(1) Useful economic lives of tangible assets

The annual depreciation charge for tangible asset is sensitive to changes in the estimated useful lives. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technical advancement. See amortisation policy for useful economic lives of each class of assets.

(2) Useful economic lives of intangible assets

The annual amortisation charge for intangible assets is sensitive to changes in their estimated useful lives. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technical advancement. See amortisation policy for useful economic lives of each class of assets.

Revenue recognition

Revenue from both private and degree courses is recognised based on performance over the period to which each course relates with revenue being recognised when it is probable that the economic benefits will flow to the company and revenue can reliably measured.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

3. ACCOUNTING POLICIES - continued

Taxation

The taxation expense represents the aggregate amount of current and deferred tax. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis with the exception of leases entered into pre transition to FRS 102. The aggregate benefit is included within creditors and is disclosed over the period to which it will be recognised and the comparative balance sheet has been adjusted between creditors due within one year and creditors due after more than one year to reflect this.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

3. ACCOUNTING POLICIES - continued

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Website - 33% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Intangible assets also include an application for its own degree awarding powers which is ongoing and additional capitalised costs are in relation to working towards achieving this. No amortisation is currently charged as the asset is not yet complete and therefore not yet in use. Management review the position at each balance sheet date and also assess whether there is any indication of impairment. If such an indication exists then an appropriate provision is included.

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property - Straight line over the life of the lease
Plant & Machinery - 20% reducing balance
Fixtures & Fittings - 33% straight line

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

3. ACCOUNTING POLICIES - continued

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 49 (2022 - 43).

5. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 September 2022	820,841
Additions	<u>85,356</u>
At 31 August 2023	<u>906,197</u>
AMORTISATION	
At 1 September 2022 and 31 August 2023	<u>52,368</u>
NET BOOK VALUE	
At 31 August 2023	<u>853,829</u>
At 31 August 2022	<u>768,473</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 September 2022	820,182	974,480	1,794,662
Additions	11,950	19,487	31,437
At 31 August 2023	<u>832,132</u>	<u>993,967</u>	<u>1,826,099</u>
DEPRECIATION			
At 1 September 2022	598,102	923,673	1,521,775
Charge for year	35,105	18,997	54,102
At 31 August 2023	<u>633,207</u>	<u>942,670</u>	<u>1,575,877</u>
NET BOOK VALUE			
At 31 August 2023	<u>198,925</u>	<u>51,297</u>	<u>250,222</u>
At 31 August 2022	<u>222,080</u>	<u>50,807</u>	<u>272,887</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	500	8,792
Other debtors	451,364	341,051
	<u>451,864</u>	<u>349,843</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Bank loans and overdrafts	35,000	35,147
Trade creditors	452,260	339,588
Social security and other taxes	142,812	47,293
Other creditors	313,083	209,146
	<u>943,155</u>	<u>631,174</u>

There are fixed and floating charges over the assets of the company in relation to the bank loan and other facilities.

There are unpaid pension contributions outstanding amounting to £21,285 (2022: £8,320). Subsequently, these have been brought up to date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023 £	2022 £
Bank loans and overdrafts	72,917	107,923
Other creditors	<u>3,413,917</u>	<u>3,474,043</u>
	<u>3,486,521</u>	<u>3,581,966</u>

There are fixed and floating charges over the assets of the company in relation to the bank loan and other facilities.

Included within creditors due after more than one year is £3,413,604 (2022: £3,473,604) owing to R Tyrrell, a director of the company. The loan is unsecured, interest free and repayable on or after the 30th August 2028 unless agreed in advance by the Company.

10. **LEASING AGREEMENTS**

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

	2023 £	2022 £
Not later than 1 year	691,899	470,330
Later than 1 year and not later than 5 years	1,644,974	1,775,860
Later than 5 years	<u>272,767</u>	<u>243,600</u>
	<u>2,609,640</u>	<u>2,489,790</u>

11. **SECURED DEBTS**

The following secured debts are included within creditors:

	2023 £	2022 £
Bank loans	<u>107,917</u>	<u>142,923</u>

12. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Graham Travis FCA (Senior Statutory Auditor)
for and on behalf of Clarke Nicklin LLP

13. **CONTINGENT LIABILITIES**

There is a contingent liability of £80,000 (2022: £193,450) at the balance sheet date which has not been provided for. The directors have adopted FRS 102 paragraph 21.17 in that providing disclosures would seriously prejudice the position of the entity in a dispute with other parties.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

14. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 August 2023 and 31 August 2022:

	2023 £	2022 £
C Mayo		
Balance outstanding at start of year	2,000	507
Amounts advanced	952	2,000
Amounts repaid	(2,000)	(507)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>952</u>	<u>2,000</u>
A Doyle		
Balance outstanding at start of year	(25,050)	(25,050)
Amounts advanced	16,548	-
Amounts repaid	(15,000)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(23,502)</u>	<u>(25,050)</u>

15. TURNOVER

The company has received grant income from the OfS in the year of £319,324 (2022: £240,793) which is included in the total turnover for the year of £4,109,498 (2022: £3,832,382).

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Total Turnover

	2023 £	2022 £
Total turnover	<u>4,109,498</u>	<u>3,832,382</u>

The grant income is included within turnover.

16. ACCESS AND PARTICIPATION EXPENDITURE

	2023 £	2022 £
Access investment	96,050	114,077
Financial support provided	110,395	62,720
Research and evaluation	6,858	2,491
Total	<u>213,303</u>	<u>179,288</u>

Further information on the access and participation plans can be found www.futureworks.ac.uk/access-and-participation/

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

17. TAXABLE BENEFITS

The total taxable benefits paid for by the company for the year ended 31st August total £34,199 (2022: £32,999) in relation to private medical insurance.

18. REMUNERATION

There are no staff members with a full-time equivalent basic salary of over £100,000 in the year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.