

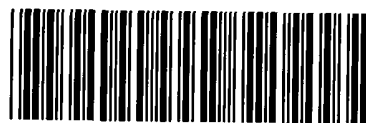
Moulton College Enterprises Limited

**Directors' report and financial
statements**

Registered number 3621262

31 July 2016

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Company Information

Directors	SM Davies RU Thompson
Secretary	J Mair
Auditor	KPMG LLP 1 Waterloo Way Leicester. LE1 6LP
Bankers	Santander UK plc 1 Cornwall Street Birmingham. B3 2DX
Solicitors	Arnold Thomson 205 Watling Street West Towcester Northants. NN12 6BX
Registered Office	Moulton College Moulton Northants. NN3 7RR
Registered number	3621262

Strategic Report

Moulton College Enterprises is wholly owned by Moulton College. The principal activities of the company are that of providing services for the delivery of mechanical handling training.

Business review

The company has traded satisfactorily during the year and is expected to continue to do so in the future. On 15th October 2014, the company subscribed for 26% of the issued share capital of The Oxford Partnership LLC, a company registered in Saudi Arabia.

The year's trading shows a trading profit before charitable donations.

Future prospects

It is anticipated that the company will continue to generate trading profits in future years.

Principal Risks and uncertainties

Both the College and the company are operating in a challenging market. The company takes measures to ensure that any decrease in turnover can be offset by reducing costs accordingly. The company has the full support of its sole member.

Stephen M. Davies

SM Davies
Director

Moulton College
Moulton
Northants
NN3 7RR

24 April 2017

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 2016.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the year were as follows:

SM Davies

RU Thompson

Political and charitable contributions

The company made no political contributions during the year. A charitable donation of £6,935 (2015:£0) was made to Moulton College under a deed of covenant. The company anticipates donating all future taxable profits.

Disclosure of information to auditor

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

Auditor

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

By order of the board



SM Davies
Director

Moulton College
Moulton
Northampton
Northamptonshire
NN3 7RR

24 April 2017

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that 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 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.



Independent auditor's report to the members of Moulton College Enterprises Limited

We have audited the financial statements of Moulton College Enterprises Limited for the year ended 31 July 2016 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Ian Borley (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered accountants

1 Waterloo Way, Leicester, LE1 6LP

27th April, 2017.

Profit and loss account
for the year ended 31 July 2016

	<i>Note</i>	2016 £	2015 £
Turnover	<i>1</i>	7,033	10,544
Administrative expenses		(13,198)	(12,140)
Operating profit/ (loss)		(6,165)	(1,596)
Profit on disposal of tangible fixed assets		13,100	-
Profit/ (loss) on ordinary activities before taxation	<i>2</i>	6,935	(1,596)
Tax on profit/ (loss) on ordinary activities	<i>4</i>	(1,387)	-
Profit/ (loss) for the financial year		5,548	(1,596)

Other Comprehensive Income
for the year ended 31 July 2016

There were no other recognised gains and losses (2015: £nil) other than the result for the year.

All results arise from continuing operations.

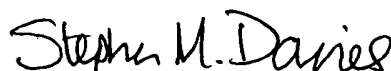
Balance sheet
at 31 July 2016

	Note	2016	2015
		£	£
Fixed assets			
Tangible assets	5	8,298	13,371
Investments	6	21,656	21,656
		<u>29,954</u>	<u>35,027</u>
Current assets			
Debtors	7	5,324	-
Cash at bank and in hand		345	77
		<u>5,669</u>	<u>77</u>
Creditors: amounts falling due within one year	8	<u>(34,634)</u>	<u>(34,115)</u>
Net current liabilities		<u>(28,965)</u>	<u>(34,038)</u>
Total assets less current liabilities		<u>989</u>	<u>989</u>
Net assets		<u>989</u>	<u>989</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account		987	987
Shareholders' funds - equity		<u>989</u>	<u>989</u>

These financial statements were approved by the Board of Directors on 24 April 2017 and were signed on its behalf by:



RU Thompson
Director



SM Davies
Director

Statement of Changes in Equity

at 31 July 2016

	Called up Share capital £	Profit and loss account £	Total equity £
Balance at 1 August 2014	2	2,583	2,585
Total comprehensive income for the period			
Loss for the year	-	(1,596)	(1,596)
Total comprehensive income for the period	-	(1,596)	(1,596)
Dividends	-	-	-
Balance at 31 July 2015	2	987	989
Balance at 1 August 2015	2	987	989
Total comprehensive income for the period			
Profit for the year	-	5,548	5,548
Current tax credit	-	1,387	1,387
Gift aid payment	-	(6,935)	(6,935)
Total comprehensive income for the period	-	-	-
Dividends	-	-	-
Balance at 31 July 2016	2	987	989

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Moulton College Enterprises Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 13.

The Company's ultimate parent undertaking, Moulton College includes the Company in its consolidated financial statements. The consolidated financial statements of Moulton College are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Moulton College from the address given at note 11. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

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

Measurement Convention

The financial statements are prepared on the historical cost basis.

Going concern

The company's business activities are set out in the Business Review section of the Directors' report on page 2.

The company has sufficient financial resources together with an on-going services supply agreement with its main customer, Moulton College. As a consequence, the directors believe that the company is well placed to manage its business activities successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing annual financial statements.

Fixed assets and depreciation

Depreciation is provided in order to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and machinery	-	5 years
Fixtures and fittings	-	10 years

Government grants

Capital based government grants are included within deferred capital grants in the balance sheet and credited to operating profit over the estimated useful economic lives of the assets to which they relate. Grants received of a revenue nature are credited to income and expenditure in the period to which they relate.

Notes (continued)

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Basic financial instruments

Financial Assets- Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. At the end of each reporting period the financial assets are assessed for evidence of impairment. If an asset is impaired, the impairment loss is recognised in the profit and loss.

Financial Liabilities- Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Financial Liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current taxation

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 taxation

Deferred taxation is provided in full in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in either an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is recognised as recoverable only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Accounting estimates and judgements

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results.

There were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical accounting judgements in applying the Company's accounting policies

There are no such judgements in either the current or prior year.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

Notes (continued)

2 Profit/ (loss) on ordinary activities before taxation

	2016 £	2015 £
<i>Profit/ (Loss) on ordinary activities before taxation is stated after charging/(crediting):</i>		
Depreciation and other amounts written off tangible fixed assets	5,073	7,990
Operating lease rentals	(7,033)	(10,544)
Payment under Deed of Covenant	6,935	-
Auditors' remuneration:		
Audit	1,075	1,050
Other services	3,000	1,920
	<u> </u>	<u> </u>

3 Remuneration of directors

The directors received no remuneration in respect of qualifying services during the year (2015: £nil).

The company has applied the exemptions available in respect of disclosure of Key Management Personnel Compensation.

4 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2016 £	2015 £
<i>Current tax</i>		
UK corporation tax on profit/(loss) on ordinary activities	1,387	-
	<u> </u>	<u> </u>

Factors affecting the tax charge for the current year

The effective rate for 2016 is a weighted average of the applicable corporation tax rates during the year. The 21% rate was reduced to 20% from 1 April 2015. The current tax charge for the year is lower than the standard rate of corporation tax in the UK of 20% (2015: 20.67%).

	2016 £	2015 £
Profit/(Loss) on ordinary activities before taxation	6,935	(1,596)
Profit/(Loss) on ordinary activities multiplied by the standard rate in the UK of 20% (2015: 20.67%)	1,387	-
<i>Effects of:</i>		
Expenses not deductible for tax purposes	-	-
Accelerated capital allowances and other timing differences not provided	-	-
Tax losses carried forward/(utilised)	-	-
Gift aid payment for the year	-	-
	<u> </u>	<u> </u>
Total tax expense included in profit or loss	1,387	-
	<u> </u>	<u> </u>

As explained in the accounting policies note, no provision has been made for deferred tax on the grounds that the Company transfers its taxable profits by deed of covenant to Moulton College and therefore no deferred tax asset or liability will be realised in the Company.

Notes (continued)

5 Tangible fixed assets

	Equipment £	Plant £	Total £
<i>Cost:</i>			
At 1 August 2015	285,037	-	285,037
Additions in the year	-	-	-
Disposals	(31,135)	-	(31,135)
At 31 July 2016	253,902	-	253,902
<i>Accumulated depreciation:</i>			
At 1 August 2015	271,666	-	271,666
Charge in the year	5,073	-	5,073
Eliminated on disposal	(31,135)	-	(31,135)
At 31 July 2016	245,604	-	245,604
<i>Net book value:</i>			
At 31 July 2016	8,298	-	8,298
At 31 July 2015	13,371	-	13,371

The tangible fixed assets are all held for use under operating leases.

6 Investments

On 15th October 2014, the company subscribed for 26% of the issued share capital of The Oxford Partnership LLC, a company registered in Saudi Arabia. The initial cost of the shares was 130,000 Saudi Arabian Riyals. The investment is recorded in the company's accounts at the rate of exchange ruling at the date of the investment (£21,656).

7 Debtors

	2016 £	2015 £
Amounts owed by parent undertaking	5,324	-

8 Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	26,194	22,184
Accruals and deferred income	8,440	2,903
Amounts owed to group undertaking	-	9,028
	34,634	34,115

Notes (continued)

9 Called up share capital

	2016 £	2015 £
<i>Authorised, allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

10 Post balance sheet events

There were no post balance sheet events to note.

11 Ultimate parent company and controlling party

The company is a wholly owned subsidiary of Moulton College, the immediate and ultimate controlling party. The results of the company are consolidated in the group financial statements of Moulton College which are available from the college at West Street, Moulton, Northamptonshire.

12 Contingent Liabilities

On 19th August 2014, on behalf of the College, Santander UK plc issued a letter of guarantee to the Kingdom of Saudi Arabia Colleges of Excellence Company in the total sum of 29,922,000 Saudi Riyals (£5 million). This guarantee is 80% underwritten by UK Export Finance

13 Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 August 2016 and the comparative information presented in these financial statements for the year ended 31 August 2015.

In preparing its FRS 102 balance sheet, the Company has made no adjustment to amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP).

14 Related parties

The company has taken advantage of the exemption available under paragraph 33.1a of the provisions of FRS102 Related Party Disclosures, on the grounds that it is a wholly owned subsidiary of Moulton College, whose financial statements are publicly available.