

COLCHESTER INSTITUTE ENTERPRISES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019



COLCHESTER INSTITUTE ENTERPRISES LIMITED

COMPANY INFORMATION

Directors	G Horne R Wainright K Prince
Company secretary	G Horne
Registered number	02761635
Registered office	Sheepen Road Colchester CO3 3LL
Independent auditor	Scrutton Bland LLP Chartered Accountants & Statutory Auditor 820 The Crescent Colchester Business Park Colchester Essex CO4 9YQ
Bankers	Barclays PO Box 885 Mortlock House Histon Cambridge CB24 9DE
Solicitors	Birkett Long LLP 1 Amphora Place Sheepen Road Colchester CO3 3WG

COLCHESTER INSTITUTE ENTERPRISES LIMITED

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COLCHESTER INSTITUTE ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2019

The directors present their report and the financial statements for the year ended 31 July 2019.

Directors' responsibilities statement

The directors are responsible for preparing 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;
- 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 principal activities of the company in the year under review were the operation of the Professional Training Centre, the leasing of assets and supplying reprographics services to its parent corporation and the sale of graduation tickets.

Directors

The directors who served during the year were:

G Horne
R Wainright
K Prince

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.

COLCHESTER INSTITUTE ENTERPRISES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

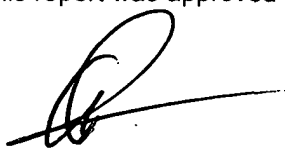
Auditor

The auditor, Scrutton Bland LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 18-12-2019 and signed on its behalf.



G Horne
Secretary

COLCHESTER INSTITUTE ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF COLCHESTER INSTITUTE ENTERPRISES LIMITED

Opinion

We have audited the financial statements of Colchester Institute Enterprises Limited (the 'Company') for the year ended 31 July 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 July 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Auditor's responsibilities 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, including the Financial Reporting Council's Ethical Standard, and 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

COLCHESTER INSTITUTE ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF COLCHESTER INSTITUTE ENTERPRISES LIMITED (CONTINUED)

knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 obtained in the course of the audit, we have not identified material misstatements in the Directors' 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

COLCHESTER INSTITUTE ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF COLCHESTER INSTITUTE ENTERPRISES LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives 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 our 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 our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

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.



Tim O'Connor (Senior Statutory Auditor)

for and on behalf of
Scrutton Bland LLP

Chartered Accountants
Statutory Auditor

820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Date: 19/12/19

COLCHESTER INSTITUTE ENTERPRISES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2019

	Note	2019 £	As restated 2018 £
Turnover		621,304	562,765
Cost of sales		(454,145)	(483,065)
Gross profit		167,159	79,700
Administrative expenses		(81,716)	(67,300)
Operating profit		85,443	12,400
Interest receivable and similar income		362	1,100
Profit before tax		85,805	13,500
Profit for the financial year		85,805	13,500

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 10 to 15 form part of these financial statements.

COLCHESTER INSTITUTE ENTERPRISES LIMITED
REGISTERED NUMBER:02761635

BALANCE SHEET
AS AT 31 JULY 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	145,183	148,100
		<u>145,183</u>	<u>148,100</u>
Current assets			
Stocks		4,616	4,000
Debtors: amounts falling due within one year	6	91,268	116,300
Cash at bank and in hand	7	106,986	3,300
		<u>202,870</u>	<u>123,600</u>
Creditors: amounts falling due within one year	8	(27,448)	(20,500)
Net current assets		<u>175,422</u>	<u>103,100</u>
Total assets less current liabilities		<u>320,605</u>	<u>251,200</u>
Net assets		<u><u>320,605</u></u>	<u><u>251,200</u></u>
Capital and reserves			
Called up share capital		200,100	200,100
Profit and loss account		120,505	51,100
		<u>320,605</u>	<u>251,200</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

18-12-2019



G Horne
 Director

The notes on pages 10 to 15 form part of these financial statements.

COLCHESTER INSTITUTE ENTERPRISES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 August 2018	200,100	51,100	251,200
Comprehensive income for the year			
Profit for the year	-	85,805	85,805
Total comprehensive income for the year	-	85,805	85,805
Distribution: gift aid paid	-	(16,400)	(16,400)
Total transactions with owners	-	(16,400)	(16,400)
At 31 July 2019	200,100	120,505	320,605

The notes on pages 10 to 15 form part of these financial statements.

COLCHESTER INSTITUTE ENTERPRISES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 August 2017 (Restated)	200,100	120,700	320,800
Comprehensive income for the year			
Profit for the year	-	13,500	13,500
Total comprehensive income for the year	-	13,500	13,500
Distribution: gift aid paid	-	(83,100)	(83,100)
Total transactions with owners	-	(83,100)	(83,100)
At 31 July 2018	200,100	51,100	251,200

The notes on pages 10 to 15 form part of these financial statements.

COLCHESTER INSTITUTE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

1. General information

Colchester Institute Enterprises Limited is a private company limited by shares and incorporated in England and Wales. The address of the registered office is Sheepen Road, Colchester, CO3 3LL.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

In making their assessment of the going concern status of the Company the directors have considered a period of at least one year from the date the financial statements were approved.

2.3 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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 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.

COLCHESTER INSTITUTE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

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:

Buildings	- over 45 years straight line
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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 the Statement of Comprehensive Income.

2.5 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.

2.6 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.

2.7 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 non-puttable ordinary shares.

2.8 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.

2.9 Gift aid distribution

The company pays 100% of its taxable profits for each financial period to Colchester Institute, which is the company's parent entity. This liability is recognised when there is a legally binding obligation which is generally when it is paid in the subsequent financial period. The movement is recognised as a distribution in the Statement of Changes in Equity.

COLCHESTER INSTITUTE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

2. Accounting policies (continued)

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.11 Prior year adjustment - rental income

The company has made a prior year adjustment for the year ended 31 July 2018 in respect of rental income which had been incorrectly offset against premises recharge expenditure. The effect of this adjustment was to increase rental income by £20,065 with a respective increase in premises recharge expenditure. This grossing up adjustment had not had any effect on the Profit and Loss Account Reserve balance brought forward as at 31 July 2018.

3. Staff costs

The company has 4 employees (2018 - 5) other than the directors. The directors did not receive any remuneration for the year ended 31 July 2019 (2018 - £NIL).

4. Gift Aid Distribution

	2019 £	2018 £
Gift Aid Distribution	<u>16,400</u>	<u>83,100</u>

COLCHESTER INSTITUTE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

5. Tangible fixed assets

	Land and Buildings £
Cost or valuation	
At 1 August 2018	212,300
At 31 July 2019	<u>212,300</u>
Depreciation	
At 1 August 2018	64,200
Charge for the year on owned assets	2,917
At 31 July 2019	<u>67,117</u>
Net book value	
At 31 July 2019	<u><u>145,183</u></u>
At 31 July 2018	<u><u>148,100</u></u>

The net book value of land and buildings may be further analysed as follows:

	2019 £	2018 £
Freehold	145,183	148,100
	<u><u>145,183</u></u>	<u><u>148,100</u></u>

COLCHESTER INSTITUTE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

6. Debtors

	2019 £	2018 £
Trade debtors	72,930	53,200
Amounts owed by group undertakings	1,983	21,900
Other debtors	14,430	39,600
Prepayments and accrued income	1,925	1,600
	<u>91,268</u>	<u>116,300</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	106,986	3,300
	<u>106,986</u>	<u>3,300</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Payments received on account	-	600
Trade creditors	27,448	19,900
	<u>27,448</u>	<u>20,500</u>

9. Related party transactions

The company has taken advantage of the exemption from disclosing intra-group transactions.

COLCHESTER INSTITUTE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

10. Commitments under operating leases

At 31 July 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	19,527	19,247
Later than 1 year and not later than 5 years	-	19,247
	<u>19,527</u>	<u>38,494</u>

11. Controlling party

Colchester Institute Enterprises Limited is wholly owned and controlled by Colchester Institute Corporation, a UK educational corporation. The smallest and largest group in which the results of the company are consolidated is headed by Colchester Institute Corporation. The consolidated financial statements of Colchester Institute Corporation are available to the public and may be obtained from www.colchester.ac.uk/governance.