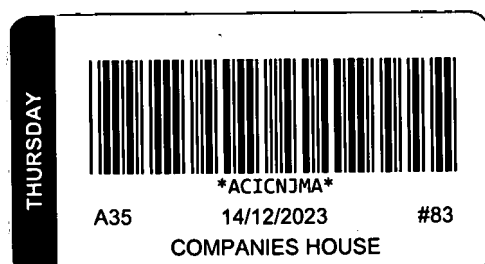


Company registration No: 02734666

ICAT Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023



ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

STATUTORY AND OTHER INFORMATION

Directors	Mr G. Evans Mr M. James Mrs K. Martin Mr R. Pugsley Mr M. Roberts
Independent Auditors	KPMG LLP Assembly Square, 3, Britannia Quay, Cardiff, CF10 4AX
Bankers	Santander PLC 3rd Floor, 9 Queen Street, Cardiff, CF10 2UD
Registered Office	One Canal Parade, Dumballs Road, Cardiff, Wales, CF10 5BF

ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

REPORT OF THE DIRECTORS

The directors have pleasure in submitting to the members of ICAT Limited ("the company") the annual report together with the audited financial statements of the company for the year ended 31 July 2023.

Principal activities

The principal activities of the company are the supply of educational consultancy and short courses, the production, sale and licensing of aviation training materials, and the provision of conference facilities and amenities. The company is a private company limited by shares and is incorporated and registered in Wales.

Review of business

The company made a loss before tax in the year of £5,399 (2022: £7,940).

Through the year there has been a substantial increase in revenue from EASA Part 66 courses, with companies now starting to train or retrain employees after a downturn in activity linked to the Covid-19 pandemic. There is an expectation for demand in this area to increase further in the future due to the size of the potential market for trained B1 licenced engineers.

Key performance indicators

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Dividends

The directors do not recommend a final dividend.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements are named on page 1.

No directors have interests in the company.

Employment

The company does not employ any staff directly. All staff were employed by Cardiff and Vale College Further Education Corporation with the cost recharged to the company.

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

The directors are responsible for preparing the report of the directors 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 financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

REPORT OF THE DIRECTORS (continued)

Small Company Provisions

This report has been prepared in accordance with the special provisions relating to Small Companies within Part 15 of the Companies Act 2006. The directors have taken advantage S414B of the Companies Act 2006 and have not presented a strategic report.

Directors' confirmations

In the case of each director in office at the date the Report of the directors is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

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

The financial statements were approved by the Board of Directors on 23 November 2023 and signed by its order:



Mr M. James
Director

23 November 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ICAT LIMITED

Opinion

We have audited the financial statements of ICAT Limited ("the company") for the year ended 31 July 2023 which comprise the Profit and Loss Account, Statement of Changes in Equity, Balance Sheet and related notes.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the directors as to the company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ICAT LIMITED (continued)

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition due to the non-complex revenue recognition criteria, which limits the opportunity to fraudulently manipulate revenue.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the company wide fraud risk management controls

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted to seldom used accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' report

The directors are responsible for the for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ICAT LIMITED (continued)

- we have not identified material misstatements in the the directors' report;
- in our opinion the information given in the report of the directors for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

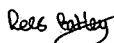
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Rees Batley (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol, BS1 4BE
06 December 2023

ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	2022 £
TURNOVER	2	53,133	18,372
Cost of sales		(18,246)	(3,614)
GROSS PROFIT		34,887	14,758
Administrative expenses		(40,286)	(22,698)
OPERATING LOSS BEING LOSS BEFORE TAXATION	3	(5,399)	(7,940)
Tax on loss	4	-	-
LOSS FOR THE FINANCIAL YEAR, BEING TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		(5,399)	(7,940)

The notes on pages 11 to 15 form part of these financial statements.

The profit and loss account presents all items of income and expenditure recognised in the year ended 31 July 2023. There are no items of other comprehensive income in the year.

ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2023**

	Called up share capital £	Profit and loss account £	Total shareholders' funds £
Balance at 1 August 2022	2	123,847	123,849
Loss for the financial year, being total comprehensive expense for the year	-	(5,399)	(5,399)
Balance at 31 July 2023	2	118,448	118,450

The notes on pages 11 to 15 form part of these financial statements

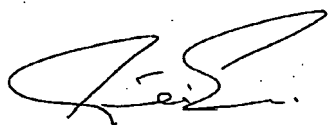
ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

BALANCE SHEET AS AT 31 JULY 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	6	-	-
CURRENT ASSETS			
Stocks	7	4,297	5,794
Debtors	8	41,481	47,677
Cash at bank and in hand		88,641	82,106
		134,419	135,577
CREDITORS: amounts falling due within one year	9	(15,969)	(11,728)
NET CURRENT ASSETS		118,450	123,849
TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET ASSETS		118,450	123,849
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Profit and loss account		118,448	123,847
TOTAL SHAREHOLDERS' FUNDS		118,450	123,849
		=====	=====

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the Board of Directors on 23 November 2023 and signed on its behalf by:



Mr G. Evans
Director

The notes on pages 11 to 15 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The principal accounting policies adopted are described below.

Accounting convention

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company, and have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared a medium term financial plan, including cash flow forecasts for a period 12 months from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides, the company will have sufficient funds, to meet its liabilities as they fall due for that period.

The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

Turnover

Turnover is the amount derived from the provision of goods and services during the year and excludes value added tax. Income is recognised to the extent of the completion of the contract or service concerned.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Tangible fixed assets and depreciation

The value of individual equipment items that are charged to the income and expense account is under £5,000 per item, in the period of acquisition. Groups of items that individually cost less than £5,000, but collectively are in excess of that limit and are considered, as a group, to represent an asset that is used over a number of years, are capitalised. All other equipment is capitalised at cost less any provision for impairment. Capitalised assets and groups of assets are depreciated on a straight line basis over their useful economic life as follows:

Teaching equipment	4-10 years
Motor vehicles and general equipment	4 years
IT equipment	4 years
Fixtures and fittings	10 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 ACCOUNTING POLICIES (continued)

Cash flow statement

Under FRS 102 paragraph 1A.17 the company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent undertaking includes the company in its own published consolidated financial statements.

Related Parties

As the company is a wholly owned subsidiary of Cardiff and Vale College, the company has taken advantage of the exemption contained in FRS 102 paragraph 1A.17 and has therefore not disclosed transactions or balances with the parent company and its wholly owned subsidiaries.

Financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost, less any impairment losses in the case of trade debtors.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of a similar debt instrument.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised directly in the profit and loss account.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related differences, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Deferred tax assets are recognised as recoverable to the extent that, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 ACCOUNTING POLICIES (continued)

Critical accounting estimates and judgements

No critical accounting estimates or judgements were required in the preparation of these financial statements.

2 TURNOVER

Turnover consists entirely of sales made in the United Kingdom.

3 OPERATING PROFIT, BEING PROFIT BEFORE TAXATION

Included in operating profit being profit before taxation is the following:

	2023 £	2022 £
Auditors' remuneration - audit fees	9,739 =====	7,009 =====

4 TAX ON PROFIT

	2023 £	2022 £
Current tax	- =====	- =====
The tax assessed for the year is lower than the standard rate of corporation tax of 19% (2022: 19%) applying in the United Kingdom. Any differences are explained below:		
(Loss)/profit before taxation	(5399) =====	(13,585) =====
Tax credit using the UK Corporation tax rate of 19% (2021: 19%)	(1,025)	(2,581)
Effects of:		
Capital allowances	(170)	(45)
Group relief to South East Wales City Region ATA Limited	1,195	420
Group relief to CF10 Retail Limited	-	2,206
Total tax charge included in profit and loss	- =====	- =====

ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 STAFF COSTS

	2023	2022
	£	£
Wages and salaries	17,525	7,201
Social security costs	2,473	994
Other pension costs	3,008	1,246
	<u>23,006</u>	<u>9,441</u>
	=====	=====

The company does not employ any staff under contracts of service (2022: none). All staff are employed by Cardiff and Vale College Further Education Corporation with the cost recharged to the company.

Staff costs shown above relate to members of Cardiff and Vale College staff who worked for ICAT during the year. There was an increase in staff hours worked compared to the prior year relating to the increase in turnover during the year. No director received any remuneration in respect of their services as a director of the company (2022: none).

6 TANGIBLE ASSETS

	Equipment	Total
	£	£
Cost		
At 1 August 2022 and 31 July 2023	8,670	8,670
Accumulated Depreciation		
At 1 August 2022 and 31 July 2023	8,670	8,670
	<u>-</u>	<u>-</u>
Net book value at 31 July 2022 and 31 July 2023	<u>=====</u>	<u>=====</u>

7 STOCKS

	2023	2022
	£	£
Finished goods	4,297	5,794
	<u>=====</u>	<u>=====</u>

8 DEBTORS

	2023	2022
	£	£
Trade debtors	-	210
Amounts owed by group undertakings	41,304	40,506
Other debtors	177	6,961
	<u>41,481</u>	<u>47,677</u>
	=====	=====

Amounts owed by group undertakings are interest free and repayable on demand.

ICAT LIMITED (COMPANY NUMBER 02734666)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	114	-
Accruals and deferred income	15,855	11,728
	15,969	11,728
	=====	=====

10 CALLED UP SHARE CAPITAL

	2023	2022
	£	£
Authorised		
100 (2022: 100) ordinary shares of £1 each	100	100
	===	===
Allotted, called up and unpaid		
2 (2022: 2) ordinary shares of £1 each	2	2
	===	===

11 CONTINGENT LIABILITIES

The company is registered with HM Revenue & Customs as a member of the Cardiff and Vale College Further Education Corporation group for VAT purposes and is jointly and severally liable on a continuing basis for amounts owing by Cardiff and Vale College Further Education Corporation in respect of its VAT liability at any time. The contingent liability as at 31 July 2023 in this regard amounted to £156,825 (2022: £80,214).

12 RELATED PARTY TRANSACTIONS

Exemption has been taken from the disclosure of transactions with Cardiff and Vale College Further Education Corporation and its wholly owned subsidiaries in accordance with the provision of FRS 102 paragraph 1A.17.

13 ULTIMATE PARENT UNDERTAKING

During the year the whole of the beneficial interest in the share capital of the company was held by Cardiff and Vale Further Education Corporation, a body incorporated under the Further and Higher Education Act 1992 and the company's ultimate parent.

Copies of the financial statements of Cardiff and Vale College Further Education Corporation can be obtained from:

The Clerk to the Governors
Cardiff and Vale College
City Centre Campus
Dumballs Road
Cardiff
CF10 5FE