

**Prospect
Educational
and Public
Services
Limited**

**Annual Report and
Financial Statements**

31 August 2019

Company Registration Number 02559059
(England and Wales)

Reference and administrative information

Directors	A E Entwistle D G Mitchell Dr R D B Whitcutt
Secretary	R J Perry
Registered office	100 West Hill Wandsworth London SW15 2UT
Registered number	02559059 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc 153 Putney High Street Putney London SW15 1RX

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Directors' report 31 August 2019

The directors present their report with the financial statements of Prospect Educational and Public Services Limited ('the company') (Company registration number 2559059) for the year ended 31 August 2019.

The company is a wholly owned subsidiary of Prospect Education (Technology) Trust Limited, an exempt charity and a company limited by guarantee, incorporated in England and Wales (company number 02484729).

Principal activity

The principal activity of the company is to provide private lettings to the public as well as the sale of uniforms to students of Ashcroft Technology Academy ('the Academy'). The company also accommodates the trading arrangements for staff cash catering sales from within the Academy restaurant. The lettings provision includes the use of conference, classroom and gymnasium facilities on site at the Academy and use of its remote sports ground at Openview in Earlsfield.

Review of business

The attached statement of income and retained earnings shows the income and expenditure for the year.

The company's financial position at 31 August 2019 is shown in the attached statement of financial position.

Turnover for the year was £202,065 (2018 – £170,820), an increase of £31,245 on the previous year.

The company's profit margin for the year was 56% (2018 – 53%). This enabled a charitable donation to be made to the Academy of £112,500 (2018 – £90,000) at the year end.

Future developments

The company has continually sought to maximise its letting arrangements from its sports facilities both at West Hill and at Openview and continues to be successful in this. The company hopes to attract increased community use of its wider facilities (in particular its auditorium, drama spaces and main conference room), where the right opportunities present themselves. Wider use of the main Academy classrooms has not yet been pursued but remains a future potential development particularly in light of a reduction in public funding for its parent undertaking, Prospect Education (Technology) Trust Limited, an exempt charitable company.

Dividends

The directors do not recommend the payment of a dividend.

Directors

The directors in office during the year were as follows:

A E Entwistle
D G Mitchell
Dr R D B Whitcutt

No director had a beneficial interest in the share capital of the company or any other group company. None of the directors received any remuneration in respect of their duties as directors during the year (2018 – none), nor were any expenses reimbursed to the directors in the year (2018 – none).

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 Section 1A, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland as applicable to smaller entities. 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 and then apply them consistently;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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 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.

Statement of directors' responsibilities (continued)

Each of the directors confirms 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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Charitable donations

The company is pleased to be able to make a charitable donation under Gift Aid of £112,500 in respect of the 2018/19 financial year (2017/18 – £90,000) to its parent undertaking, Prospect Education (Technology) Trust Limited.

Signed on behalf of the directors:



D G Mitchell
Director

Approved by the directors on: 18 December 2019

Company Registration Number 2559059 (England and Wales)

Independent auditor's report to the member of Prospect Educational and Public Services Limited

Opinion

We have audited the financial statements of Prospect Educational and Public Services Limited (the 'company') for the year ended 31 August 2019 which comprise the statement of income and retained earnings, the statement of financial position, the principal accounting policies and the related notes. 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 August 2019 and of its loss 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 UK, including the FRC'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 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.

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 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, 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.

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.



Katharine Patel, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

18 December 2019

Statement of income and retained earnings Year to 31 August 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Turnover	1		202,065		170,820
Cost of sales			(75,024)		(65,638)
Gross profit			127,041		105,182
Administrative expenses		14,183		14,770	
Other operating charges		606		465	
			(14,789)		(15,235)
Profit on ordinary activities before taxation	2		112,252		89,947
Interest receivable			10		2
Profit on ordinary activities before taxation and charitable donation			112,262		89,949
Taxation	4		—		—
Charitable donation under Gift Aid to the ultimate holding company			(112,500)		(90,000)
Loss for the year			(238)		(51)
Retained profit at 1 September 2018			490		541
Retained profit at 31 August 2019			252		490

All of the company's activities derived from continuing operations during the above two financial periods.

The company has no recognised gains or losses other than those included in the above results.

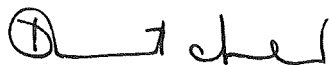
Statement of financial position 31 August 2019

	Notes	2019 £	2018 £
Current assets			
Uniform stock		40,401	25,259
Debtors	5	69,506	61,686
Cash at bank and in hand		70,906	60,526
		<u>180,813</u>	<u>147,471</u>
Creditors: amounts falling due within one year	6	(180,559)	(146,979)
Net assets		<u>254</u>	<u>492</u>
Capital and reserves			
Equity interests:			
Called up share capital	7	2	2
Profit and loss account		252	490
Shareholder's funds	8	<u>254</u>	<u>492</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and FRS 102 Section 1A.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with the respect to accounting records and the preparation of the financial statements.

Signed on behalf of the directors by:



D G Mitchell
Director

Approved by the directors on: 18 December 2019

Company Registration Number 2559059 (England and Wales)

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) Section 1A – the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland as applicable to smaller entities, and with the Companies Act 2006. The financial statements are prepared under the historical cost convention.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the directors to make significant judgements and estimates. In the case of the company the areas affected by judgement and estimation are the estimation and recognition of accrued expenditure and any management charge.

There are no key assumptions or areas of uncertainty where there is a significant risk of a material adjustment to the carrying value of the assets and liabilities of the company being required during the financial year ended 31 August 2019.

Going concern

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The directors of the company have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors are of the opinion that the company will have sufficient resources to meet its liabilities as they fall due.

Statement of cash flows

The financial statements do not include a statement of cash flows because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Section 1A of FRS 102.

Turnover

Turnover consists of goods and services at invoiced value excluding VAT. Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. It is measured at fair value of the consideration received or receivable, excluding discounts, rebates and value added tax. Turnover is derived solely from within the United Kingdom.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Expenditure comprises the direct costs associated with the delivery of the company's principal activities as well as general administrative support costs.

Stocks

Stocks are valued at the lower of cost or net realisable market value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are recognised at the amount the company anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Notes to the financial statements 31 August 2019

1 Turnover

Turnover and the result before taxation arise solely from the company's principal activities.

Analysis of turnover:	2019 £	2018 £
Hire of facilities	146,402	132,581
Uniform sales	28,592	27,374
Catering sales	27,071	10,820
Printing	—	45
	202,065	170,820

2 Operating profit

	2019 £	2018 £
This is stated after charging:		
Staff costs	34,248	32,852
Auditor's remuneration		
. Audit fees	2,936	3,503
. Other services	125	1,676

The company has no full time employees (2018 – none) but used caretaking and cleaning staff employed by Prospect Education (Technology) Trust Limited as well as some administration services provided by the staff at the Spencer Club, who are the leaseholders and operators of the adjoining sports ground.

3 Directors' emoluments

None of the directors received any emoluments in respect of their services as directors during the year (2018 – none).

4 Taxation

There is no charge for Corporation Tax as the company has made a charitable donation to its ultimate holding company under Gift Aid (2018 – £nil).

Notes to the financial statements 31 August 2019

5 Debtors

	2019 £	2018 £
Trade debtors	34,245	46,100
Other debtors	2	2
Amounts owed by parent undertaking (note 9)	34,519	14,798
Value Added Tax recoverable	740	786
	69,506	61,686

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Amounts owed to parent undertaking (note 9)	173,692	137,529
Trade creditors	1,184	—
Accruals	5,683	9,450
	180,559	146,979

7 Called up share capital

	2019 £	2018 £
Allotted, called up and fully paid ordinary shares of £1 each	2	2

8 Reconciliation of movements in shareholder's funds

	2019 £	2018 £
Equity funds		
Loss for the financial year after taxation	(238)	(51)
Opening shareholder's funds at 1 September 2018	492	543
Closing shareholder's funds at 31 August 2019	254	492

9 Ultimate holding company and control

Prospect Education (Technology) Trust Limited, an exempt charity and a company limited by guarantee and incorporated in England and Wales (company number 02484729), is the ultimate holding company. Its registered office is 100 West Hill, Wandsworth, London SW15 2UT.

10 Related party transactions

The transactions and year end balance with the holding company were as follows:

	2019 £	2018 £
Charitable donation payable	112,500	90,000
Debtors (note 5)	34,519	14,798
Creditors (note 6)	173,692	137,529

Detailed profit and loss account for the year ended 31 August 2018

This page does not form part of the audited financial statements.

	2019 £	2019 £	2018 £	2018 £
Turnover		202,065		170,820
Cost of sales				
Staff costs	34,248		32,852	
Uniforms	21,871		21,873	
Printing costs	(5)		38	
Catering	18,047		7,213	
Equipment costs	863		3,662	
		(75,024)		(65,638)
Gross profit		127,041		105,182
Administration				
Audit fees	2,936		3,503	
Tax compliance fees	125		1,676	
Other expenses	11,728		10,056	
		(14,789)		(15,235)
Operating profit		112,252		89,947
Bank interest		10		2
		112,262		
Profit before donation				89,949
Donation to group undertaking		(112,500)		(90,000)
Net loss for the financial year		(238)		(51)