

London Skills for Growth Limited
Unaudited Annual Report and Financial Statements
31 July 2022

Company Limited by Guarantee Registration Number
01747251 (England and Wales)

Charity Registration Number 288465



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Reference and administrative information

Registered name	London Skills for Growth Limited
Trustees	David Eastgate Allan Carey (resigned 6 June 2022) Asfa Sohail Dr Sam Parrett CBE John Hunt
Registered office	Greenwich Park Centre King George Street London SE10 8QB
Company registration number	01747251 (England and Wales)
Charity registration number	288465

Trustees' Report - Year to 31 July 2022

The trustees present their report with the unaudited financial statements of London Skills for Growth Limited (LSfG) for the year ended 31 July 2022.

The Charity is dormant and has not traded during the year.

This report, prepared in accordance with the Charities Act 2011, serves as the report of the directors for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 8 to 9 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution

London Skills for Growth is a registered charity (Charity Registration No 288465) and also a company limited by guarantee not having a share capital (Company Registration No. 01747251). The company's memorandum of association dated 4 August 2006 and articles of association dated 20 June 2017 are its primary governing documents.

The Charity worked closely with its ultimate parent entity, London South East Colleges (LSEC).

Details of the Trustees who served on the Charity's board during the year are included below.

Member's liability

The Corporation of Bromley College of Further and Higher Education, trading as London South East Colleges is the sole member of the charity. The liability of the member in the event of winding up is limited to £1.

Trustees

The trustees of the charity are also directors for the purposes of company legislation. The trustees in office during the year, and since the year end, were as follows:

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees (continued)

London Skills for Growth				
Name	Appointed	Tenure	Role	Resigned
David Eastgate	01/08/2017	4 years	Chair	
Allan Carey	01/08/2017	4 years	Vice Chair	06/06/2022
Sam Parrett	05/10/2017	4 years	Trustee	
John Hunt	05/10/2017	4 years	Trustee	
Asfa Sohail	26/07/2022	4 years	Trustee	
Jennifer Pharo	01/04/2019	n/a	Co Secretary	

Trustee induction and training

The training and induction provided for new trustees will depend upon their existing experience. Where necessary the induction process will provide training on charity, educational, legal and financial matters. All trustees are provided with copies of procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. Induction tends to be done informally and is tailored specifically to the individual trustees.

OBJECTIVES AND ACTIVITIES

Principal aims and objectives

The charity's purpose, largely unchanged since its founding, was stated in its Strategic Plan in October 2015 as:

"The advancement of education and employability of 14-24 year olds, who through social or economic circumstance are in need and require support to improve their prospects of workplace or educational progression."

On 1 August 2017, Bromley College of Further and Higher Education an exempt charity which trades as London South East Colleges (LSEC), became the charity's sole member. The objectives of LSfG have remained unchanged since that time. The charity was in a challenging financial position, which was exacerbated by the impact of the Covid-19 pandemic. As a consequence of this, the charity ceased trading on 31 December 2020, and the operations, assets and liabilities transferred to its parent entity on 1 January 2021 at fair value.

OBJECTIVES AND ACTIVITIES (continued)

Public benefit statement

When the charity was operational its activities were for the public benefit. The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity.

PERFORMANCE REVIEW

The Charity ceased to trade on 30 December 2020 and has been dormant since then. During the year ended 31 July 2022, the Charity received no income and incurred no expenditure, and therefore has no achievements to report.

FINANCIAL REVIEW

Financial report for the year

During the year ended 31 July 2022, the Charity was dormant and therefore received £Nil income (2021 – £528,164) and £Nil expenditure (2021 – £1,205,040). Total reserves at year end stood at £Nil (2021 – £Nil).

Financial position

The balance sheet shows total reserves of £Nil (2021 – £Nil).

Reserves policy

The Charity holds no reserves since it is dormant, following the decision to cease to trade on 30 December 2020.

The above report has been prepared in accordance with special provisions within Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the trustees by:



David Eastgate
Trustee

Approved by the Board on 16 March 2023

Registered Company Number 01747251 (England and Wales)

Statement of Financial Activities - Year to 31 July 2022
(Incorporating an Income and Expenditure Account)

	Notes	Total 2022 £	Total 2021 £
Income from:			
Charitable activities			
. Education and training	1	—	505,730
Other trading activities	2	—	18,083
Other		—	4,351
Total income		<u>—</u>	<u>528,164</u>
Expenditure on:			
Charitable activities			
. Education and training	3	—	616,555
Transfer to parent undertaking		—	588,485
Total expenditure		<u>—</u>	<u>1,205,040</u>
Net expenditure and net movement in funds	5	—	(676,876)
Reconciliation of funds			
Balances brought forward at 1 August 2021		—	676,876
Balances carried forward at 31 July 2022		<u>—</u>	<u>—</u>

The charity became dormant on 30 December 2020 and has not traded during the year ended 31 July 2022.

The charitable company has no recognised gains and losses other than those shown above.

All income and expenditure in both of the above years was unrestricted.

Balance sheet 31 July 2022

	Notes	2022 £	2021 £
Total net assets		—	—
Funds			
Unrestricted funds		—	—

For the financial year in question, the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Signed on behalf of the board of trustees by:



David Eastgate

Trustee

Approved by the Board on: 16 March 2023

London Skills for Growth Limited

Registered Company Number 01747251 (England and Wales)

Statement of cash flows Year to 31 July 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	—	(65,993)
Cash flows from investing activities:			
Purchase of tangible fixed assets		—	(19,200)
Net cash (used in) provided by investing activities		—	(19,200)
Change in cash and cash equivalents in the year		—	(85,193)
Transfer to parent undertaking		—	(1,056,983)
Cash and cash equivalents at 1 August 2021	B	—	1,142,176
Cash and cash equivalents at 31 July 2022	B	—	—

Notes to the statement of cash flows for the year to 31 July 2022.

A Reconciliation of net movement in funds to cash flows from operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	—	(676,877)
Adjustments for:		
Investment income	—	26,220
Transfer to parent undertaking	—	588,485
Decrease in debtors	—	9,906
Decrease in creditors	—	(13,727)
Net cash used in operating activities	—	(65,993)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	—	1,056,983
Transfer to parent undertaking	—	(1,056,983)
Total cash and cash equivalents	—	—

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies 31 July 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 July 2022.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

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 trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets; and
- providing for the potential claw back of ESFA funds.

Assessment of going concern

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

As described in the trustees' report, the charity ceased to operate on 30 December 2020, and is being maintained as a dormant entity. The trustees have prepared the financial statements on a basis other than going concern.

Income

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the year is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance related conditions are met. Where entitlement occurs before income is received, the income is accrued.

Principal accounting policies 31 July 2022

Income (continued)

Bank interest and rental income are included in full in the statement of financial activities when receivable.

Expenditure and the basis of apportioning costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure comprises training and education costs associated with the operation of the training centres and the training of individuals.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Notes to the financial statements 31 July 2022

1 Income from charitable activities – education and training

	Total funds 2022 £	Total funds 2021 £
ESFA income – Adult funding	—	96,001
ESFA – adjustment to prior year funding	—	(47,991)
Coronavirus Job Retention Scheme	—	1,257
Total funds	—	505,730

2 Other trading activities

	Total funds 2022 £	Total funds 2021 £
Rental income	—	18,083

3 Expenditure on charitable activities

	Total funds 2022 £	Total funds 2021 £
Education and training		
· Staff costs (note 7)	—	357,496
· Staff travel costs	—	1,600
· Premises expenses	—	167,853
· Support costs (note 4)	—	89,606
Total funds	—	616,555

4 Support costs

	2022 £	2021 £
Human resources and staff training	—	20,192
Office costs	—	50,207
Consultancy fees	—	5,775
Legal fees	—	8,752
Bank and credit card charges	—	329
Subscriptions and licences	—	15,561
Sundry expenses	—	8,994
	—	89,606

5 Net movement in funds

This is stated after charging:

	2022 £	2021 £
Staff costs (note 7)	—	357,496
Operating lease rentals	—	54,519
Auditor's remuneration	—	9,000
Depreciation	—	26,220

6 Taxation

The charitable company is a registered charity and therefore is not liable for corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

7 Staff costs and trustees' remuneration

	2022 £	2021 £
Staff costs		
· Wages and salaries	—	319,492
· Social security costs	—	29,941
· Pension costs	—	8,063
	—	357,496

The number of employees during the year, expressed as average headcount, was:

	2022	2021
Teachers	—	14
Administration	—	8
Management	—	1
	—	23

No employees earned £60,000 per annum or more (including taxable benefits but excluding pension contributions) during the year (2021 – none).

No trustee received any remuneration in respect of their services as a trustee during the year ended 31 July 2022 (2021 – none). No expenses were reimbursed to trustees during the year (2021 – none).

In addition to the trustees, the key management personnel during the year were considered to be the Chief Executive Officer, Operations Director and the Deputy Operations Director. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel employed by the charity during the year was £Nil (2021 – £64,137). The charge represents the total remuneration provided during the five-month period.

8 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

9 Ultimate parent undertaking

The Corporation of Bromley College, trading as London South East Colleges (LSEC), is the ultimate parent undertaking by virtue of being the sole member of the charitable company. LSEC will continue the activities of LSfG.

10 Related party transactions

The charity did not undertake any transactions with related parties during the year.

11 Post Balance Sheet Event

There are no post balance sheet events.