

John Laing Training Limited

Registered number: 04367721

Directors' report and financial statements

For the year ended 31 July 2014



JOHN LAING TRAINING LIMITED

COMPANY INFORMATION

Directors	J M Storer (resigned 29 August 2014) L Tomlinson G Barnard C Amey (appointed 29 August 2014)
Registered number	04367721
Registered office	Rosanne House 3rd Floor Parkway Welwyn Garden City Hertfordshire AL8 6HG
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Meridian Business Park Leicester LE19 1RP

JOHN LAING TRAINING LIMITED

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JOHN LAING TRAINING LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2014

Introduction

The Directors present their strategic report for John Laing Training Limited (the Company) for the year ended 31 July 2014.

REVIEW AND ANALYSIS OF THE BUSINESS DURING THE CURRENT YEAR

The Company continued its principal activities throughout the current year and despite making a loss it was able to invest in new areas to ensure future growth.

DEVELOPMENT AND PERFORMANCE DURING THE YEAR

As reported in the Company's profit and loss account, revenue has decreased from £1.94m to £1.77m and profit before tax has decreased from £104,000 to a loss of £215,000. This is due to fundamental changes in budget allocations which resulted in a significant reduction of funding available to deliver construction training within Prisons. At the same time, and to ensure future growth, the company invested in growing both its Apprenticeship and Commercial offerings. Consequently both revenue streams saw substantial growth this year and this is expected to continue in 2014/15.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE BUSINESS

Management continually monitor the key risks facing the Company together with assessing the controls used for managing these risks. The board of directors formally reviews and documents the principal risks facing the business on a regular basis.

The principal risks and uncertainties facing the Company are changes in Government policy. Despite there being an election in 2015 Apprenticeships remain a priority area and all parties have committed to expanding the skills agenda. The Company is well placed to continue its pursuit of growth by further developing strong relationships with its key customers and local stakeholders and by offering an expanding portfolio of quality products.

This report was approved by the board and signed on its behalf.



L Tomlinson
Director

Date: 28 April 2015

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2014**

The directors present their report and the financial statements for the year ended 31 July 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 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 accounting 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;
- 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.

Principal activities

The principal activity of the company during the year was to carry on business as a provider of training.

Results

The loss for the year, after taxation, amounted to £194,970 (2013 - profit £79,538).

Directors

The directors who served during the year were:

J M Storer (resigned 29 August 2014)
L Tomlinson
G Barnard

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

JOHN LAING TRAINING LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2014**

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28 April 2015 and signed on its behalf.

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

L Tomlinson
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JOHN LAING TRAINING LIMITED

We have audited the financial statements of John Laing Training Limited for the year ended 31 July 2014 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

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 Ethical Standards for Auditors. 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.

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 the 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 2014 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.

Opinion on the 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JOHN LAING TRAINING LIMITED

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.



Paul Johnson (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

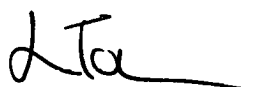
28 April 2015

JOHN LAING TRAINING LIMITED
Registered number: 04367721

BALANCE SHEET
AS AT 31 JULY 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	9		60,256		79,375
Current assets					
Debtors	10	824,096		725,541	
Cash at bank and in hand		58,146		317,288	
		<u>882,242</u>		<u>1,042,829</u>	
Creditors: amounts falling due within one year	11	<u>(255,342)</u>		<u>(235,606)</u>	
Net current assets			626,900		807,223
Total assets less current liabilities			<u>687,156</u>		<u>886,598</u>
Creditors: amounts falling due after more than one year	12		-		(4,472)
Net assets			<u>687,156</u>		<u>882,126</u>
Capital and reserves					
Called up share capital	14		200,000		200,000
Profit and loss account	15		<u>487,156</u>		<u>682,126</u>
Shareholders' funds	16		<u>687,156</u>		<u>882,126</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 April 2015.



L Tomlinson
Director

The notes on pages 9 to 17 form part of these financial statements.

JOHN LAING TRAINING LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	17	(201,382)	267,951
Returns on investments and servicing of finance	18	(1,348)	(2,122)
Taxation		(5,000)	-
Capital expenditure and financial investment	18	(40,770)	(32,930)
Cash (outflow)/inflow before financing		(248,500)	232,899
Financing	18	(10,642)	(10,314)
(Decrease)/Increase in cash in the year		(259,142)	222,585

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 JULY 2014**

		2014 £	2013 £
(Decrease)/Increase in cash in the year		(259,142)	222,585
Cash outflow in respect of hire purchase		10,642	10,314
Movement in net debt in the year		(248,500)	232,899
Net funds at 1 August 2013	19	300,538	67,639
Net funds at 31 July 2014		52,038	300,538

The notes on pages 9 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

Turnover represents income for training courses provided based on the stage of completion, and is stated net of VAT.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% straight line
Fixtures & fittings	-	33% straight line
Office equipment	-	33% straight line

1.4 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.6 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

1.7 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**

1. ACCOUNTING POLICIES (continued)**1.8 Capital grants**

Capital based grants are included within other creditors in the balance sheet and credited to the profit and loss account over the estimated useful economic lives of the assets to which they relate.

2. TURNOVER

The turnover is attributable to the principal activity of the company and arises wholly within the United Kingdom.

3. OTHER OPERATING INCOME

	2014	2013
	£	£
Capital grant income	4,500	13,004
	<u>4,500</u>	<u>13,004</u>

4. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after charging:

	2014	2013
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	51,412	39,283
- held under finance leases	8,477	13,198
Auditor's remuneration	6,750	6,550
Operating lease costs- Buildings	53,200	53,200
	<u>119,839</u>	<u>112,231</u>

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014	2013
	£	£
Wages and salaries	1,276,573	1,069,093
Social security costs	129,082	109,720
Other pension costs	37,668	30,539
	<u>1,443,323</u>	<u>1,209,352</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**

5. STAFF COSTS (continued)

The average monthly number of employees, including the directors, during the year was as follows:

	2014	2013
	No.	No.
Management	5	5
Administrative	9	9
Assessors	20	20
	<u>34</u>	<u>34</u>

6. DIRECTORS' REMUNERATION

	2014	2013
	£	£
Remuneration	<u>187,840</u>	<u>181,708</u>
Company pension contributions to defined contribution pension schemes	<u>18,565</u>	<u>17,980</u>

During the year retirement benefits were accruing to 2 directors (2013 - 2) in respect of defined contribution pension schemes.

7. INTEREST PAYABLE

	2014	2013
	£	£
On bank loans and overdrafts	-	54
On finance leases and hire purchase contracts	1,358	2,068
	<u>1,358</u>	<u>2,122</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**
8. TAXATION

	2014 £	2013 £
Analysis of tax (credit)/charge in the year		
Current tax (see note below)		
UK corporation tax charge on (loss)/profit for the year	-	19,599
Adjustments in respect of prior periods	(19,599)	-
Total current tax	<u>(19,599)</u>	<u>19,599</u>
Deferred tax (see note 13)		
Origination and reversal of timing differences	-	5,000
Tax on (loss)/profit on ordinary activities	<u>(19,599)</u>	<u>24,599</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 22% (2013 - 23%). The differences are explained below:

	2014 £	2013 £
(Loss)/profit on ordinary activities before tax	<u>(214,569)</u>	<u>104,137</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22% (2013 - 23%)	(47,205)	23,952
Effects of:		
Tax chargeable at lower rates	-	(1,312)
Capital allowances for year less than/(in excess of) depreciation	(972)	4,645
Utilisation of tax losses	-	(6,316)
Adjustments to tax charge in respect of prior periods	(19,599)	-
Tax losses carried back	24,049	-
Unrelieved tax losses	24,712	-
Other differences leading to an increase/(decrease) in the tax charge	(584)	53
Group relief	-	(1,423)
Current tax (credit)/charge for the year (see note above)	<u>(19,599)</u>	<u>19,599</u>

Factors that may affect future tax charges

The company has estimated tax losses of £111,000 (2013 - £Nil) to carry forward against future trading profits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

9. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost				
At 1 August 2013	25,879	85,595	85,949	197,423
Additions	-	2,953	37,817	40,770
Disposals	-	(28,186)	-	(28,186)
At 31 July 2014	25,879	60,362	123,766	210,007
Depreciation				
At 1 August 2013	23,670	51,196	43,182	118,048
Charge for the year	2,151	27,765	29,973	59,889
On disposals	-	(28,186)	-	(28,186)
At 31 July 2014	25,821	50,775	73,155	149,751
Net book value				
At 31 July 2014	58	9,587	50,611	60,256
At 31 July 2013	2,209	34,399	42,767	79,375

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2014 £	2013 £
Furniture, fittings and equipment	2,119	10,630

10. DEBTORS

	2014 £	2013 £
Trade debtors	214,461	24,392
Amounts owed by group undertakings	502,701	524,884
Corporation tax repayable	5,000	-
Prepayments and accrued income	91,934	166,265
Deferred tax asset (see note 13)	10,000	10,000
	824,096	725,541

The directors consider the amounts owed by group undertakings totaling £502,701 (2013 - £524,884) as falling due within one year as there is no formal loan repayment date and is therefore considered as repayable on demand. In addition, the directors believe the parent undertakings have the ability to repay this amount in full.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**11. CREDITORS:**
Amounts falling due within one year

	2014	2013
	£	£
Hire purchase agreements	6,108	12,278
Trade creditors	87,138	67,501
Corporation tax	-	19,599
Other taxation and social security	69,659	46,886
Other creditors	92,437	89,342
	<u>255,342</u>	<u>235,606</u>

Hire purchase agreements are secured on the assets to which they relate.

12. CREDITORS:
Amounts falling due after more than one year

	2014	2013
	£	£
Hire purchase agreements	-	4,472
	<u>-</u>	<u>4,472</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2014	2013
	£	£
Between one and five years	-	4,472
	<u>-</u>	<u>4,472</u>

Hire purchase agreements are secured on the assets to which they relate.

13. DEFERRED TAXATION

	2014	2013
	£	£
At beginning of year	10,000	15,000
Released during year	-	(5,000)
	<u>10,000</u>	<u>10,000</u>
At end of year	<u>10,000</u>	<u>10,000</u>

The deferred tax asset is made up as follows:

	2014	2013
	£	£
Accelerated capital allowances	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

JOHN LAING TRAINING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**

14. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
200,000 Ordinary shares of £1 each	200,000	200,000

15. RESERVES

	Profit and loss account £
At 1 August 2013	682,126
Loss for the financial year	(194,970)
At 31 July 2014	487,156

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	882,126	802,588
(Loss)/profit for the financial year	(194,970)	79,538
Closing shareholders' funds	687,156	882,126

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating (loss)/profit	(213,221)	106,259
Depreciation of tangible fixed assets	59,889	52,481
(Increase)/decrease in debtors	(115,737)	182,726
Decrease/(increase) in amounts owed by the parent undertaking	22,183	(64,819)
Increase/(decrease) in creditors	45,504	(8,696)
Net cash (outflow)/inflow from operating activities	(201,382)	267,951

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	10	-
Interest paid	-	(54)
Hire purchase interest	(1,358)	(2,068)
	<u> </u>	<u> </u>
Net cash outflow from returns on investments and servicing of finance	<u>(1,348)</u>	<u>(2,122)</u>
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(40,770)	(32,930)
	<u> </u>	<u> </u>
	2014 £	2013 £
Financing		
Repayment of finance leases	(10,642)	(10,314)
	<u> </u>	<u> </u>

19. ANALYSIS OF CHANGES IN NET FUNDS

	1 August 2013 £	Cash flow £	31 July 2014 £
Cash at bank and in hand	317,288	(259,142)	58,146
Debt:			
Finance leases	(16,750)	10,642	(6,108)
	<u> </u>	<u> </u>	<u> </u>
Net funds	<u>300,538</u>	<u>(248,500)</u>	<u>52,038</u>

20. PENSION

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £56,234 (2013 - £30,536).

Contributions totaling £nil (2013 - £3,424) were payable to the scheme at the end of the year and are included within other creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**

21. OPERATING LEASE COMMITMENTS

At 31 July 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Between 2 and 5 years	53,200	53,200	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

22. RELATED PARTY TRANSACTIONS

During the year there were loan repayments made by Animi Holdings Limited, the immediate parent company, of £25,000 (2013 - a further loan made of £64,819). During the year the company paid interest totalling £2,817 on behalf of Animi Holdings Limited. At 31 July 2014 an amount of £502,701 (2013 - £524,884) was owed to the company from Animi Holdings Limited. No interest is charged on this loan.

CSB Holdings plc, the ultimate parent company, acts as a guarantor on both a property lease and a lease for computer equipment entered into by the company during a prior year.

Construction Industry Solutions Limited is a fellow subsidiary of CSB Holdings plc, the ultimate parent company. Construction Industry Solutions Limited recharged expenses of £6,159 (2013 - £6,204) to the company and the balance outstanding at the year end in respect of these was £5,005 (2013 - £820).

23. IMMEDIATE AND ULTIMATE PARENT COMPANY

The immediate parent company is Animi Holdings Limited and the ultimate parent company is CSB Holdings plc. Both companies are registered in England & Wales.

24. ULTIMATE CONTROLLING PARTY

The directors consider that the ultimate controlling party is L Sullivan, by virtue of his majority shareholding in CSB Holdings plc.