

Registered number: 09432724

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

WEDNESDAY



L6IQIF1M

LD6

08/11/2017

#14

COMPANIES HOUSE

THE GARDENS AND ENTERPRISE COMPANY LIMITED

(A company limited by guarantee)

COMPANY INFORMATION

Directors	Christine Hodgson Lord David Young of Graffham Steve Holliday Dame Julia Cleverdon Brian Lightman Claudia Harris
Company secretary	Gurdip Juty
Registered number	09432724
Registered office	2-7 Clerkenwell Green London EC1R 0DE
Independent auditor	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square EC4Y 8EH
Accountants	KPMG UK LLP

15 Canada Square
London
E14 5GL

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Strategic report	1 - 3
Directors' report	4 - 5
Independent auditor's report	6 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of cash flows	10
Notes to the financial statements	11 - 19

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

Financial Management Review

As a start-up organisation, the Company's focus during its second year of operation has been to work with partners to radically reshape the careers and enterprise landscape to help inspire and prepare young people for the fast changing world of work. This is set out in our Funding Agreement with the Department of Education

(DfE). To date we have spent £21m, scaling up the local networks and backing proven ideas. This represents an increase through funding of 137% year on year. Additionally, external match funding of £15m has been leveraged, increasing investment in the system.

During the year the Company has focused on strengthening its system of internal controls and improving financial management, resulting in a positive commercial outcome.

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

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

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

Disclosure of information to auditor

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

as 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

THE CAREERS AND ENTERPRISE COMPANY LIMITED

COMPANY LIMITED

We have audited the financial statements of The Careers and Enterprise Company Limited for the year ended 31 March 2017, set out on pages 8 to 19. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting

THE CAREERS AND ENTERPRISE COMPANY LIMITED

(A company limited by guarantee)
 REGISTERED NUMBER: 09432724

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	33,953	45,815
		<u>33,953</u>	<u>45,815</u>
Current assets			
Debtors: amounts falling due after more than one year	10	197,399	122,999
Debtors: amounts falling due within one year	10	89,450	116,928
Cash at bank and in hand	11	7,143,757	7,277,286
		<u>7,430,606</u>	<u>7,517,213</u>
Creditors: amounts falling due within one year	12	(7,464,559)	(7,563,028)
Total assets less current liabilities			
		<u>-</u>	<u>-</u>
Net assets			
		<u>-</u>	<u>-</u>
Capital and reserves			
		<u>-</u>	<u>-</u>

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

R. D. ... 31 October

THE CAPERS AND ENTERPRISE COMPANY LIMITED

(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

	2017 £	2016 £
Adjustments for:		
Depreciation of tangible assets	33,570	7,662
(Increase) in debtors	(46,922)	(239,927)
(Decrease)/increase in creditors	(98,469)	7,563,028
Net cash generated from operating activities	<u>(111,821)</u>	<u>7,330,763</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(21,708)	(53,477)
Net cash from investing activities	<u>(21,708)</u>	<u>(53,477)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(133,529)</u>	<u>7,277,286</u>
Cash and cash equivalents at beginning of year	<u>7,277,286</u>	
Cash and cash equivalents at the end of year	<u><u>7,143,757</u></u>	<u><u>7,277,286</u></u>
Cash and cash equivalents at the end of year comprise:		

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

Careers and Enterprise Company Limited is a private company (limited by guarantee without share capital) which is incorporated and domiciled in England and Wales (registration number 00428704).

The address of the registered office is 2-7 Clerkenwell Green, London, England, EC1R 0DE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

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:

Office equipment	-	20%
Computer equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted

THE CAREERS AND ENTERPRISE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting policies (continued)

2.9 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 the Statement of comprehensive income 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. The Grant to support the Enterprise Advisor Network for the academic year ending August 2017 has been received in line with the current contracts in place with Local Enterprise Partnerships. The deferred element of grants is included in creditors as deferred

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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

The preparation of the financial statements requires management to make judgements, estimates and

assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and revised to take account of the

THE CAREERS AND ENTERPRISE COMPANY LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. Auditor's remuneration

For the
period from
10 February
2015 to
31 March
2016

31 March 2017	31 March 2016
------------------	------------------

annual accounts	9,500	8,500
Fees payable to the Company's auditor and its associates in respect of:		
- Preparation of the financial statements	1,200	1,500
Review of the annual expenditure certificate	950	1,500
	<u>9,500</u>	<u>8,500</u>

7. Employees

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. Directors' remuneration

	31 March 2017	<i>For the period from 10 February 2015 to 31 March 2016</i>
	£	£
Directors' emoluments	135,000	120,000

There has not been an increase in the director's yearly salary. In the prior period ended 31 March 2016 the directors remuneration was only for part of the period.

9. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2016	23,650	29,827	53,477
Additions	25,358	-	25,358
At 31 March 2017	49,008	29,827	78,835
Depreciation			
At 1 April 2016	1,394	6,268	7,662
Charge for the period	13,661	23,559	37,220
At 31 March 2017	15,055	29,827	44,882
Net book value			
At 31 March 2017	33,953	-	33,953
At 31 March 2016	22,256	23,559	45,815

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

10. Debtors

	2017 £	2016 £
Due after more than one year		
Trade debtors	107,300	120,928
Other debtors	21,000	52
Prepayments and accrued income	68,450	116,876
	89,450	116,928

11. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	7,442,757	7,277,200

12. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	319,833	120,416
Deferred Income	2,233,654	2,399,491

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

13. Grant Funding Income

A Grant Funding Agreement was signed with the Department for Education for the value up to £19.5m for the period commencing 1 April 2016 and ending 31 March 2017. Based on forecast expenditure, £14.5m was drawdown over the course of the year, and £2.4m had been carried forward from the prior period. During the year, the resource expended by the Company was lower than expected at £14.7m, which was treated as grant income. The grant cash claimed but not expended was subject to the grant agreement conditions. The remaining cash is held by the Company as working capital to fund its on going operation

and commitments in respect of the Investment Fund and the Enterprise Adviser Network, and held as deferred income at the year end.

14. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	7,143,757	7,277,286
Financial assets that are debt instruments measured at amortised cost	218,399	123,051
	<u>7,362,156</u>	<u>7,400,337</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(7,335,929)	(7,510,227)

Financial assets measured at fair value through profit or loss comprises of the cash balance.

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. Commitments under operating leases

At 31 March 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017	2016
	£	£
Not later than 1 year	570,434	124,334
Later than 1 year and not later than 5 years	15,877	140,961
	<u>586,311</u>	<u>265,295</u>

18. Key management

Key management personnel who have the authority and responsibility for planning, directing and controlling the activities of Careers and Enterprise Company Limited, directly or indirectly, are the directors.

The directors' remuneration is disclosed in note 9 to the financial statements.
