

**INSTRUCTUS**  
**COMPANY LIMITED BY GUARANTEE**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2016**

**Charity Number 1144894**

SATURDAY



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17/12/2016

#315

COMPANIES HOUSE

**HEBBLETHWAITES**  
Chartered Accountants & Statutory Auditor  
2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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<b>CONTENTS</b>	<b>PAGES</b>
Members of the Board and professional advisers	<b>1</b>
Trustees' Annual Report	<b>2 to 10</b>
Independent auditor's report to the members	<b>11 &amp; 12</b>
Group statement of financial activities (incorporating the income and expenditure account)	<b>13</b>
Group balance sheet	<b>14</b>
Charity balance sheet	<b>15</b>
Notes to the financial statements	<b>16 to 30</b>

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**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

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<b>Registered charity name</b>	Instructus
<b>Charity number</b>	1144894
<b>Company registration number</b>	07066687
<b>Principal office</b>	Unit 110 Print Rooms 164-180 Union Street London SE1 0LH
<b>Trustees</b>	Mr N P Hopkins Ms A E Clayton Mr S Mercer Mr P B Reynolds (Resigned 28 October 2016) Mr G G Wixted (Resigned 28 July 2016) Mr PB Excell (Served from 9 October 2015 to 14 June 2016) Ms J S Beine (Resigned 5 August 2015) Mr C F Wilson (Resigned 5 August 2015) Ms J A Norrington (Appointed 9 October 2015) Ms E J Rush (Appointed 4 November 2016)
<b>Secretary</b>	Mr D Holland (Resigned 28 July 2016) Mr A Hammond (Appointed 28 July 2016)
<b>Auditor</b>	Hebblethwaites Chartered Accountants & Statutory Auditor 2 Westbrook Court Sharrow Vale Road Sheffield S11 8YZ
<b>Bankers</b>	Unity Trust Bank Plc Nine Brindleyplace Birmingham B1 2HB
<b>Solicitors</b>	Freeth Cartwright LLP Cumberland Court 80 Mount Street Nottingham NG1 6HH

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# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2016**

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The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2016.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

### **THE TRUSTEES**

The trustees who served the charity during the period were as follows:

Ms J S Beine  
Mr N P Hopkins  
Mr C F Wilson  
Ms A E Clayton  
Mr S Mercer  
Mr P B Reynolds  
Mr G G Wixted  
Mr PB Excell  
Ms J A Norrington

Mr PB Excell was appointed as a trustee on 9 October 2015.  
Ms J A Norrington was appointed as a trustee on 9 October 2015.  
Ms E J Rush was appointed as a trustee on 4 November 2016.  
Ms J S Beine resigned as a trustee on 5 August 2015.  
Mr C F Wilson resigned as a trustee on 5 August 2015.  
Mr P B Reynolds resigned as a trustee on 28 October 2016.  
Mr G G Wixted resigned as a trustee on 28 July 2016.  
Mr PB Excell resigned as a trustee on 14 June 2016.

### **CHANGE OF NAME**

By resolution dated 15 June 2015 the charity changed its name from Skills CFA to Instructus. At 31 March 2015 the activities and main assets and liabilities of the former parent charitable company, Instructus (now renamed 03235481 Limited), were transferred to this charity, which has become the ultimate group holding company.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

Instructus, formerly Skills CFA, is a registered charity (Charity No: 1144894) and a company limited by guarantee (Company No: 07066687), which is incorporated in England and Wales.

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# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2016**

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### **Governing document**

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

### **Trustee appointment and management**

Trustees are appointed by the board of trustees.

The charity has robust recruitment, induction, appraisal and training processes in place for all trustees. Trustees receive frequent reports on operations, human resources, risks and finance. Financial governance is a top priority for trustees: the CEO holds monthly finance meetings and also holds regular audit meetings with the executive team, where at least one trustee is present, and where performance is reviewed, targets are agreed, and financial governance is scrutinised to minimise risks and maximise income potential. Trustees meet every three months for board meetings and once a year to agree the strategic direction of the charity over the ensuing three year period.

The trustees delegate operational powers to the Chief Executive Officer, who is responsible for implementing the strategies and operating the charity. Mr David Holland was Chief Executive Officer and Company Secretary until 28 July 2016 when Mr Andrew Hammond was appointed,

### **Business management and continuous improvement**

The charity's model is based on its primary activities of (1) research and development, (2) certification services and (3) learning services. These functions are supported by internal teams in operations, business development, finance, marketing and communications, and external partnerships with TUC, major professional bodies and trade associations.

The focus on continuous improvement is facilitated by the integration of customer service, risk management and performance management into trustee reporting and evaluation cycles. These also inform our annual self-assessment processes for issuing apprenticeship frameworks, submitting units and rules of combination for qualifications, IiP and ISO 9001.

## **OBJECTIVES AND ACTIVITIES**

### **Introduction**

Instructus is the national pan-sectors standard setting body for business skills at work across the UK. It is responsible for setting standards, developing vocational business qualifications and apprenticeship frameworks, issuing pan-sector apprenticeship frameworks and producing business apprenticeship completion certificates.

There are 16 sector skills councils (SSCs) 4 sector skills body (SSB) and 12 National Skills Academies in the UK. All of these organisations are members of the Federation for Industry Sector Skills and Standards (FISSS), recognised by national governments throughout the UK as independent, employment-led organisations charged with ensuring the UK skills system is driven by UK employment needs.

# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT *(continued)***

### **YEAR ENDED 31 MARCH 2016**

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The key component in any business is its workforce. Instructus is dedicated to helping employers, training providers, awarding organisations and international government stakeholders ensure their workforces can develop the vocational skills needed in competitive economies and successful organisations.

Instructus' work is critical to the development of vocational knowledge, skills and occupational competence in:

- Business and administration
- Consultancy and business support
- Contact centres and customer service
- Enterprise and small business
- Governance
- Human resources
- Recruitment
- Project Management
- Industrial relations
- Languages and intercultural working
- Leadership and management
- Marketing and sales.

Pan-sector business skills and areas of occupational competence are classified as such because they are needed in every type of organisation across the UK regardless of size, sector or type. Consequently the work that Instructus undertakes has a huge impact on the development and delivery of vocational learning, either at work or in further and higher education. Instructus certifies approximately 25% of all the apprenticeships undertaken in the UK.

#### **Quality Assurance**

Instructus has continued its role as both an Issuing Authority and Certification Body for apprenticeships in the UK, meeting all statutory and regulatory obligations. We were successful in passing all Federation audits and are preparing our application for the code of practice. Instructus prides itself of continuous improvement of internal and external processes and policies and we have maintained our accreditation in Customer First, Investors in People and ISO 9001.

#### **Charitable objective**

The Instructus group has a clear charitable objective - to advance business education by promoting qualifications, training and skills based on national standards.

The Trustees have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT *(continued)***

**YEAR ENDED 31 MARCH 2016**

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### **ACHIEVEMENTS AND PERFORMANCE**

Instructus (and its subsidiaries) have gone through significant change in the last 12 months, driven by a changing market place. Instructus and its subsidiaries have balanced scorecards which evolved over the year and are now set for the 2016/2017 year.

The 4 KPI's are Financial Performance: Sales and Operations: Customer: People.

Whilst each company is targeted separately, at an Instructus level the performance has been assessed as:-

Financial Performance	Strong, with better than expected returns against budget, turning a profit after a previous year loss.
Sales and Operations	Strong, with improved efficiency and productivity.
Customer	There is more work to be done on customer insight and a recent customer service survey in Instructus gave the company key actions to address.
People	The first employee survey was conducted at the end of the year and results are encouraging with key focus areas identified.

A big objective for Instructus is the social impact that it can have, we are committed to helping as many people achieve their potential through development. In 2015/2016 over 68,000 people had their apprenticeship achievements certified by Instructus.

CQM have supported over 1,400 learners gain new skills through their apprenticeship and upskill programmes.

Over 6,000 learners attended a Springboard course in the year.

Instructus maintained its partner status in the Universal Services delivery agreement with the UK Commission for Employment and Skills developing National Occupational Standards, Qualification structures and Apprenticeship frameworks.

During the year we were active in the following development:-

- Creation of a new Business Skills Foundation Apprenticeship in Scotland allowing Scottish students to experience work and gain a vocational qualification alongside their usual academic study
- Review of the Sales (SVQ) qualifications structures at level 5 and 6
- Review of the Enterprise Skills in a Business Environment qualification (CBQ) structure at level 6
- Review of the Business and Administration qualifications (SVQ) structures at level 4 and 5
- Creation of a new Technical Apprenticeship in Project Management at level 8
- Creation of new National Occupation Standards in Enterprise and Entrepreneur Educators
- Creation of a new Modern Apprenticeship in Enterprise Skills in a Business Environment at level 6

# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT** *(continued)*

### **YEAR ENDED 31 MARCH 2016**

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We are in the process of developing business cases to develop more NOS, Qualification Structures and Apprenticeships as the Universal Service contract ends and the contracts are moved to an open tender process. We have presented a clear set of priorities to the devolved nations which will deliver the best return in skills transformation to the public purse.

We have continued to support the thousands of learners that utilise our Employment Rights and Responsibilities workbook via our eLearning platform and licence agreements and plan to further develop the service for use in new standards later in the year.

Whilst Instructus has downsized its international activity we have still supported initiatives such as the European Graduate Placement Scheme (EGPS) and EU-Korea Smiles. Both are projects for which we received funding to lend our expertise and embed standards to existing working practices.

We also supported the Barbados training board in ensuring that Business Management qualification structures were approved to help individuals working within Hospitality environment move into management.

### **FINANCIAL REVIEW**

The sector in which Instructus operates is undergoing significant reform. The change from apprenticeship frameworks to standards in England is a significant risk as it removes the certification role that Instructus performs. We are tracking the implications of this change with detailed forecasting and at the same time changing our business model to offer commercial products and services that fit with the post-reform environment, these are detailed later.

The implementation of the apprenticeship levy brings both risk and opportunity. Early engagement with employers has been undertaken and we have a number of new opportunities that are being explored, we are however expecting a downturn in the market as employers get to grips with the implementation of the new levy in April 2017.

Our risks are full detailed and included in our risk register which is reviewed on a regular basis and quarterly with the trustees of the charity via the Risk and Audit committee.

Instructus has been supporting employers, training providers, awarding organisations and professional bodies prepare for the implementation of new standards in England which will replace SASE frameworks.

We have been involved in the employer groups creating standards in Recruitment, Project Management, Customer Service, HR, Business Administration and Management. We have also offered support to organisations needing help to understand the reforms and in particular the levy which employers who will start to pay from April 2017. There will be increased support offered to employers in the run up to the implementation of the levy.

### **Results for the year**

Total group income was £2,672,385 (2015 - £2,599,288) and total expenditure was £2,638,829 (2015 - £2,722,525) for the year to 31 March 2016.

The group balance sheet shows total unrestricted funds of £1,604,777 (2015 - £1,571,221), represented by the investments in CQM Training and Consultancy Limited, The Springboard Consultancy Limited and the Institute of Paralegals, together with tangible fixed assets and net current assets.

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# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2016**

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### **Reserves Review**

Instructus has a strong cash balance and sufficient reserves to maintain operations for between 3 – 6 months. In the coming financial year, we will review the reserves required for day to day operations and seek trustee approval for a policy review on the level of reserves required. At 31 March 2016 unrestricted general funds of the group totalled £1,604,777 (2015 £1,571,221).

### **Instructus Products**

Instructus provides a wide range of business skills, learning and development services, these comprise of:-

- Developing and issuing National Occupational Standards (NOS)
- Developing qualifications with awarding bodies based on NOS for inclusion in Apprenticeship frameworks
- Developing and issuing apprenticeship frameworks
- Providing Employee Rights and Responsibilities workbooks through our eLearning portal
- Providing consultancy on skills development
- A training provider search tool, allowing employers and future apprentices to find a suitable training provider

In addition, Instructus is scoping and developing new products and services including:-

- End point assessment capability
- eLearning enhancements
- Endorsement and certification packages
- An assessment and training tool for employers to improve the capability of its employees

With reforms across the skills systems in the UK, we will build a more commercially focused set of propositions and focus on services that provide long term sustainability for the charity.

The trustees will be taken through a revised strategy later in the year which will detail the proposed changes to our business model, charitable objectives and resources required.

Our trustees understand the key challenges facing Instructus and as well as their detailed induction training, receive regular updates on the performance of the charity.

# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2016**

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### **CQM T & C (Continuing Operations)**

CQM Training and Consultancy Ltd have a dual focus of delivering outstanding business improvement for organisations and developing individuals within those organisations to their full potential. Their key differentiator is to offer tailored programmes which deliver improved business performance to organisations while embedding skills development. Every intervention delivers measurable and mapped benefits, both hard and soft. As a result, CQM T&C develop long term strong relationships. The core values underpinning the offering are:

- To maintain ethical values in all dealings with all stakeholders
- To believe passionately that they can make a difference to the UK economy
- To continually improve the sustainability embedded in their product delivery

CQM T&C have an operational delivery model built around:

- Agile and responsive staff who have delegated responsibility to build bespoke solutions in partnership with organisations
- A quest to improve delivery methods applying fit for purpose technology to reduce cost to serve
- A mixed funding model - utilising both government and organisational investment to reduce overall business risk
- A belief that collaborative working model with funding partners, qualifications bodies, sector lead bodies and others will bring longer term value for the whole sector

### **Springboard Consultancy (Continuing Operations)**

Springboard Consultancy LTD is a world-leading international training and development company, passionate about delivering authentic, proven and diverse courses to inspire and empower everyone to fulfil their potential. We inspire people to inspire others, helping everyone to do what's needed to change their lives. Our USP is our holistic approach which embraces development of the whole person. We say yes and work out the how afterwards.

We provide a full range of development courses (from start to end of your working life), accessible to all, whether this is individuals, companies, universities and those in the public sector who wish to empower and develop their employees.

We operate globally, and our unique use of 450 licenced trainers means we have a passionate and caring team based in over 30 countries, delivering world-class courses, with proven results. Since 1989 we have trained over 250,000 people, giving them the help and guidance to improve their lives and careers.

The core values underpinning this offering are:

- To maintain ethical values in all dealings with all stakeholders
- To believe passionately that we can make a difference and give people the tools to be the best they can be
- To ensure that sustainability is an integral part of the offer.

# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2016**

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### **The Institute of Paralegals (Continuing Operations)**

The Institute of Paralegals (IOP) is the oldest incorporated paralegal representative body in the United Kingdom, and the only body representing professional paralegals to have been granted Institute status by the UK government. With its head office in London the IOP represents paralegals around the UK and globally, striving to develop its member's careers as legal professionals. The IOP also has lobbied government, regulators and the legal profession on issues concerning paralegals.

During the year the IOP continued to increase its membership numbers. The IOP in conjunction with Central Law Training (CLT) continued their working partnership to broaden the paralegal offering. The IOP is also in partnership with the National Association of Licensed Paralegals (NALP) to develop and promote the Professional Paralegal Register (PPR). This register is aimed at boosting consumer protection in the unregulated paralegal sector through a voluntary system of regulation.

### **PLANS FOR FUTURE PERIODS**

Further links with awarding bodies and training providers will be developed, allied to the group acquisition of CQM Training & Consultancy Limited in April 2014 and The Springboard Consultancy Limited in December 2015, thus enabling a further expansion and development of links with employers.

### **Risk Management**

The charity has considered the major risks to which it is exposed, as identified by the Trustees. These have been reviewed and systems and procedures have been established to mitigate those risks. The trustees will continue to review and identify risks on an on-going basis.

### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The trustees (who are also the directors of Instructus for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees 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 charity and the income and expenditure of the charity for that period.

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2016**

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**TRUSTEES' RESPONSIBILITIES STATEMENT** *(continued)*

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITOR**

Hebblethwaites are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Registered office:  
Unit 110 Print Rooms  
164 - 180 Union Street  
London  
SE1 0LH

Signed on behalf of the trustees



Mr N P Hopkins  
Trustee  
8/12/16

# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS**

*(continued)*

### **YEAR ENDED 31 MARCH 2016**

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We have audited the group and parent company financial statements of Instructus for the year ended 31 March 2016 which comprise the Group Statement of Financial Activities, the Group Balance Sheet, the Charity Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and in respect of the consolidated financial statements, to the charity's trustees as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's members and trustees 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 charitable company, the company charity's members as a body, and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR**

As explained more fully in the Trustees' Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

We are appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;

# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS** *(continued)*

**YEAR ENDED 31 MARCH 2016**

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- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

ANDREW THROSSELL FCA (Senior  
Statutory Auditor)  
For and on behalf of  
HEBBLETHWAITES  
Chartered Accountants  
& Statutory Auditor

2 Westbrook Court  
Sharrow Vale Road  
Sheffield  
S11 8YZ

13 December 2016

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**GROUP STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE  
INCOME AND EXPENDITURE ACCOUNT)**

**YEAR ENDED 31 MARCH 2016**

	Note	Total Funds 2016 £	Total Funds 2015 £
<b>INCOME AND ENDOWMENTS</b>			
Income from charitable activities	2	1,085,254	1,474,570
Other trading activities	3	1,451,581	1,010,947
Investment income	4	1,274	1,629
Other income	5	134,276	112,142
<b>TOTAL INCOME</b>		<b>2,672,385</b>	<b>2,599,288</b>
<b>EXPENDITURE</b>			
Expenditure on raising funds:			
Costs of other trading activities	6	(1,418,948)	(972,835)
Expenditure on charitable activities	7/8	(1,069,879)	(1,624,320)
Other expenditure	9	(150,002)	(125,370)
<b>TOTAL EXPENDITURE</b>		<b>(2,638,829)</b>	<b>(2,722,525)</b>
<b>NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS FOR THE YEAR</b>	10	<b>33,556</b>	<b>(123,237)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		1,571,221	1,694,458
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,604,777</b>	<b>1,571,221</b>

The Group statement of financial activities includes all gains and losses in the year.

All of the above amounts relate to unrestricted funds and to continuing activities.

The notes on pages 16 to 30 form part of these financial statements.

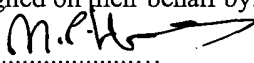
**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**GROUP BALANCE SHEET**

**31 MARCH 2016**

	Note	2016 £	2015 £
<b>FIXED ASSETS</b>			
Intangible assets	14	1,015,887	726,983
Tangible assets	15	62,283	59,154
Investments	16	49,500	61,254
		<u>1,127,670</u>	<u>847,391</u>
<b>CURRENT ASSETS</b>			
Stocks	17	16,090	2,600
Debtors	18	522,244	460,732
Cash at bank and in hand		603,426	651,654
		<u>1,141,760</u>	<u>1,114,986</u>
<b>CREDITORS: Amounts falling due within one year</b>	19	<u>(632,471)</u>	<u>(369,156)</u>
<b>NET CURRENT ASSETS</b>		<u>509,289</u>	<u>745,830</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,636,959</u>	<u>1,593,221</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	20	<u>(32,182)</u>	<u>(22,000)</u>
		<u>1,604,777</u>	<u>1,571,221</u>
<b>RESERVES</b>	24		
Profit and loss account	25	1,604,777	1,571,221
<b>MEMBERS' FUNDS</b>		<u>1,604,777</u>	<u>1,571,221</u>

These accounts were approved by the trustees and authorised for issue on 8/12/16....., and are signed on their behalf by:

  
.....  
Mr N P Hopkins

The notes on pages 16 to 30 form part of these financial statements.



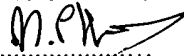
**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**CHARITY BALANCE SHEET**

**31 MARCH 2016**

	Note	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	15	11,697	39,865
Investments	16	1,395,336	760,000
		<u>1,407,033</u>	<u>799,865</u>
<b>CURRENT ASSETS</b>			
Stocks	17	1,640	2,600
Debtors	18	267,632	378,182
Cash at bank		356,434	526,403
		<u>625,706</u>	<u>907,185</u>
<b>CREDITORS: Amounts falling due within one year</b>	19	(348,712)	(209,856)
<b>NET CURRENT ASSETS</b>		<u>276,994</u>	<u>697,329</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,684,027</u>	<u>1,497,194</u>
<b>RESERVES</b>	24		
Profit and loss account	25	1,684,027	1,497,194
<b>MEMBERS' FUNDS</b>		<u>1,684,027</u>	<u>1,497,194</u>

These accounts were approved by the trustees and authorised for issue on 8/12/16....., and are signed on their behalf by:

  
.....  
Mr N P Hopkins

Company Registration Number: 07066687

The notes on pages 16 to 30 form part of these financial statements.

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments measured at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) (SORP 2015).

**Consolidation**

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. Acquisitions are accounted for under the acquisition method and the results of companies acquired or disposed of are included in the income and expenditure account after or up to the date that control passes respectively. As a consolidated income and expenditure account is published, a separate income and expenditure account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006. The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement on the grounds that the charity and its subsidiary undertakings comprise a small group.

**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:

Goodwill - 10% or 20% on cost

**Fixed assets and depreciation**

All fixed assets are initially recorded at cost.

Depreciation 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:

Computer equipment – 25% straight line on cost

Fixtures, fittings and equipment – 20% straight line on cost

Motor vehicles – 25% straight line on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the group statement of financial activities at a constant rate of charge on the balance of capital repayments outstanding.

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**1. ACCOUNTING POLICIES** *(continued)*

**Operating lease agreements**

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.

**Pension costs**

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the group statement of financial activities.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**Investments**

Investments, including investments in subsidiaries and associates, are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

**Income**

Income is credited to the Statement of Financial Activities as follows:

Contract income is recognised for the period in which it is earned.

Income from registration fees, events and the sale of publications and certificates consists of the invoiced value for the period.

**Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure on charitable activities includes:

- a. Expenditure on the charity's primary charitable purposes as described in the trustees' report.
- b. Governance costs associated with the governance of the charity and its assets. Included within this category are costs associated with the strategic, as opposed to day-to-day, management of the charity's activities.

Expenditure on other activities are directly attributable to specific activities.

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**1. ACCOUNTING POLICIES** *(continued)*

**Funds**

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are funds earmarked by the Trustees for specific purposes.

Restricted funds are funds which are restricted in use by the donor for specific purposes.

There were no Designated or Restricted funds during the year ended 31 March 2016.

**2. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds</b>	<b>Total Funds 2016</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grants and contracts	<b>100,644</b>	<b>100,644</b>	262,273	262,273
Registration and certification fees	<b>945,557</b>	<b>945,557</b>	1,145,856	1,145,856
Publications, events, related products and services	<b>39,053</b>	<b>39,053</b>	64,521	64,521
Miscellaneous income	<b>—</b>	<b>—</b>	1,920	1,920
	<b><u>1,085,254</u></b>	<b><u>1,085,254</u></b>	<b><u>1,474,570</u></b>	<b><u>1,474,570</u></b>

**3. OTHER TRADING ACTIVITIES**

	<b>Unrestricted Funds</b>	<b>Total Funds 2016</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Activities for generating funds - Training and Consultancy	<b><u>1,451,581</u></b>	<b><u>1,451,581</u></b>	<b><u>1,010,947</u></b>	<b><u>1,010,947</u></b>

**4. INVESTMENT INCOME**

	<b>Unrestricted Funds</b>	<b>Total Funds 2016</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank interest receivable	<b><u>1,274</u></b>	<b><u>1,274</u></b>	<b><u>1,629</u></b>	<b><u>1,629</u></b>

**5. OTHER INCOME**

	<b>Unrestricted Funds</b>	<b>Total Funds 2016</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
IOP Subscriptions and other income	<b><u>134,276</u></b>	<b><u>134,276</u></b>	<b><u>112,142</u></b>	<b><u>112,142</u></b>

**INSTRUCTUS**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2016**

**6. COSTS OF OTHER TRADING ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Total Funds 2016 £</b>	<b>Unrestricted Funds £</b>	<b>Total Funds 2015 £</b>
CQM Training and Consultancy	<b>1,302,188</b>	<b>1,302,188</b>	972,835	972,835
Springboard Consultancy	<b>116,760</b>	<b>116,760</b>	–	–
	<b><u>1,418,948</u></b>	<b><u>1,418,948</u></b>	<b><u>972,835</u></b>	<b><u>972,835</u></b>
			<b>2016 £</b>	<b>2015 £</b>
Training and consultancy materials			<b>393,521</b>	155,682
Staff costs			<b>597,427</b>	563,795
Staff training and recruitment			<b>64,103</b>	2,313
Travel and subsistence			<b>106,109</b>	75,765
Premises costs			<b>25,560</b>	15,228
Legal and professional			<b>59,150</b>	37,734
Other expenditure			<b>69,702</b>	53,631
Irrecoverable VAT			<b>28,780</b>	12,369
Amortisation			<b>41,862</b>	27,601
Depreciation			<b>17,452</b>	13,093
Taxation			<b>15,282</b>	15,624
			<b><u>1,418,948</u></b>	<b><u>972,835</u></b>

**7. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE**

	<b>Unrestricted Funds £</b>	<b>Total Funds 2016 £</b>	<b>Unrestricted Funds £</b>	<b>Total Funds 2015 £</b>
Promotion of Training and Skills Activities	<b>1,042,890</b>	<b>1,042,890</b>	1,592,836	1,592,836
Support costs	<b>26,989</b>	<b>26,989</b>	31,484	31,484
	<b><u>1,069,879</u></b>	<b><u>1,069,879</u></b>	<b><u>1,624,320</u></b>	<b><u>1,624,320</u></b>

**8. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	<b>Activities undertaken directly £</b>	<b>Total Funds 2016 £</b>	<b>Total Funds 2015 £</b>
Promotion of Training and Skills Activities	<b>1,042,890</b>	<b>1,042,890</b>	1,592,836
Governance costs	–	<b>26,989</b>	31,484
	<b><u>1,042,890</u></b>	<b><u>1,069,879</u></b>	<b><u>1,624,320</u></b>

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**8. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE** *(continued)*

Instructus, parent company - Promotion of Training and Skills expenditure:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Contract costs	<b>26,347</b>	159,079
Registration and certificate fees	<b>27,061</b>	35,721
Publications and events	<b>57,586</b>	52,867
Staff costs	<b>558,251</b>	751,634
Staff training and recruitment	<b>11,628</b>	49,303
Promotion and publicity	<b>90,652</b>	104,232
Premises costs	<b>53,406</b>	90,201
Legal and professional fees	<b>22,594</b>	38,860
Other expenditure	<b>109,789</b>	145,368
Irrecoverable VAT	<b>49,248</b>	72,986
Depreciation	<b>36,328</b>	92,588
	<b><u>1,042,890</u></b>	<b><u>1,592,839</u></b>

Governance costs:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Audit fees	<b>22,000</b>	23,769
Costs of trustees' meetings	<b>4,989</b>	3,212
Trustee recruitment costs	<b>–</b>	4,500
	<b><u>26,989</u></b>	<b><u>31,481</u></b>

**9. OTHER EXPENDITURE**

	<b>Unrestricted Funds</b>	<b>Total Funds 2016</b>	<b>Unrestricted Funds</b>	<b>Total Funds 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
IOP Professional Body Activities	<b><u>150,002</u></b>	<b><u>150,002</u></b>	<b><u>125,370</u></b>	<b><u>125,370</u></b>

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**9. OTHER EXPENDITURE** *(continued)*

The Institute of Paralegals - Professional Body expenditure:

	2016	2015
	£	£
Membership benefits	16,664	43,260
Legal and professional	36,801	42,480
Staff costs	36,686	—
Other expenses	8,864	9,560
Amounts written off investments	23,799	—
Amortisation	21,794	21,974
Taxation	5,394	8,096
	<u>150,002</u>	<u>125,370</u>

**10. NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR**

This is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	63,656	27,601
Depreciation	53,780	105,681
Auditors' remuneration:		
- audit of the group financial statements	15,900	15,826
- audit of the subsidiaries financial statements	6,100	7,943
	<u>139,436</u>	<u>257,031</u>

**11. TRUSTEE EXPENSES**

Trustees' travel expenses of £4,623 (2015 - £3,576) were reimbursed by the charity to 6 (2015 - 7) trustees during the year.

The charity has insurance to indemnify the trustees, other officers and the charity against the consequences of any neglect or default on the part of the trustees, employees and agents.

**12. STAFF COSTS AND EMOLUMENTS**

Total staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,063,713	1,177,089
Social security costs	105,838	138,340
Other post-retirement benefit costs	17,542	49,303
	<u>1,187,093</u>	<u>1,364,732</u>

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**12. STAFF COSTS AND EMOLUMENTS** *(continued)*

**Particulars of employees:**

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	<b>2016</b>	2015
	No.	No.
Number of administrative staff	<b>28</b>	30

The number of employees whose remuneration for the year fell within the following bands, were:

	<b>2016</b>	2015
	No.	No.
£60,000 to £69,999	-	3
£130,000 to £139,999	-	1
£140,000 to £149,999	1	-
	<u>1</u>	<u>4</u>

**13. NET INCOME ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY CHARITY**

The net income dealt with in the financial statements of the parent company charity was £186,833 (2015 - £(142,708)).

**14. INTANGIBLE ASSETS**

Group	Goodwill on acquisition £
<b>COST</b>	
At 1 April 2015	820,146
Additions	352,560
<b>At 31 March 2016</b>	<u>1,172,706</u>
<b>AMORTISATION</b>	
At 1 April 2015	93,163
Charge for the year	63,656
<b>At 31 March 2016</b>	<u>156,819</u>
<b>NET BOOK VALUE</b>	
<b>At 31 March 2016</b>	<u>1,015,887</u>
At 31 March 2015	<u>726,983</u>



**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**15. TANGIBLE ASSETS**

<b>Group</b>	<b>Motor Vehicles £</b>	<b>Fixtures, fittings, office and computer equipment £</b>	<b>Total £</b>
<b>COST</b>			
At 1 April 2015	–	313,756	313,756
Additions	36,135	18,680	54,815
Disposals	–	(244,257)	(244,257)
Transfers	–	78,885	78,885
<b>At 31 March 2016</b>	<b>36,135</b>	<b>167,064</b>	<b>203,199</b>
<b>DEPRECIATION</b>			
At 1 April 2015	–	254,602	254,602
Charge for the year	9,034	44,746	53,780
On disposals	–	(238,546)	(238,546)
Transfers	–	71,080	71,080
<b>At 31 March 2016</b>	<b>9,034</b>	<b>131,882</b>	<b>140,916</b>
<b>NET BOOK VALUE</b>			
<b>At 31 March 2016</b>	<b>27,101</b>	<b>35,182</b>	<b>62,283</b>
At 31 March 2015	–	59,154	59,154

**Hire purchase agreements**

Included within the net book value of £62,283 is £27,101 (2015 - £Nil) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £9,034 (2015 - £Nil).

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**15. TANGIBLE ASSETS** *(continued)*

<b>Company</b>	<b>Fixtures, fittings, office and computer equipment £</b>
<b>COST</b>	
At 1 April 2015	264,271
Additions	13,872
Disposals	(241,363)
<b>At 31 March 2016</b>	<b><u>36,780</u></b>
<b>DEPRECIATION</b>	
At 1 April 2015	224,407
Charge for the year	36,328
On disposals	(235,652)
<b>At 31 March 2016</b>	<b><u>25,083</u></b>
<b>NET BOOK VALUE</b>	
<b>At 31 March 2016</b>	<b><u>11,697</u></b>
At 31 March 2015	<u>39,864</u>

**16. INVESTMENTS**

<b>Group</b>	<b>Total</b>
Investments in Society of Specialist Paralegals (SSP) and Professional Paralegal Register (PPR)	
	<b>£</b>
<b>COST</b>	
At 1 April 2015	61,254
Additions	12,045
<b>At 31 March 2016</b>	<b><u>73,299</u></b>
<b>AMOUNTS WRITTEN OFF</b>	
Written off in year	23,799
<b>At 31 March 2016</b>	<b><u>23,799</u></b>
<b>NET BOOK VALUE</b>	
<b>At 31 March 2016</b>	<b><u>49,500</u></b>
At 31 March 2015	<u>61,254</u>

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**16. INVESTMENTS** *(continued)*

The Institute of Paralegals (IOP) has investments in the Society of Specialist Paralegals (SSP), costing £55,000, and in the Professional Paralegal Register (PPR), costing £18,299. As part of the investment in SSP, the trade and assets of SSP were transferred to IOP and IOP committed to making annual training payments of £9,000 for five years from 2014. The investment is now being written down over ten years with an amount of £5,500 included in the amount written off in the year.

The investment in the Professional Paralegal Register (PPR) is a joint venture with the National Association of Licenced Paralegals. At 31 March 2016 the PPR accounts show net liabilities and the investment has been written off during the year.

<b>Company</b>	<b>Group companies £</b>
<b>COST</b>	
At 1 April 2015	<b>760,000</b>
Additions	<b>635,336</b>
At 31 March 2016	<b><u>1,395,336</u></b>
<b>NET BOOK VALUE</b>	
At 31 March 2016	<b><u>1,395,336</u></b>
At 31 March 2015	<b><u>760,000</u></b>

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

---

**16. INVESTMENTS** *(continued)*

The charity has three wholly owned subsidiaries, the Institute of Paralegals (IOP)(Company No. 04919219), CQM Training and Consultancy Limited (CQM)(Company No. 02782477) and The Springboard Consultancy Limited (Company No. 04729410). The main activities of the subsidiaries are: IOP is an independent not for profit professional body representing paralegals (non-lawyers undertaking legal work). CQM and The Springboard Consultancy Limited are training, coaching and consultancy companies.

A summary of their results is shown below:

**Institute of Paralegals**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Income	<b>134,276</b>	112,142
Expenditure	<b>(131,297)</b>	(105,121)
Net income	<b>2,979</b>	7,021
Assets	<b>79,273</b>	103,890
Liabilities	<b>(79,074)</b>	(106,670)
Net Funds	<b>199</b>	(2,780)

At 31 March 2016 the Institute of Paralegals owed Instructus, £42,246 (2015 £63,203).

**CQM Training and Consultancy Limited**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Income	<b>1,332,488</b>	
Expenditure	<b>(1,276,734)</b>	
Net income	<b>55,754</b>	
Assets	<b>292,347</b>	304,215
Liabilities	<b>(126,770)</b>	(194,392)
Net Funds	<b>165,577</b>	109,823

CQM Training and Consultancy Limited was acquired on 30 April 2014 and the net incoming resources in 2015 from acquisition to 31 March 2015 amounted to £38,112. At 31 March 2016 CQM Training and Consultancy Limited owed Instructus, £Nil (2015 £55,000).

**The Springboard Consultancy Limited**

On 8 December 2015 the group acquired The Springboard Consultancy Limited for a cash consideration of £635,336, including £59,350 in accruals at 31 March 2016. Goodwill arising on the acquisition has been capitalised and is being amortised over 10 years. The investment in The Springboard Consultancy Limited has been included in the company's balance sheet at its fair value at the date of acquisition of £635,336.

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**16. INVESTMENTS** *(continued)*

Analysis of the net assets acquired:

	Total £
Fixed assets	7,805
Stock	18,372
Debtors and prepayments	95,203
Cash at bank and in hand	232,599
Creditors and accruals	(71,202)
	<u>282,777</u>

The net income of The Springboard Consultancy Limited for the period since acquisition was £12,324. The Springboard Consultancy Limited profit for the 11 month period from 1 May 2015 to 31 March 2016 was £160,677. An amount of £120,001 was paid to Instructus during the period and at 31 March 2016 The Springboard Consultancy Limited owed Instructus £40,676.

The net funds of The Springboard Consultancy Limited at 31 March 2016 were:

	2016 £
Assets	327,443
Liabilities	(193,019)
Net Funds	<u>134,424</u>

**17. STOCKS**

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Stock	<u>16,090</u>	<u>2,600</u>	<u>1,640</u>	<u>2,600</u>

Stock comprises study guides and training course materials.

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**18. DEBTORS**

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	428,170	201,619	160,481	83,153
Amounts owed by group undertakings	–	–	82,922	118,203
Other debtors	2,984	22,044	2,973	20,933
Prepayments and accrued income	91,090	237,069	21,256	155,893
	<u>522,244</u>	<u>460,732</u>	<u>267,632</u>	<u>378,182</u>

The debtors above include the following amounts falling due after more than one year:

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	–	–	42,246	63,203

All other debtors are repayable within one year of the balance sheet date.

**19. CREDITORS: Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	80,374	118,394	35,216	50,293
Amounts owed to group undertakings	91,524	83,983	91,524	83,983
Hire purchase agreements	4,096	–	–	–
Corporation tax	21,342	43,099	–	–
Other taxation and social security	64,146	28,163	16,088	14,196
Other creditors	91,062	11,461	77,669	258
Accruals and deferred income	279,927	84,056	128,215	61,126
	<u>632,471</u>	<u>369,156</u>	<u>348,712</u>	<u>209,856</u>

**20. CREDITORS: Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Hire purchase agreements	21,182	–	–	–
Other creditors	11,000	22,000	–	–
	<u>32,182</u>	<u>22,000</u>	<u>–</u>	<u>–</u>

Hire purchase agreements are secured on the assets concerned.

# **INSTRUCTUS COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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### **21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The exposure of the company to price risk, credit risk, liquidity risk and cash flow risk is not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

### **22. COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2016 the group had annual commitments under non-cancellable operating leases as set out below.

	2016 £	2015 £
Operating leases which expire:		
Within 2 to 5 years	<u>45,338</u>	<u>-</u>

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as set out below.

	2016 £	2015 £
Operating leases which expire:		
Within 2 to 5 years	<u>45,338</u>	<u>-</u>

### **23. RELATED PARTY TRANSACTIONS**

The financial statements do not include disclosures of all transactions between the subsidiaries and its parent. This is because the subsidiary's activities are 100% controlled by Instructus and are therefore exempt from the disclosure requirements under Financial Reporting Standard 8, "Related Party Transactions".

At 31 March 2016 the Amounts owed to group undertakings included £91,524 (2015 £83,983) owed to 03235481 Limited, the former parent company which is in the process of being dissolved.

### **24. COMPANY LIMITED BY GUARANTEE**

The company is limited by guarantee and as such does not have a share capital.

**INSTRUCTUS  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

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**25. RESERVES**

<b>Group</b>	<b>Income and expenditure account - unrestricted £</b>
Balance brought forward	1,571,221
Net income for the year	33,556
Balance carried forward	<u>1,604,777</u>

Group Funds are represented by:

	<b>2016 £</b>
Fixed assets	1,127,670
Current assets	1,141,760
Current liabilities	(632,426)
Long term liabilities	(32,182)
	<u>1,604,777</u>

<b>Company</b>	<b>Income and expenditure account - unrestricted £</b>
Balance brought forward	1,497,194
Net income for the year	186,833
Balance carried forward	<u>1,684,027</u>

The charity funds are represented by:

	<b>2016 £</b>
Fixed assets	1,407,033
Current assets	625,706
Current liabilities	(276,994)
	<u>1,684,027</u>