

Capital Training Group Limited
Financial Statements
31 March 2018



COVENEY NICHOLLS PARTNERSHIP LLP

Chartered Accountants & Statutory auditor

The Old Wheel House

31/37 Church Street

Reigate

Surrey

UK

RH2 0AD

Capital Training Group Limited

Financial Statements

Year ended 31 March 2018

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Capital Training Group Limited

Directors' Report

Year ended 31 March 2018

The directors present their report and the financial statements of the company for the year ended 31 March 2018.

Directors

The directors who served the company during the year were as follows:

D L Galway
A L Galway
S C H Bózzoli
P J Dunckley

(Resigned 30 June 2017)

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all 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.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Capital Training Group Limited

Directors' Report *(continued)*

Year ended 31 March 2018

This report was approved by the board of directors on 15 March 2019 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'D L Galway', written in a cursive style.

D L Galway
Director

Registered office:
The Old Wheel House
31-37 Church Street
Reigate
Surrey
RH2 0AD

Capital Training Group Limited

Independent Auditor's Report to the Members of Capital Training Group Limited

Year ended 31 March 2018

Opinion

We have audited the financial statements of Capital Training Group Limited (the 'company') for the year ended 31 March 2018 which comprise the statement of income and retained earnings, statement of financial position and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Capital Training Group Limited

Independent Auditor's Report to the Members of Capital Training Group Limited *(continued)*

Year ended 31 March 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Capital Training Group Limited

Independent Auditor's Report to the Members of Capital Training Group Limited *(continued)*

Year ended 31 March 2018

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

 18-3-19
J N KELLY (Senior Statutory Auditor)

For and on behalf of
Coveney Nicholls Partnership LLP
Chartered Accountants & Statutory auditor
The Old Wheel House
31/37 Church Street
Reigate
Surrey
UK
RH2 0AD

Capital Training Group Limited
Statement of Income and Retained Earnings
Year ended 31 March 2018

	Note	2018 £	2017 £
Turnover		872,767	2,387,048
Cost of sales		827,677	2,008,676
Gross profit		<u>45,090</u>	<u>378,372</u>
Administrative expenses		31,797	212,932
Operating profit		<u>13,293</u>	<u>165,440</u>
Profit before taxation		<u>13,293</u>	<u>165,440</u>
Tax on profit		–	4,626
Profit for the financial year and total comprehensive income		<u>13,293</u>	<u>160,814</u>
Retained earnings at the start of the year		1,138,835	978,021
Retained earnings at the end of the year		<u>1,152,128</u>	<u>1,138,835</u>

All the activities of the company are from continuing operations.

Capital Training Group Limited

Statement of Financial Position

31 March 2018

	Note	2018 £	£	2017 £
Current assets				
Debtors	6	1,418,309		1,224,651
Cash at bank and in hand		88,630		275,143
		<u>1,506,939</u>		<u>1,499,794</u>
Prepayments and accrued income		3,000		4,192
Creditors: amounts falling due within one year	7	<u>33,267</u>		<u>115,113</u>
Net current assets			<u>1,476,672</u>	<u>1,388,873</u>
Total assets less current liabilities			<u>1,476,672</u>	<u>1,388,873</u>
Accruals and deferred income			309,544	235,038
Net assets			<u>1,167,128</u>	<u>1,153,835</u>
Capital and reserves				
Called up share capital			9,232	9,232
Capital redemption reserve			5,768	5,768
Profit and loss account			<u>1,152,128</u>	<u>1,138,835</u>
Shareholders funds			<u>1,167,128</u>	<u>1,153,835</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 15 March 2019, and are signed on behalf of the board by:



D L Galway
Director

Company registration number: 01130761

Capital Training Group Limited

Notes to the Financial Statements

Year ended 31 March 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Old Wheel House, 31-37 Church Street, Reigate, Surrey, RH2 0AD.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

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 re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 6 for the carrying amount of the property plant and equipment.

Impairment of trade debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Capital Training Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Income tax *(continued)*

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and Fittings	-	straight line between 16 months and 4 years
Equipment	-	straight line between 16 months and 4 years

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Auditor's remuneration

	2018	2017
	£	£
Fees payable for the audit of the financial statements	<u>2,160</u>	<u>4,995</u>

5. Employee numbers

The average number of persons employed by the company during the year amounted to Nil (2017: 3).

Capital Training Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

6. Debtors

	2018	2017
	£	£
Trade debtors	37,790	99,688
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,125,102	1,104,330
Other debtors	255,417	20,633
	<u>1,418,309</u>	<u>1,224,651</u>

The amounts due from group undertakings are all due from Capital Engineering Group Holdings Limited, are interest free and repayable on demand.

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	32,937	93,823
Social security and other taxes	330	21,290
	<u>33,267</u>	<u>115,113</u>

8. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2018		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
A L Galway	<u>—</u>	<u>230,000</u>	<u>230,000</u>
	2017		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
A L Galway	<u>—</u>	<u>—</u>	<u>—</u>

Capital Training Group Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

9. Related party transactions

The company is ultimately controlled by D Galway, the majority shareholder in the ultimate parent company.

The company transacts in the normal course of business with Hands On Skills Training Limited (HOST), a company in which the immediate parent company has a 49% interest. A Galway, a company director, is also a director and majority shareholder of HOST. During the year the company paid HOST £1,214 (2017 - £52,472) for services rendered, and a balance of £nil (2017 - £3,106) was due at the balance sheet date.

The company transacts in the normal course of business with Industrial Training Services Limited (ITS), a company in which the immediate parent company has a 80% interest. During the year the company paid ITS £nil (2017 - £1,588) for services rendered, and a balance of £nil (2017 - £nil) was due at the balance sheet date.

HOST also incurs various expenditure on behalf of Capital Training Group Limited, and Capital Training Group Limited has advanced loans to HOST. At the year end a balance of £96,331 (2017 - £78,880) was included in amounts due from associated undertakings.

The company transacts in the normal course of business with Future Ldn Limited, a company in which S Bozzoli is a shareholder and direct. S Bozzoli is also a director of the company. During the year a total of £616,557 (2017 - £707,802) was paid to Future Ldn Limited for services rendered in the normal course of business. A balance of £30,940 (2017 - £76,577) was outstanding at the year end.

The company is a wholly owned subsidiary of Capital Engineering Group Holdings (2013) Limited and the results of the company are included in the consolidated financial statements of the ultimate parent undertaking, Capital Engineering Group Holdings (2013) Limited and accordingly no related party transactions with other wholly owned group companies have been disclosed.

10. Controlling party

The immediate parent company is Capital Engineering Group Holdings Limited, a company incorporated in England and Wales under registration number 05402689.

The ultimate parent company is Capital Engineering Group Holdings (2013) Limited, a company incorporated in England and Wales under registration number 08584840. The ultimate controlling party of Capital Engineering Group Holdings (2013) Limited is Mr D L Galway.

Capital Engineering Group Holdings (2013) Limited is largest and smallest company to prepare group accounts in which the results of the company are included. Its registered office is The Old Wheel House, 31/37 Church Street, Reigate, Surrey, RH2 0AD.