

Reach2 Inspiration Limited

Annual report and financial statements

Registered number 08910718

Year ended 24 August 2016



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Company information

Directors Mr I Carnwell (appointed 25 February 2014)
Mr D Ashton (appointed 25 February 2014)

Registered number 08910718

Registered office Scientia Academy
Mona Road
Burton-on-Trent
Staffordshire
DE13 0UF

Trading address Scientia Academy
Mona Road
Burton-on-Trent
Staffordshire
DE13 0UF

Auditors KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Bankers Royal Bank Of Scotland
5 Church Street
Sheffield
S1 1HF

Directors' report

The directors present their annual report and the audited financial statements for the period ended 24 August 2016.

Principal activity

The principal activity of the company in the year under review was to provide expert architectural design, along with project management and estate management services for primary schools.

The business was incorporated on 25th February 2014 with the intention to enhance teaching and learning environments across the REAch portfolio of academies with the aim of improving educational outcomes for children.

Directors

The directors in office during the period as follows:

Mr I Carnwell

Mr D Ashton

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board of directors on 24.05.17 and signed on its behalf.



Dean Ashton
Director

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102.

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 for that period.

In preparing these company 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 UK 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 business.

The directors are responsible for keeping adequate accounting records that 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
United Kingdom

Independent auditor's report to the members of Reach2 Inspiration Limited

We have audited the financial statements of Reach2 Inspiration Limited for the year ended 24 August 2016 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006


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

Independent auditor's report to the members of Reach2 Inspiration Limited
(continued)

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 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 take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Clare Partridge (Senior Statutory Auditor)

For and on behalf of

KPMG LLP

Statutory Auditor

Chartered Accountants

1 Sovereign Square

Sovereign Street

West Yorkshire

LS1 4DA

24 May 2017

Profit and loss account
for the year ended 24 August 2016

	<i>Note</i>	Year ended 24 August 2016 £	18 month ended 24 August 2015 £
Turnover	<i>1</i>	137,365	155,648
Cost of sales		(290,573)	(60,824)
		<hr/>	<hr/>
Gross loss		((153,208)	94,824
Distribution costs		(3,458)	(102,275)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	<i>2</i>	(156,666)	(7,451)
Tax on loss on ordinary activities	<i>5</i>	-	-
		<hr/>	<hr/>
Loss for the financial period		(156,666)	(7,451)
		<hr/>	<hr/>

Balance sheet
at 24 August 2016

	<i>Note</i>	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	6		8,294		8,232
Current assets					
Debtors	7	221,065		31,443	
Cash at bank		63,076		127,406	
		<u>284,141</u>		<u>158,849</u>	
Creditors: amounts falling due within one year	8	<u>(456,541)</u>		<u>(174,521)</u>	
Net current liabilities			<u>(172,400)</u>		<u>(15,672)</u>
Total assets less current liabilities			<u>(164,106)</u>		<u>(7,440)</u>
Capital and reserves					
Called up share capital	9		11		11
Profit and loss account			(164,117)		(7,451)
Shareholders' deficit			<u>(164,106)</u>		<u>(7,440)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24.05.2017



Dean Ashton
Director

Statement of changes in equity

	Called up share capital £	Profit and loss account £	Total equity £
Balance on incorporation	-	-	-
Total comprehensive income for the period			
Loss	-	(7,451)	(7,451)
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	(7,451)	(7,451)
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity			
New shares issued	11	-	11
	<hr/>	<hr/>	<hr/>
Total contributions or distributions to/from owners	11	-	11
	<hr/>	<hr/>	<hr/>
Balance at 24 August 2015	11	(7,451)	(7,440)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 24 August 2015	11	(7,451)	(7,440)
Total comprehensive income for the period			
Loss	-	(156,666)	(156,666)
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	(156,666)	(156,666)
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity			
	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 24 August 2016	11	(164,117)	(164,106)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cash Flow Statement
for year ended 24 August 2016

	2016 £	2015 £
Cash flows from operating activities		
Loss for the year	(156,666)	(7,451)
Adjustments for:		
Depreciation, amortisation and impairment	3,651	3,365
	<u>(153,015)</u>	<u>(4,086)</u>
(Increase) in debtors and other financial assets	(189,622)	(31,443)
Increase in trade and other creditors	282,020	174,521
	<u>92,398</u>	<u>143,078</u>
Net cash from operating activities	<u>(60,617)</u>	<u>138,992</u>
Cash flows from investing activities		
Acquisition of tangible fixed assets	(3,713)	(11,597)
Net cash from investing activities	<u>(3,713)</u>	<u>(11,597)</u>
Cash flows from financing activities		
Issue of new shares	-	11
Net cash from financing activities	<u>-</u>	<u>11</u>
Net increase/(decrease) in cash and cash equivalents	(64,330)	127,406
Cash and cash equivalents at 25 August	127,406	-
Cash and cash equivalents at 24 August	<u>63,076</u>	<u>127,406</u>

Notes

(forming part of the financial statements)

1 Accounting policies

Reach2 Inspiration Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In adopting FRS 102 for the first time the entity has made no accounting policy changes or adjustments.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis and in accordance with FRS 102.

1.2 Going concern

The directors assess whether the use of going concern is appropriate, i.e. whether there are any 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 make this assessment in respect of a period of one year from the date of approval of the financial statements.

It should be noted that there is a net deficit of £164,106 at the period end. There is a letter of support in place with the ultimate controlling party that funding will continue for the twelve months following the date of signature of the accounts. The net deficit does not cast significant doubt on the going concern status of the company. The ultimate controlling party is referred to in note 11.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied during the period, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases: Cash and cash equivalents

Fixtures and fittings	4 years, straight line basis
Computer equipment	3 years, straight line basis

2 Loss

The loss is stated after charging:

	Year ended 24 August 2016 £	18 month ended 24 August 2015 £
Depreciation of tangible fixed assets:		
- owned by the company	3,651	3,365
	<hr/>	<hr/>

Notes (continued)

3 Auditor's remuneration

	Year ended 24 August 2016 £	18 month ended 24 August 2015 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	2,500	2,500

4 Wages and salaries

Average employees for the year equalled nil (2015: nil).

Director remuneration for the period equalled £nil (2015: £nil) and is paid to the directors by the company's ultimate parent.

5 Taxation

	Year ended 24 August 2016 £	18 month ended 24 August 2015 £
UK corporation tax charge on loss for the period	-	-

Factors affecting tax charge for the period

There is no charge for corporation tax as the company has a tax loss carried forward.

There is no ground that these losses are likely to be realised in future periods and as such the company has an unrecognised deferred tax asset of £30,250.

Notes (continued)

6 Tangible fixed assets

	Furniture and Equipment £	Computer equipment £	Total £
<i>Cost</i>			
At 24 August 2015	6,999	4,598	11,597
Additions	-	3,713	3,713
	<hr/>	<hr/>	<hr/>
At 24 August 2016	6,999	8,311	15,310
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 25 August 2015	1,832	1,533	3,365
Charge for the period	1,750	1,901	3,651
	<hr/>	<hr/>	<hr/>
At 24 August 2016	3,582	3,434	7,016
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 24 August 2016	3,417	4,877	8,294
	<hr/>	<hr/>	<hr/>
At 24 August 2015	5,167	3,065	8,232
	<hr/>	<hr/>	<hr/>

7 Debtors

	2016 £	2015 £
Trade debtors		-
Amounts owed by group undertakings	119,626	28,772
Prepayments and accrued income	101,241	2,473
Other debtors	198	198
	<hr/>	<hr/>
	221,065	31,443
	<hr/>	<hr/>

8 Creditors: amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	447,190	171,501
Other taxation and social security	5,935	520
Accruals	3,416	2,500
	<hr/>	<hr/>
	456,541	174,521
	<hr/>	<hr/>

Notes (continued)

9 Share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
11 ordinary shares of £1 each	11	11
	<u>11</u>	<u>11</u>

10 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 102 and not disclosed transactions with group undertakings.

11 Ultimate controlling party

The ultimate controlling party is Reach2 Academy Trust.