

Charity Registration No. 1016744

Company Registration No. 02775469 (England and Wales)

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr R Moody Mr P Elliot - Deputy Chair Mrs A Bhullar Mr T H Nicholls Mrs P Akhtar Mr P Dean Mrs B Chantrill - Chair C A Boucher	(Appointed 23 January 2020) (Appointed 1 October 2020)
Chief Executive	Mr T Ashton	
Charity number	1016744	
Company number	02775469	
Registered office	30 Frog Island Off North Bridge Place Leicester LE3 5AG	
Auditor	Somerbys Limited 30 Nelson Street Leicester LE1 7BA	
Bankers	HSBC Bank UK 9 Leicester Road Wigston Leicestershire LE18 1NR	

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

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LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees, who are also the Directors of the company, present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)"

Objectives and activities

The objects of the charity are to:

- Provide services to schools, colleges, businesses and individuals that enable children, young people and adults to develop skills, knowledge and attitudes, which will prepare them for working life.
- Support the business community, including charities, to facilitate their involvement in helping children and young people learn more about their business or sector, which in turn supports their future recruitment.
- Develop new business, which fits with the objects of the charity.
- Attract sponsorship from the business community and Trust Fund grants, where possible.
- Provide a professional working environment and conditions for staff to ensure the charity attracts and retains high calibre staff to fulfil its objectives.

The main activities during the year have been as follows:

- Provision of careers related activities that help children and young people to develop knowledge and skills to help inform their future pathways, including apprenticeships.
- Management of Science, Technology, Engineering and Maths (STEM) brokerage activity as a sub-contractor to STEM Learning, the national organisation.
- Management of the Nuffield Foundation Summer research placement project.
- Provision of a health, safety, welfare vetting and work experience placement service for schools and colleges who wish to offer a work experience or work-related learning opportunity to 14-19 year olds.
- Management of the National Citizen Service (NCS) programme across Leicestershire, Coventry, Rugby and Stratford on behalf of our East and West Midlands management partners, Ingeus and Reed.

We would like to thank Walkers Snack Foods for their sponsorship for our overall work. Walkers Snack Foods has been supporting our work since 2003 and we are truly appreciative of their support to helping young people to succeed.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

These are the headlines of the charity's work in terms of public benefit:

- **Children and young people.** Schools and colleges purchase our brokerage services so that children and young people can benefit from learning more about the world of work and engage with employers. Young people, aged 15-17 years, can also access the 'out of school/college' NCS programme to enhance their personal development and their awareness of citizenship and positive social action. In terms of children with special educational needs or disabilities, we run bespoke NCS programmes to aid skills development, provide careers guidance and run bespoke events to support career decision making and facilitate work experience opportunities to enhance future prospects.
- **Leaders of schools and colleges.** Staff in schools and colleges receive information and advice from the charity regarding careers education. Some examples include sourcing employers to support vocational subjects; advising school staff on enterprise learning within curriculum subjects; engaging new employers to support schools and colleges.
- **Local employers.** Investing in young people whilst they are in school or college supports an important Corporate Social Responsibility priority for employers. Employers offer work placements, host young people on visits to employers' workplaces, give talks to young people in the classroom, get involved in curriculum projects. Over 4,000 local employers are actively working with LEBC to offer these opportunities.
- **Undergraduate volunteers.** Undergraduates have supported curriculum projects in the field of Science, Technology, Engineering and Maths to gain leadership, confidence and communication skills.

Achievements and performance

This year saw levels of disruption unseen before, with the emergence of the Covid 19 pandemic and subsequent national lockdown in March. A significant proportion of activity set to take place in the spring and summer term was postponed or cancelled. We have worked hard to repurpose our activity where possible, to ensure that we supported young people through this challenging time, to build the necessary knowledge and skills for their transition from education to employment.

We have responded positively to the challenges faced this year, and the management team have supported our workforce tirelessly to deliver on our revised contractual targets. It is important to us that our staff feel valued and supported and our success is down to strong teamwork. The organisation has adopted a greater focus on supporting staff this year, to overcome long periods of working from home, keeping staff morale and wellbeing high.

We continue to enjoy our office base at Frog Island which we moved to on 7th September 2015. This is a comfortable working environment for staff and is very easy for young people to access for careers advice or undergraduates for training to take part as Team Leaders in NCS.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

This is a summary of our overall performance and what our customers said about our services:

National Citizen Service

This programme is aimed at 15 to 17 year olds in Leicestershire, Coventry, Rugby and Stratford and has five core components – Connecting with new people, making a difference, reflecting on experiences, experiencing challenge and feeling part of something bigger.

Over Autumn 2019, **85** young people took part, giving **2,550** volunteering hours and raising **£1,080**. Due to the challenges of the Covid 19 pandemic and the local and national restrictions in 2020, we delivered a repurposed NCS programme in Summer 2020 to enable young people to keep doing good. This programme was delivered on a much smaller scale than in previous summers, **120** young people took part, giving **7,200** volunteering hours and raising **£1,799**. This provided young people with a great opportunity to play their part in the nation's recovery through social action.

We supported **18 students with a special educational need or disability** to participate in our NCS programmes this year, helping them to build confidence and the key skills needed for later life.

Over the academic year of 2019/20, **42** extra staff were employed on temporary contracts to deliver the programmes. At the end of the Summer programme, the total amount of funds raised by young people on LEBC's NCS programme since July 2013 reached **£385,539**. This has all gone to local charities and community groups.

The Summer Net Promoter Score (NPS) for LEBC in the East Midlands was **76** and in the West Midlands was **74**. We are delighted that our programme continues to be recognised as a programme of high quality and we scored higher than the national average for NCS which was 67.

83% of respondents scored our NCS programme **9 or 10 out of 10**, with a further **13%** scoring **7 or 8 out of 10**. The remaining **4%** rated our programme a **7 or below out of 10**.

The percentage of young people who completed the NCS programmes was: Autumn 2019: **93%**, Summer 2020: **95%**.

Comments from young people:

"The most rewarding part of the programme has been giving something back to the community, especially when we finished all the masks and packages with a little time to spare."

"It was a fun 2 weeks, wish it was longer, we made our link (the Police Social Action representative) cry with pride. It was so good to know she appreciated our hard work and the impact it would have this year."

Comment from seasonal staff:

"Seeing how amazing my team did sorting their social action project considering they only had 2 and a half days to decide, plan and carry out their project - honestly couldn't be more proud! Really amazing programme especially considering the circumstances and the difficulty I imagine you faced making it Covid safe, really well done I felt completely in the know and comfortable the whole time! Thank you!!!"

Comment from a Social Action Host:

"The whole team was so enthusiastic, they all interacted really well with our service users, decorating cakes, playing games and just sitting chatting with our service users. They did a brilliant job fundraising, hopefully some will come back as volunteers. A big well done to the teams from all the staff and service users at Holmfield!"

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Work Experience

We source work experience placements across the city and county within a broad range of industries and professions for young people from schools across Leicester and Leicestershire. During the year, **911** young people completed a work experience placement. The national lockdown saw **4,300** placements either postponed or cancelled this academic year. This year **65 students with a special educational need or disability** completed a work experience placement.

For each placement, employers are required to assess the risks to young people/employees in the workplace. Our Health, Safety and Welfare Assessors assist the employer with this process by gathering information including tasks to be undertaken and agreeing a generic risk assessment with associated control measures. This information forms the basis of a formal agreement between the employer, young person and parent/legally responsible person where appropriate. This year **703** assessments were completed which resulted in **836** opportunities for young people.

Out of **101** employers who completed the work experience assessor survey we found that:

99% of employers felt that the overall experience to register their work experience position was good to excellent

99% of employers found that the information they received about preparing for a student on work experience was good to excellent.

Feedback from employers:

"The visit was carried out very professionally. It is good that the wellbeing and safety of the students is taken seriously".

"Employer assessor was very informative and pleasant to deal with".

Feedback from schools:

In terms of customer service from schools and colleges, 3 schools who completed the Placement Service evaluation gave us **10 out of 10** for the high standard of our professional service. Some of their comments included:

"Charlotte was extremely friendly and helpful at all times. The placements she found for us were well suited to our students. She got back to me quickly if I had a problem or question. Great service from LEBC".

"Excellent overall, considering the large cohort of students that went out on work experience."

Feedback from students:

The results of our impact survey, completed by students after their placement showed:

89% have developed new skills and are motivated to work harder in school/college

86% have more confidence

85% have improved their communication skills.

Their comments included:

"I really enjoyed my work experience. Thank you so much LEBC for giving me this amazing opportunity. Again, thank you".

"It was a good experience that has made me want to work harder in order to achieve my goals."

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Nuffield Research Placements

Nuffield Research Placements give Year 12 students across the UK a chance to complete a real research project for 4-6 weeks over the summer. Students work alongside professional scientists, technologists, engineers and mathematicians at various universities, companies and research institutions and we hold the contract for Leicestershire, Northamptonshire, Lincolnshire, Derbyshire and Nottinghamshire.

The programme was delivered virtually this year, to ensure that students still had the opportunity to develop subject understanding, alongside their research and quantitative skills, enhancing their applications to university.

This year we had **80** completed applications for the **68** placements available. Relationships with De Montfort University, PepsiCo, Nottingham Trent University and Loughborough University were strengthened, with these providers hosting the largest number of students for their organisations. All students that took part this year were from a disadvantaged background.

Feedback from students:

"During this project I experienced how scientific questions are answered and how research is conducted. My project was virtual due to Covid 19 and I didn't think it would be the same experience. However my project supervisor engaged with me every day and we had virtual meetings to help me stay on plan. I have learnt so much from my project supervisor and have discovered that research is so important and this is something I would like to continue in my career choices."

"This was a great opportunity where I was able to learn new valuable skills which I can use in the future. My supervisor also aided my research by suggesting methods and plans to develop my project which was very helpful. Thank you."

"I gained skills in self-resilience, as initially the thought of giving up my summer holiday didn't sound like a fun idea, but in the end was the best decision that I ever made"

Primary and Secondary School Events

We set up tailor made events and recruited business representatives from different sectors to inspire, inform and motivate young people to think about their future careers possibilities.

272 primary students from **6** schools took part in tours of the Golden Mile and surrounding businesses and Highcross as well local universities. There were also in-school events supported by employers where students learnt about different jobs and the skills needed.

5,571 secondary students took part in **32** events including careers talks and employability workshops, mock interviews, world of work trips and enterprise days.

We saw disruption to our school events delivery due to the national lockdown in March which saw **31** events postponed or cancelled. These events were scheduled to support a further **5,346** students to have a positive encounter with a business professional to support their future career decisions.

Feedback from students:

Following their school event, we surveyed students to understand how they had benefited from taking part:

92% of students said they know more about their chosen career

92% of students were more aware of the skills required to be successful in the workplace

83% of students said that their confidence and communication skills had improved because of taking part.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

"It was interesting to meet these volunteers and see what kind of jobs you can have. I liked seeing how the volunteer's job ideas changed as they grew older and how they think their job suits them."

"I enjoyed learning about different roles and responsibilities as I feel more motivated and confident to go into the world of work after college."

Feedback from a business and school:

209 business volunteers completed our feedback survey and rated LEBC's organisation, administration, management and support an average of **8.7/10**. All of the business volunteers who attended the school and college careers events rated our organisation, administration, management and support as very good or excellent.

"Imogen did a great job and the event was great. It was my first time doing the mock interviews but the information I had was really clear and most of the students were well prepared which was great to see - I really enjoyed supporting this event."

20 schools provided feedback on our service last year, scoring us **9.3/10**. All schools stated that their event had helped students to learn more about working life and would run the event again.

"Grace and Imogen did a fantastic job over the 2 days and I cannot rate them highly enough. Also the employers that attended were great with students - a brilliant 2 days."

Careers Advice

We provided careers advice to over **1,600 young people** in **20 schools/colleges**, including one to one sessions and group workshops in areas such as CV writing, UCAS applications, apprenticeship opportunities, labour market information, confidence building and motivation.

Feedback from students:

Students who received our support rated our service an average of **9.5/10**. Their comments included:

"I have been able to recognise my qualities and skills, along with being sure about my options. This has led me to be sure about my career and develop my back up plan. This has not only made me more aware of college and university life but has also increased my confidence."

"The interview with Jackie has allowed me to have a clear and focused view on the future and the careers I may pursue. The burden I have felt for months has been lifted and this now creates a motivation within me to do well in my actual GCSE's."

Science, Engineering, Technology, Maths (STEM) Ambassador Programme

In the East Midlands Hub there are **2,023 approved Ambassadors** ready for mobilisation in schools and colleges, **552** of which were active in the year. There were **986** activities which took place which amounted to **7,524** hours; **64%** of secondary schools are engaged in the programme. The drop in activity levels on the previous year reflects the lack of volunteering opportunities whilst schools were closed during the lockdown period from March until July.

Ambassadors share their skills, knowledge and expertise with young people to help young people understand more about the opportunities and career route ways that STEM subjects offer. We have delivered successfully in Leicestershire, Lincolnshire, Northamptonshire and Milton Keynes.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Comment from a school:

"Thank you so much for all of your help. The STEM Ambassadors were amazing. Steve did a zoom session and spoke to the children about his time in the Antarctic. They loved it! He was really engaging and the children completed a write up after. Hannah did a video explaining her field of science and how magnets help her. She showed us the cereal and iron experiment. Wow! The children completed the same experiment and they were amazed. My least academic children could fully access all of the content and they were excited about their learning."

Comment from a STEM Ambassador:

"Being a STEM ambassador gives me a great deal of satisfaction, especially when I see children who have been truly inspired by the activities I have delivered. Not only am I able to inspire the children whilst teaching them about engineering principles, careers or soft skills, but I too am constantly inspired by the students – the students have really challenged my own thinking style and have stimulated my 'out of the box' thinking. By delivering many STEM activities in primary schools, I have also brushed up my ability to present and communicate information in a simple, concise and engaging way."

Apprenticeships

We offer support to young people who want to find an apprenticeship. We help them to build quality CVs, advise them on where to search for apprenticeships and make direct approaches to employers on their behalf. We secured a 3 year contract from Leicester City Council starting from 1 October 2017, funded through the European Social Fund which we have match funded, to provide CV and job search support to young people.

This year we helped **96** young people to build a good CV. We also arranged work placements for **2** disadvantaged young people to increase their prospects of finding work. Unfortunately we had to postpone **15** placements due to the national lockdown. Through our support, **17** young people secured apprenticeships that they notified us of and many more may have done so. We are really happy for these students who worked hard to secure their opportunities in a challenging jobs market.

Feedback from young people:

"I could not have done it without your help and I am so very grateful. You gave me the start I needed in being able to apply, fill out applications and attend interviews. I will forever remember your hard work and the dedication you put in for me. You have helped me venture into something that long term could be amazing and I can't thank you enough!"

"LEBC has been an amazing help to me. I was struggling with my CV and spoke to Helen Oliver. She has given me some expert feedback and advice on how to improve it. I would recommend LEBC to anyone needing help!"

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

We have ended the year with reserves of £1,400,523 (2019 – £1,205,670). We have worked very productively to deliver our contracted work under some difficult circumstances, monitoring performance to stay ahead and working as efficiently as possible, despite the significant disruption experienced this year.

Although the year has ended positively, we anticipate a period of ongoing contractual uncertainty. The forthcoming year will continue to be a challenging one, particularly as we expect to face contractual challenges across our school and college work and NCS programme delivery. For example, the NCS programme is likely to be scaled back by 50% due to Covid-19.

We will continue to work closely with our customers to provide quality careers development opportunities for young people, adapting delivery where needed, to navigate an ongoing uncertain landscape. It is very important that we stay focused on our annual contracts and achieve high standards of delivery, keep costs under control and remain a competitively priced service. We will continue to look for new business opportunities which fit with the overall objectives of our business, while ensuring that we do not lose focus on our core business.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees wish.

The Trustees are satisfied with the performance of the charity's investments at year end.

Reserves Policy

The Trustees have established the level of free reserves (that is, those funds which are freely available) that the charity ought to have to cover at least 6 months operations (normally £600,000), offering much needed assurance in these uncertain times. This will enable the charity to retain staffing capacity to deliver essential services to young people while the charity seeks to identify and pursue new market opportunities in line with its objectives. In addition, funds are held should any redundancies be necessary in the future. The free reserves as at 31 August 2020 were £1,383,861 (2019 – 1,191,628).

Risk Management

The Trustees have an annual risk management strategy which comprises:

- an annual review of the risks which the charity might face
- the implementation of policies, systems and procedures to mitigate those risks identified in the plan.

The Chief Executive reviews the budget risk each month to determine progress towards the business plan targets and formally reports to Trustees on a quarterly basis. There is a 3 year strategic plan which has conservative growth targets.

Procedures are in place to ensure compliance with safeguarding requirements; health and safety and welfare of staff; young people on work experience; external volunteers giving their time in schools and colleges; young people taking part in the NCS programme.

We have 'Social Welfare' insurance cover given the high number of young people taking part in the NCS programme who are carrying out community work. The company with which we are insured has recently carried out a risk assessment review of our operations for the next 12 months.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for the Future

The charity plans to continue the activities outlined above in the forthcoming years, subject to continuing to secure business from schools, colleges, STEM Learning, and regional prime NCS contractors, e.g. Reed and Ingeus. We are excited to be launching a number of virtual activities in 2020-2021, which will mitigate the possibility of further disruption to traditional face-to-face activity. We will invest £25,000 to launch a virtual work experience programme in 2021, to provide support to students who will not get the chance to access work experience in the usual way.

To ensure that the charity continues its work in helping young people, particularly during such difficult economic times, an investment will be made to extend our support to students seeking their first break in employment. This investment will be made as part of an LEBC commitment to a 'doing good' project, following the completion of the 3 year ESF project with Leicester City Council. The charity has plans to invest £233,000 in this project to August 2024, to support young people in securing an apprenticeship opportunity.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

Governing Document

Leicestershire Education Business Company Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 31 January 2001. It is a registered charity with the Charity Commission. There are currently 8 Trustees, each of whom agree to contribute £1 in the event of the charity winding up.

Board Structure

The Board meets four times per year. There are 2 sub committees; Remuneration and Audit. The Chief Executive has delegated authority, within terms approved by the Trustees, for operational matters including finance and employment.

Management

Barbara Chantrill, who founded the business, stepped down as Chief Executive at the start of the financial year after 27 years' service and has been replaced in that role by the Operations Manager, Tom Ashton, who has been with the business for 5 years. This was a very successful, planned handover, which provided stability, knowledge and ambition to drive the business forward, based on the existing core business values and behaviours, which have enabled the company to offer a high level of service for public benefit since its inception in 1992. Barbara Chantrill took over as Chairman in January 2020, when Dennis Kent who served as Chairman for 7 years and as a Trustee for 13 years resigned. The salary of the Chief Executive is set by the Trustees.

The Trustees, who are also Directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs B Chantrill	(Chair)	Appointed 23 January 2020)
Dr R Moody		
Mr P J Elliott	(Deputy Chair)	
Ms A Bhullar		
Mr T H Nicholls		
Ms P Akhtar		
Mr Peter Dean		
Mr M Colton		(Resigned 21 September 2020)
Mr M Esho		(Resigned 24 September 2020)
Mrs C Boucher		(Appointed 22 October 2020)
Mr D Kent		(Resigned 23 January 2020)
Miss Sandhya Zavery		(Resigned 23 January 2020)

Audit Sub Committee

Mrs B Chantrill
Mr P Dean

Remuneration Sub Committee

Mrs B Chantrill
Mr P Dean
Dr R Moody

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Appointment of Trustees

The Board aims to have around 12 Trustees representing the interests of both business and education. As set out in the Articles of Association, one third of the Trustees retire each year by rotation at the Annual General Meeting.

Nominations will be sought by the Chief Executive and proposed to the Chairman in the first instance. Interested Trustees are invited to submit a pen picture of their experience, skills and interests. This information is presented to the current Trustees who have responsibility for approving the appointment of new Trustees. Our aim is to identify individuals who can share their sector knowledge with staff as well as contribute strategically because they are interested in the personal development of young people and how young people can contribute to our economy.

Trustees Induction and Training

New Trustees are briefed on their legal responsibilities under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. Trustees are invited to attend events to experience the day to day operations of the charity and to understand how the work impacts on people in our community.

Related Parties

The charity has many relationships with partners and stakeholders, including over 100 local charities through the National Citizen Service (NCS) work. It particularly champions the benefit of employer involvement in schools and colleges to help young people to develop skills, confidence and knowledge for their working lives. We are tenants of Warning Zone, an education charity and enjoy a supportive working relationship with them.

Auditor

In accordance with the company's articles, a resolution proposing that Somerbys Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



B Chantrill

Chair

Dated: 21 January 2021

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees, who are also the Directors of Leicestershire Education Business Company Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

Opinion

We have audited the financial statements of Leicestershire Education Business Company Limited (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, 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 charity 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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 Trustees 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.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within the Trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the Trustees' 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 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' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the Directors of the charity for the purpose of company law, 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 Trustees 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 Trustees are responsible for assessing the charity'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 Trustees either intend to liquidate the charitable 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

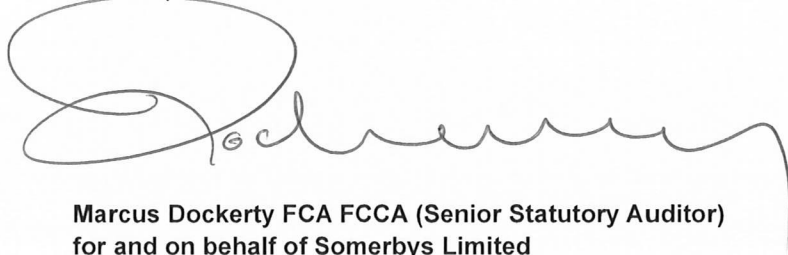
LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

Use of our report

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
for and on behalf of Somerbys Limited**

21 January 2021

**Chartered Accountants
Statutory Auditor**

30 Nelson Street
Leicester
LE1 7BA

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Current financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<u>Income from:</u>					
Grants and donations	3	94,000	2,937	96,937	-
Charitable activities	4	1,028,187	254,288	1,282,475	2,418,996
Other trading activities	5	4,820	-	4,820	9,100
Investments	6	10,388	-	10,388	5,687
Total income		1,137,395	257,225	1,394,620	2,433,783
<u>Expenditure on:</u>					
Total resources expended	7	924,231	257,225	1,181,456	2,400,368
Net gains/(losses) on investments	11	(18,311)	-	(18,311)	3,445
Net movement in funds		194,853	-	194,853	36,860
Fund balances at 1 September 2019		1,205,670	-	1,205,670	1,168,810
Fund balances at 31 August 2020		1,400,523	-	1,400,523	1,205,670

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Prior financial year

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes			
<u>Income from:</u>				
Charitable activities	4	2,180,395	238,601	2,418,996
Other trading activities	5	9,100	-	9,100
Investments	6	5,687	-	5,687
Total income		<u>2,195,182</u>	<u>238,601</u>	<u>2,433,783</u>
<u>Expenditure on:</u>				
Total resources expended	7	<u>2,161,767</u>	<u>238,601</u>	<u>2,400,368</u>
Net gains/(losses) on investments	11	<u>3,445</u>	<u>-</u>	<u>3,445</u>
Net movement in funds		<u>36,860</u>	<u>-</u>	<u>36,860</u>
Fund balances at 1 September 2018		<u>1,168,810</u>	<u>-</u>	<u>1,168,810</u>
Fund balances at 31 August 2019		<u><u>1,205,670</u></u>	<u><u>-</u></u>	<u><u>1,205,670</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12		16,662		14,042
Investments	13		340,296		355,249
			<u>356,958</u>		<u>369,291</u>
Current assets					
Debtors	14	84,689		769,015	
Cash at bank and in hand		1,616,900		662,420	
		<u>1,701,589</u>		<u>1,431,435</u>	
Creditors: amounts falling due within one year	15	(658,024)		(595,056)	
Net current assets			<u>1,043,565</u>		<u>836,379</u>
Total assets less current liabilities			<u>1,400,523</u>		<u>1,205,670</u>
Income funds					
Unrestricted funds - general			<u>1,400,523</u>		<u>1,205,670</u>
			<u>1,400,523</u>		<u>1,205,670</u>

The financial statements were approved by the Trustees on 21 January 2021



B Chantrill
Chair

Company Registration No. 02775469

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	24		960,553		145,536
Investing activities					
Purchase of tangible fixed assets		(13,103)		(7,810)	
Net income paid into investments		(1,075)		-	
Purchase of other investments		(2,283)		(344,916)	
Proceeds on disposal of other investments		-		143,413	
Interest received		10,388		5,687	
Net cash used in investing activities			(6,073)		(203,626)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			954,480		(58,090)
Cash and cash equivalents at beginning of year			662,420		720,510
Cash and cash equivalents at end of year			<u>1,616,900</u>		<u>662,420</u>

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Leicestershire Education Business Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Frog Island, Off North Bridge Place, Leicester, LE3 5AG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds are funds set aside by the Trustees out of the unrestricted general funds for specific future purposes or projects.

Restricted funds can only be used for particular purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes. Further explanations of the nature and purpose of each fund is included in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants and voluntary income are recognised as incoming resources when receivable. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

Investment income is recognised when receivable.

1.5 Resources expended

All resources expended are accounted for on an accruals basis and include irrecoverable VAT.

Certain costs are directly attributable to core activities. Certain staff costs and office costs are apportioned on the basis of an estimate of the proportion of income received from the activity.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% per annum of cost
Computers	33.33% per annum of cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.12 Pension

Contributions to the pension scheme are charged to the Statement of Financial Activities as incurred.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

There are no critical judgements (apart from those involving estimates) in applying the company's accounting policies.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and judgements (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are addressed below:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect the current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note (above) for the useful economic lives for each class of assets.

Support cost allocations

Support costs are apportioned as they relate to more than one cost category (see note 6)

Deferred income

Income received during the year relating to later periods is deferred to that period based on the terms of the receipt of income.

3 Grants and donations

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Coronavirus Job Retention Scheme grant income	94,000	2,937	96,937	-

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

4 Charitable activities

	Charitable Income 2020 £	Charitable Income 2019 £
Work experience- Health & Safety/Placement services.	165,807	290,769
Nuffield programme	57,278	57,512
ESF - Leicester Employment Hub	52,697	43,053
STEM	144,313	138,036
Careers Education Service	122,227	128,584
National Citizen Service	740,153	1,761,042
	<u>1,282,475</u>	<u>2,418,996</u>
Analysis by fund		
Unrestricted funds - general	1,028,187	2,180,395
Restricted funds	254,288	238,601
	<u>1,282,475</u>	<u>2,418,996</u>

5 Other trading activities

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Sponsorship & initiatives	4,820	9,100
	<u>4,820</u>	<u>9,100</u>

6 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Income from listed investments	6,616	3,116
Bank interest receivable	3,772	2,571
	<u>10,388</u>	<u>5,687</u>

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7 Total resources expended	Work experience	STEM	Careers education service	National Citizen Service	Cost of fundraising	Total 2020	Total 2019
	£	£	£	£	£	£	£
Staff salaries and related costs	256,982	119,244	82,329	345,648	-	804,203	1,147,584
Depreciation	629	629	629	7,967	629	10,483	9,484
Training courses, meetings, conferences and related expenses	5,298	3,613	2,481	20,000	-	31,392	53,040
Premises	2,551	2,551	2,551	32,316	2,551	42,520	40,729
Communications	383	383	383	4,847	383	6,379	3,449
Information technology	1,545	1,545	1,545	19,568	1,545	25,748	24,661
Printing, postage and stationery	1,180	1,180	1,180	14,952	1,180	19,672	33,265
Marketing	204	204	204	2,587	204	3,403	6,882
Legal and professional	346	262	346	4,389	346	5,689	1,213
Staff benefits	876	876	876	11,091	876	14,595	20,684
Bank charges	44	44	44	560	44	736	1,355
Insurances	145	145	145	1,836	145	2,416	2,319
Audit	265	265	265	3,356	265	4,416	4,413
Professional services (inc temp staff)	-	-	-	-	-	-	19,887
Administration, set up & management costs	1,952	805	668	2,827	-	6,252	9,742
Event/programme costs	348	6,443	1,611	52,372	-	60,774	883,172
Database redevelopment	17,232	-	-	-	-	17,232	13,095
Nuffield student bursaries & travel payments	21,147	-	-	-	-	21,147	29,952
General office and finance staff	6,288	6,124	6,288	79,411	6,288	104,399	95,442
	317,415	144,313	101,545	603,727	14,456	1,181,456	2,400,368
	317,415	144,313	101,545	603,727	14,456	1,181,456	2,400,368

Analysis by fund

Unrestricted funds - general	204,503	-	101,545	603,727	14,456	924,231	2,161,767
Restricted funds	112,912	144,313	-	-	-	257,225	238,601
	317,415	144,313	101,545	603,727	14,456	1,181,456	2,400,368

The charity allocates costs relating to a particular activity directly. Certain staff costs and office costs are allocated as a percentage of estimated income.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2020 £	2019 £
Audit of the annual accounts	4,416	4,200

9 Trustees

None of the Trustees (or any persons connected with them) received any expenses from the charity during the year.

With the agreement of the other Trustees, B Chantrill received total employment benefits, including employer pension contributions amounting to £12,479 for her role as career counselling and managerial support, since being appointed a Trustee on 23 January 2020.

10 Employees

Number of employees

2020 Number	2019 Number
68	73

Employment costs

	2020 £	2019 £
Wages and salaries	782,958	1,111,667
Social security costs	58,839	65,390
Other pension costs	66,805	65,971
	908,602	1,243,028

On a full time equivalent basis the total average number of employees was 42 (2019 - 56).

There were no employees who received emoluments in excess of £60,000 (2019: nil). The Charity considers its key management personnel to consist of the Chief Executive, NCS Contract Manager and Finance Manager. The remuneration and benefits paid to these personnel totalled £145,690 (2019 - £197,557 - which also included the Operations Manager).

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

11 Net gains/(losses) on investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Revaluation of investments	(18,311)	10,332
Gain/(loss) on sale of investments	-	(6,887)
	<u>(18,311)</u>	<u>3,445</u>

12 Tangible fixed assets

	Fixtures, fittings & equipment £	Computers £	Total £
Cost			
At 1 September 2019	29,538	37,412	66,950
Additions	674	12,429	13,103
	<u>30,212</u>	<u>49,841</u>	<u>80,053</u>
At 31 August 2020	30,212	49,841	80,053
Depreciation and impairment			
At 1 September 2019	23,208	29,700	52,908
Depreciation charged in the year	5,458	5,025	10,483
	<u>28,666</u>	<u>34,725</u>	<u>63,391</u>
At 31 August 2020	28,666	34,725	63,391
Carrying amount			
At 31 August 2020	<u>1,546</u>	<u>15,116</u>	<u>16,662</u>
At 31 August 2019	<u>6,330</u>	<u>7,712</u>	<u>14,042</u>

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2019	355,249
Additions	2,283
Valuation changes	(18,311)
Net income paid into investments	1,075
	<hr/>
At 31 August 2020	340,296
	<hr/>
Carrying amount	
At 31 August 2020	340,296
	<hr/>
At 31 August 2019	355,249
	<hr/>

	2020 £	2019 £
Investments at fair value comprise:		
Cash deposits	3,058	1,982
Quoted securities	337,238	353,267
	<hr/>	<hr/>
	340,296	355,249
	<hr/>	<hr/>

Quoted securities are valued at the market value at the year end.

14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	16,190	529,443
Other debtors	52,578	220,080
Prepayments and accrued income	15,921	19,492
	<hr/>	<hr/>
	84,689	769,015
	<hr/>	<hr/>

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Other taxation and social security		17,079	27,527
Deferred income	16	406,027	61,862
Trade creditors		26,500	189,031
Other creditors		14,002	70,097
Accruals		194,416	246,539
		<u>658,024</u>	<u>595,056</u>

16 Deferred income

	2020 £	2019 £
Other deferred income	<u>406,027</u>	<u>61,862</u>

Deferred income relates to funds received in the year to 31 August 2020 for the year ended 31 August 2021. Opening deferred income was £61,862. Funds received in the year were £1,145,597 of which £801,431 was recognised as income in the financial statements leaving deferred income of £406,027 to carry forward.

The level of deferred income was substantially higher than in previous years due to the funding received as part of the original summer 2020 NCS programme. A revised programme and funding model was subsequently established in response to the pandemic, on a much lower scale than the original contract. The remaining funding will, therefore, be rolled over to cover the delivery of future NCS programmes.

17 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to Statement of Financial Activities in respect of defined contribution schemes was £66,805 (2019 - £71,306). The liability and expense is allocated between restricted and unrestricted funds based on the proportion of employee time designated to the fund. The amount payable relating to pension contributions at the year end amount to £7,633 (2019 - £7,610).

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Members Guarantee

The company is limited by guarantee. Each member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member, or within one year after he/she ceases to be a member, for the payments of the company's debts and liabilities contracted before he/she ceases to be a member, and of the costs charges and expenses of winding up, and for the adjustment of the rights of the contributions among the members.

	2020	2019
Number of members at 31 August 2019.	8	10

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		Balance at 31 August 2020
	Balance at 1 September 2018	Resources expended	Incoming resources	Resources expended	
	£	£	£	£	£
STEM	-	(138,036)	144,313	(144,313)	-
Nuffield Bursaries	-	(57,512)	57,278	(57,278)	-
ESF Leicester Employment Hub	-	(43,053)	55,634	(55,634)	-
	-	(238,601)	257,225	(257,225)	-

STEM - this funding allows us to offer quality Science, Technology, Engineering and related experiences to young people, using the knowledge and insight of STEM professionals from the local universities and STEM related companies.

Nuffield - this funding allows us to support year 12 students from disadvantaged backgrounds to gain first-hand experience of scientific research across a wide range of disciplines, to help them to build important skills and identify the science route way which they would like to follow at University.

ESF Leicester Employment Hub - this funding allows us to provide an employment gateway for businesses in the area. The project will drive up demand for, and the supply of, apprenticeships, traineeships, work placements and internships.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Fund balances at 31 August 2020 are represented by:						
Tangible assets	16,662	-	16,662	14,042	-	14,042
Investments	340,296	-	340,296	355,249	-	355,249
Current assets/ (liabilities)	1,043,565	-	1,043,565	836,379	-	836,379
	<u>1,400,523</u>	<u>-</u>	<u>1,400,523</u>	<u>1,205,670</u>	<u>-</u>	<u>1,205,670</u>

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	30,189	67,126
Between two and five years	25,208	2,571
	<u>55,397</u>	<u>69,697</u>

22 Related party transactions

Transactions with related parties

During the year the company made purchases of £716 (2019 - £2,868) from Easy Internet Services Limited a company in which the Trustee M Esho is both a Director and a Shareholder. Remuneration benefits paid to Trustees are detailed in note 9 to the accounts.

23 Ultimate controlling party

In the opinion of the Trustees, given the structure of the charity, there is no ultimate controlling party.

LEICESTERSHIRE EDUCATION BUSINESS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Cash generated from operations	2020 £	2019 £
Surplus for the year	194,853	36,860
Adjustments for:		
Investment income recognised in statement of financial activities	(10,388)	(5,687)
(Gain)/loss on disposal of investments	-	6,887
Fair value gains and losses on investments	18,311	(10,332)
Depreciation and impairment of tangible fixed assets	10,483	9,483
Movements in working capital:		
Decrease in debtors	684,326	10,958
(Decrease)/increase in creditors	(281,197)	138,190
Increase/(decrease) in deferred income	344,165	(40,823)
Cash generated from operations	<u>960,553</u>	<u>145,536</u>