

Company Registration No. 06853060 (England and Wales)

**THE LONDON APPRENTICESHIP COMPANY  
LIMITED**

**COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2017**

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**THE LONDON APPRENTICESHIP COMPANY LIMITED  
COMPANY LIMITED BY GUARANTEE  
DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2017**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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.

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 MARCH 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Intangible assets	4		7,524		-
Tangible assets	5		25,272		19,071
			<u>32,796</u>		<u>19,071</u>
<b>Current assets</b>					
Debtors	6	218,244		349,673	
Cash at bank and in hand		<u>250,811</u>		<u>355,296</u>	
		469,055		704,969	
<b>Creditors: amounts falling due within one year</b>	7	<u>(312,901)</u>		<u>(547,283)</u>	
<b>Net current assets</b>			<u>156,154</u>		<u>157,686</u>
<b>Total assets less current liabilities</b>			<u>188,950</u>		<u>176,757</u>
<b>Provisions for liabilities</b>	9		<u>(3,222)</u>		<u>(2,217)</u>
<b>Net assets</b>			<u><u>185,728</u></u>		<u><u>174,540</u></u>
<b>Capital and reserves</b>					
Profit and loss reserves			<u>185,728</u>		<u>174,540</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 23/11/2017 and are signed on its behalf by:

  
 J P Hempstead  
 Director

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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	<b>Profit and loss reserves £</b>
<b>Balance at 1 April 2015</b>	156,821
<b>Year ended 31 March 2016:</b>	
Profit and total comprehensive income for the year	17,719
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<b>Balance at 31 March 2016</b>	174,540
<b>Year ended 31 March 2017:</b>	
Profit and total comprehensive income for the year	11,188
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<b>Balance at 31 March 2017</b>	<u>185,728</u>

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**1 Accounting policies**

**Company information**

The London Apprenticeship Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Queen Street Place, London, EC4R 1BE.

On 9 November 2017, the company changed its name from The London Apprenticeship Company to The London Apprenticeship Company Limited.

**Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of The London Apprenticeship Company Limited prepared in accordance with FRS 102. The financial statements of The London Apprenticeship Company Limited for the year ended 31 March 2016 were prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) (FRSSE).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from the FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in equity at the transition date and are detailed in note 13.

**Going concern**

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors, therefore, the accounts have been prepared on a going concern basis. The directors have prepared forecasts covering a period of at least 12 months from the date of signing of these financial statements and these support that the company is expected to have adequate resources to continue in operational existence for the foreseeable future.

**Turnover**

Turnover in respect of apprentice placements represents the daily wage costs of apprentices plus service and training fees which are invoiced to hosts up to and including the final day of the period, and is recognised in the period of supply of the apprentice.

Grant income represents amounts received under funding agreements. Income is recognised as outputs specified by the agreements are achieved, or the expenditure is incurred depending on the terms of the agreement.

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**1 Accounting policies (Continued)**

**Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software	20% straight line
Website	25% straight line

**Tangible fixed assets**

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Equipment	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**1 Accounting policies (Continued)**

***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

***Taxation***

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

***Employee benefits***

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

***Retirement benefits***

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**1 Accounting policies (Continued)**

**Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 234 (2016 - 305).

**3 Directors' remuneration**

	2017 £	2016 £
Remuneration paid to directors	22,500	101,158

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to nil (2016 - 1).

**4 Intangible fixed assets**

	Other £	Website £	Total £
<b>Cost</b>			
At 1 April 2016	12,640	57,539	70,179
Additions	-	9,213	9,213
At 31 March 2017	12,640	66,752	79,392
<b>Amortisation and impairment</b>			
At 1 April 2016	12,640	57,539	70,179
Amortisation charged for the year	-	1,689	1,689
At 31 March 2017	12,640	59,228	71,868
<b>Carrying amount</b>			
At 31 March 2017	-	7,524	7,524
At 31 March 2016	-	-	-

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**5 Tangible fixed assets**

	<b>Plant and machinery etc</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2016	80,295
Additions	15,940
	<u>96,235</u>
At 31 March 2017	<u>96,235</u>
<b>Depreciation and impairment</b>	
At 1 April 2016	61,224
Depreciation charged in the year	9,739
	<u>70,963</u>
At 31 March 2017	<u>70,963</u>
<b>Carrying amount</b>	
At 31 March 2017	<u>25,272</u>
At 31 March 2016	<u>19,071</u>

**6 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	196,893	131,746
Other debtors	21,351	217,927
	<u>218,244</u>	<u>349,673</u>

**7 Creditors: amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	-	70
Trade creditors	14,449	38,007
Corporation tax	3,691	1,088
Other taxation and social security	201,622	292,094
Other creditors	93,139	216,024
	<u>312,901</u>	<u>547,283</u>

Lloyds Bank PLC have a fixed and floating charge over the undertakings and all property and assets of the company.

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**8 Provisions for liabilities**

		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
Deferred tax liabilities	<b>9</b>	3,222	2,217
		<u>3,222</u>	<u>2,217</u>

**9 Deferred taxation**

The major deferred tax liabilities and assets recognised by the company are:

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	3,422	2,303
Other timing differences	(200)	(86)
	<u>3,222</u>	<u>2,217</u>
<b>Movements in the year:</b>		<b>2017</b>
		<b>£</b>
Liability at 1 April 2016		2,217
Charge to profit or loss		1,005
		<u>3,222</u>

The deferred tax liability set out above is expected to reverse within the foreseeable future and relates to accelerated capital allowances that are expected to mature within the same period.

**10 Members' liability**

The company is limited by guarantee and does not have any issued share capital. No part of the company's income or capital may be distributed to members by dividend or other distribution, other than by reasonable and proper remuneration for services provided. On a winding up any surplus must be paid or distributed among the then current members of the company on a pro rata basis by reference to the amount of expenditure incurred by such member.

**THE LONDON APPRENTICESHIP COMPANY LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**11 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	80,000	80,000
Between one and five years	80,000	160,000
	<u>160,000</u>	<u>240,000</u>

**12 Related party transactions**

During the year the company undertook the following transactions with London College of Apprenticeship Training Limited, a company that is under common control of the continuing directors of the company:

Income received on behalf of London College of Apprenticeship Training Limited by the company of £990,077 (2016: £660,658) and purchases made of £967,642 (2016: £633,127).

At the year end £8,106 (2016: £82,447) remained outstanding and is included within other debtors.

**13 Reconciliations on adoption of FRS 102**

**Capitalised software and website costs**

Under previous UK GAAP the company disclosed capitalised software purchased and website costs as part of tangible assets. FRS 102 categorises software and website costs as intangible assets. Therefore, costs of £70,179 and related accumulated depreciation of £70,179 have been reclassified to intangible assets within these financial statements. There has been no profit or equity impact as a result of this adjustment.

**14 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Dominic Blythe.

The auditor was RSM UK Audit LLP.