

MODAL TRAINING

AMENDED

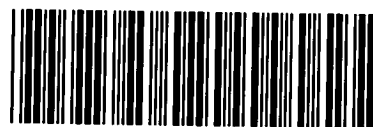
MODAL TRAINING LIMITED

COMPANY NUMBER 03563579

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 July 2022

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MODAL TRAINING LIMITED

Professional Advisers

Independent Auditor:	Mazars LLP, Park View House, 58 The Ropewalk, Nottingham, NG1 5DW
Bankers:	Lloyds TSB Bank PLC, Bailey Drive, Gillingham Business Park, Kent, ME8 0LS Santander Bank PLC, 298 Deansgate, Manchester, M3 4HH
Solicitors:	Eversheds Sutherland, Bridgewater Place, Water Lane, Leeds, LS11 5DR
Tax Advisers:	Forrester Boyd, 26 South Saint Mary's Gate, Grimsby, DN31 1LW
Registered Office:	C/O TEC Partnership, Nuns Corner, Laceby Road, Grimsby, North East Lincolnshire, DN34 5BQ

MODAL TRAINING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST JULY 2022

The Directors present their amended report together with the audited Financial Statements for the trading year ended 31st July 2022.

The amended financial statements:

- replace the original annual accounts for the year ended 31 July 2022;
- are now the statutory accounts of the company for the year ended 31 July 2022; and
- have been prepared as at the date of the original annual accounts and not as at the date of revision and accordingly do not deal with events between those dates.

The original annual accounts did not comply with the requirements of the Companies Act 2006 because an audit exemption was incorrectly claimed by the directors due to a clerical error on submission to Companies House.

PRINCIPAL ACTIVITIES

Following further development of the facilities, the principal activity of the Company has been, and will continue to be, the provision of training services in the logistics, health and safety and maritime sectors.

BUSINESS REVIEW

Modal was set up to service local provision - the vision was to create a centre of excellence for logistics. External research at the time indicated that there was some 30,000 people in logistics, that Grimsby had a large logistical hub due to the easy reach of the docks and that there was little or no provision for education and training in the region which focused on logistical training. Research also indicated that only 25% of people within the sector had level two or above qualification, and there was an appetite for potential growth in this field.

Modal's purpose is to deliver education and training to improve communities, Modal has delivered courses to over 9200 people since 2018. The initial investment was to acquire and refurbish a building in order to create a 2000-meter teaching space, the other investment was to build a state-of-the-art simulation-based learning suite.

Modal was set up in order for local business to access education and training that is competence based rather than qualification based and as such Modal has created a training centre in a market where there are jobs available, we are the conduit to get the skills candidates need in order to get work or a better job.

The business revenues and candidate numbers in this year have continued to grow, but not as much as anticipated. It has remained a challenging year, and the outturn for the year-ended 31st July 2022 was a loss of £406k after depreciation. Depreciation for the period was £368k.

Despite what was a challenging year, due to increased administration expenses of some £180k we are still positive that Modal can generate surplus in the medium to long term. The Directors of the organisation are reviewing the cost base of the entity and working to increase revenue for 2022-2023 through increased engagement with local partners and grants such as Boot Camps, NELC Shared Prosperity and Driver Academy.

Modal is supported by TEC Partnership, and is continuing to expand relationships with potential new customers and existing ones. New courses have been developed to continue to support growing curriculum areas and strong ties with key Partnerships continues to be our focus.

MODAL TRAINING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST JULY 2022 (continued...)

RESULTS AND DIVIDENDS

The loss for the financial year amounted to £406k (2021 – loss of £520k). There will be no payment of a dividend leaving the losses to be carried to reserves.

GOING CONCERN

The Managing Director, with the support of the management team and the Executive, are continuing to strengthen Modal's presence in the market. As a result of these actions the Directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and adopt the going concern basis of accounting in preparing the annual financial statements.

During the course of the year, the Directors have been working with legal advisors with a view to bringing Modal under the auspices of TEC Partnership and for it to no longer remain a limited company, therefore moving all assets and liabilities with the Partnership. The review is expected to have been completed within 2023.

Therefore, in reaching the conclusion for the company's eligibility as a going concern, the Directors have recognised that its parent undertaking has formally indicated that it will not require repayment of the loan within the next 12 months. A financial letter of support has been signed. The parent undertaking has committed to providing cash flow support to ensure the future working capital requirements are met.

DIRECTORS

The Directors who served during the year were:

H. Callaway

A. Hardy (appointed 1st February 2022)

G. Alton (resigned 31st January 2022)

E.J Stoddart (Resigned 18th October 2022)

DISCLOSURE OF INFORMATION TO AUDITORS

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

DIRECTORS' INDEMNITIES

As permitted by the Articles of Association, the Directors have the benefit of an indemnity, the cost of which is borne by its parent, The TEC Partnership, which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company's parent also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of the Company and its Directors.

MODAL TRAINING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST JULY 2022 (continued...)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 prepared the Financial Statements 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', and with the Companies Act 2006.

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 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.

Small Companies Note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by Section 415A and 414B of the Companies Act 2006 in the requirement to provide a Strategic Report.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board



A. Hardy
Director

Date: 26 October 2023

Independent auditor's report to the members of Modal Training Limited

Opinion

We have audited the revised financial statements of Modal Training Limited (the 'company') for the year ended 31 July 2022 which comprise the Statement of Income and Expenditure and Retained Earnings, Statement of Financial Position and 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

These revised financial statements replace the original financial statements approved by the directors on 21 December 2022.

The revised financial statements have been prepared in accordance with The Companies (Revision of Defective Accounts and Reports) Regulations 2008 and as such do not consider events which have taken place after the date on which the original financial statements were approved.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2022 and of its loss 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 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

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 revised 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 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' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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 revised 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained

a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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.

Use of the audit report

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.

Other matter

We draw attention to Note 1 of the revised financial statements, which describes the circumstances relating to the requirement for revised financial statements. Our opinion is not modified in this respect.

David Hoose

David Hoose (Oct 27, 2023 08:31 GMT+1)

David Hoose (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Park View House, 58 The Ropewalk, Nottingham, NG1 5DW

Date Oct 27, 2023

MODAL TRAINING LIMITED

STATEMENT OF INCOME AND EXPENDITURE AND RETAINED EARNINGS

For the year ended 31st July 2022

	Note	2022 £	As restated 2021 £
TURNOVER		1,062,807	1,011,591
Cost of sales		(1,288,616)	(1,479,301)
GROSS LOSS		(225,809)	(467,710)
Administrative Expenses		(180,355)	(52,246)
OPERATING LOSS BEFORE TAXATION	2	(406,164)	(519,956)
Tax on loss on ordinary activities	4	-	-
LOSS FOR FINANCIAL YEAR		(406,164)	(519,956)
Sustained deficit at 1 st August		(3,577,986)	(3,058,030)
Sustained deficit at 31 st July		(3,984,150)	(3,577,986)

All activities relate to continuing operations

The notes on pages 12 to 17 form part of these Financial Statements.

MODAL TRAINING LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31st July 2022

	Note	2022 £	As restated 2021 £
FIXED ASSETS			
Intangible Assets	5	-	392
Tangible Assets	6	5,884,912	5,927,354
CURRENT ASSETS			
Debtors	7	372,772	218,185
Cash at bank and in hand		27,408	18,347
TOTAL CURRENT ASSETS		400,180	236,532
CREDITORS – Amounts falling due within one year	8	(442,147)	(373,716)
NET CURRENT ASSETS (LIABILITIES)		(41,967)	(137,184)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,842,945	5,790,562
CREDITORS – Amounts falling due after one year	9	(9,827,093)	(9,368,546)
NET LIABILITIES		(3,984,148)	(3,577,984)
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Profit and Loss account		(3,984,150)	(3,577,986)
TOTAL SHAREHOLDER'S DEFICIT		(3,984,148)	(3,577,984)

The notes on pages 12 to 17 form part of these Financial Statements.

These accounts have been delivered in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

These Financial Statements on pages 10 to 17 were approved by the Board of Directors and signed on its behalf by:



A. Hardy
Director
Company Registration no: 03563579

26 October 2023

MODAL TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 31ST JULY 2022

1 ACCOUNTING POLICIES

Modal Training Limited is a private limited company limited by shares and incorporated and domiciled in England. The address of its registered office and principal place of business is disclosed on the company information page.

The Financial Statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 ("FRS 102"), 'the Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

The amended financial statements:

- replace the original annual accounts for the year ended 31 July 2022;
- are now the statutory accounts of the company for the year ended 31 July 2022; and
- have been prepared as at the date of the original annual accounts and not as at the date of revision and accordingly do not deal with events between those dates.

The original annual accounts did not comply with the requirements of the Companies Act 2006 because an audit exemption was incorrectly claimed by the directors due to a clerical error on submission to Companies House.

The preparation of Financial Statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies. In preparing these Financial Statements there are no areas that require management to exercise judgement in applying accounting policies.

The following accounting policies have been applied throughout the year:

1a) Turnover

Turnover represents the invoiced value of services provided in the UK exclusive of VAT. In the opinion of the Directors, turnover represents one class of business.

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual method as permitted by FRS 102.

1b) Tangible Assets

Tangible fixed assets are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Freehold land is not depreciated. Assets under construction are not depreciated, once the asset is completed and brought into working life then it will be transferred to the appropriate category and depreciated as below. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, on a straight line basis, as follows:

Buildings	40 years
Equipment	5-20 years
Fixtures & Fittings	6 years
Intangible Assets	5 years
Motor Vehicles	10 years

1c) Intangible Assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

- Software costs 5-6 years
- Goodwill for small acquisitions the goodwill is written off fully in the year of purchase

MODAL TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 31ST JULY 2022 (continued...)

1d) Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the Financial Statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. In preparing these Financial Statements there are no areas that require management to exercise judgement in applying accounting policies.

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

1e) Going concern

The company had a net current liabilities and total position at the end of the financial year. The Modal Advisory Committee and the Managing Director have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and adopt the going concern basis of accounting in preparing the annual Financial Statements. In reaching this conclusion, the Directors have recognised that its parent undertaking has formally indicated that it will not require repayment of the loan within the next 12 months, and a financial letter of support has been given. The parent undertaking has committed to providing cash flow support to ensure the future working capital requirements are met.

The Corporation of the TEC Partnership remain fully committed to supporting Modal.

2 OPERATING LOSS	2022	2021
	£	£
Operating loss is stated after charging:		
Depreciation	368,936	376,285
Amortisation	392	940

The cost of Auditor remuneration for the year end July 2022 is borne by the parent undertaking.

3 DIRECTORS AND EMPLOYEES

	2022	2021
a) Number Employed	18	12
b) Payroll Costs		
The aggregate payroll costs were:	£	£
Wages and salaries	432,371	397,852
Social Security costs	40,345	28,486
Other Pension costs	18,551	17,430
	<u>491,267</u>	<u>443,768</u>

Number of employees is calculated on the average number of employees per month based over the twelve months of the year that the company was operational.

DIRECTORS EMOLUMENTS

The Directors did not receive any emoluments in respect of their services to the company (2021: £nil).

MODAL TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 31ST JULY 2022 (continued...)

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The company has no tax charge for the year ending 31st July 2022 (31st July 2021: £nil).

	2022	As restated 2021
	£	£
Loss at prevailing rate of 19%	(77,171)	(98,792)
Expenses disallowed for taxable purposes	16	45
Movement in fixed assets	70,098	58,944
Non Taxable Income	(52,278)	(40,088)
Other differences	-	23,450
Losses carried forward	26,364	
Group relief	32,971	56,441
	<u>-</u>	<u>-</u>

5 INTANGIBLE FIXED ASSETS

	Software	Goodwill	Total
	£	£	£
Cost			
As at 1 st August 2021	4,701	250,000	254,701
Additions	-	-	-
As at 31 st July 2022	<u>4,701</u>	<u>250,000</u>	<u>254,701</u>
Accumulated Amortisation			
At 1 st August 2021	4,309	250,000	254,309
Charge for the year	392	-	392
As at 31 st July 2022	<u>4,701</u>	<u>250,000</u>	<u>254,701</u>
Net book value at 31 st July 2022	<u>-</u>	<u>-</u>	<u>-</u>
Net book value at 31 st July 2021	<u>392</u>	<u>-</u>	<u>392</u>

MODAL TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 31ST JULY 2022 (continued...)

6 TANGIBLE FIXED ASSETS

	Land	Buildings	Assets Under Construction	Fixtures & Fittings	Motor Vehicles	Equipment	Total
Cost	£	£	£	£	£	£	£
At 1 st August 2021	300,000	3,501,369	686,088	140,054		3,360,652	7,988,163
Additions	-	35,298	-	-	248,017	43,179	326,494
Reclassification		686,088	(686,088)	-	-	-	-
As at 31 st July 2022	300,000	4,222,755	-	140,054	248,017	3,403,831	8,314,657
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Accumulated Depreciation							
At 1 st August 2021	-	410,976	-	86,175		1,563,658	2,060,809
Charge for the year	-	105,227	-	20,008	8,089	235,612	368,936
As at 31 st July 2022	-	516,203	-	106,183	8,089	1,799,270	2,429,745
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Net book value at 31 st July 2022	300,000	3,706,552	-	33,871	239,928	1,604,561	5,884,912
Net book value at 31 st July 2021	300,000	3,090,393	686,088	53,879	-	1,796,994	5,927,354

MODAL TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 31ST JULY 2022 (continued...)

7 DEBTORS	2022	As restated 2021
	£	£
Trade Debtors	270,359	121,426
Prepayments and accrued income	69,946	96,759
Other Debtors	32,467	-
	<hr/>	<hr/>
	372,772	218,185
	<hr/>	<hr/>

8 CREDITORS - Amounts falling due within one year

	2022	As restated 2021
	£	£
Trade Creditors	138,415	87,817
Other Creditors & Accruals	129,086	82,266
Deferred Capital Grants	171,286	188,310
Other Taxation and Social Security	2,352	10,272
Amounts owed to group undertakings	1,008	5,051
	<hr/>	<hr/>
	442,147	373,716
	<hr/>	<hr/>

9 CREDITORS - Amounts falling due after more than one year

	2022	As restated 2021
	£	£
TEC Debenture	2,000,000	2,000,000
Deferred Capital Grants	1,078,262	1,185,018
Amounts owed to group undertakings	6,748,831	6,183,528
	<hr/>	<hr/>
	9,827,093	9,368,546
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The TEC Debenture and amount owed to Group undertakings are secured over all the assets, property and undertakings of the company. No interest is being charged on the amounts owed.

10 CALLED UP SHARE CAPITAL

	2022	2021
	£	£
Authorised		
Ordinary Shares of £1 each	2	2
Allotted and fully paid		
Ordinary Shares of £1 each	2	2

MODAL TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 31ST JULY 2022 (continued...)

11 PARENT UNDERTAKING

The ultimate parent undertaking and controlling party is TEC Partnership, a corporation established under the Further and Higher Education Act 1992, the College is an exempt charity.

The TEC Partnership is the parent undertaking of the largest and the smallest group of undertakings to consolidate these Financial Statements at 31st July 2022. The consolidated Financial Statements of The TEC Partnership are available from Nuns Corner, Grimsby, North East Lincolnshire, DN34 5BQ.

12 RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of The TEC Partnership. Pursuant to paragraph 33.5 of FRS102 the Company has not disclosed details of transactions with the Partnership or any of the Partnership's subsidiary undertaking.

13 PENSION COMMITMENT

Staff at Modal Training are eligible to participate in a defined contribution NEST pension where both employers and employees contribute 5%. There was a balance sheet liability of £2,491 in 2022 which was paid 09/08/2022.

14 RESTATED ACCOUNTS

The accounts for the prior year have been restated by a loss of (£91,434). This relates to VAT that was incorrectly assumed was a repayment. A further net adjustment of £713,539 was provided against retained earnings due to the correction of misallocated non-government capital income. These changes had the overall following impact on the comparative period the loss was restated from (£396,536) to (£519,956) and the statement of financial position's capital and reserves decreased from (£4,200,089) to (£3,577,986).