

REGISTERED NUMBER: 07718968 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017
FOR
THE EDUCATION FELLOWSHIP LIMITED

Smith Hodge & Baxter Audit Services
Thorpe House
93 Headlands
Kettering
Northamptonshire
NN15 6BL

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	4 to 5
Statement of Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11 to 13

THE EDUCATION FELLOWSHIP LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2017

DIRECTORS:

J E Kane
Mrs E Rowe

SECRETARY:

Mrs S M Robinson

REGISTERED OFFICE:

The Old Dairy
Grange Road
Islip
Kettering
Northamptonshire
NN14 4JB

REGISTERED NUMBER:

07718968 (England and Wales)

AUDITORS:

Smith Hodge & Baxter Audit Services
Thorpe House
93 Headlands
Kettering
Northamptonshire
NN15 6BL

STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The directors present their strategic report for the year ended 31 August 2017.

The results for the year and the financial position of the company are as shown in the annexed accounts.

REVIEW OF BUSINESS

We aim to present a balanced and comprehensive review of the performance of our business during the year and its position at the period end. Our review is consistent with the size and non-complex nature of our business, which is to act as the sole member of The Education Fellowship Trust, a company limited by guarantee. Consolidated financial statements have not been prepared due to severe long-term restrictions, as noted in Note 2 to the financial statements. The audited accounts of The Education Fellowship Trust are available from Companies House.

The business does not generate turnover and only incurs expenses in connection with its statutory reporting requirements and other expenses of an administrative nature. The key performance indicator is the level of these expenses, which totalled £Nil for the year (2016: £Nil).

PRINCIPAL RISKS AND UNCERTAINTIES

Due to the size and nature of the company the only risk and uncertainty that exists is the company's ability to meet its future liabilities. At 31 August 2017 the company had cash at bank of £177 and was owed £28,849 by its subsidiary undertaking. The majority of the company's liabilities are settled by the subsidiary and offset against the intra-group balance.

ON BEHALF OF THE BOARD:

J E Kane - Director

19 April 2018

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2017

The directors present their report with the financial statements of the company for the year ended 31 August 2017.

DIVIDENDS

No dividends will be distributed for the year ended 31 August 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 September 2016 to the date of this report.

J E Kane
Mrs E Rowe

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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;
- state whether applicable 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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 in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Smith Hodge & Baxter Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J E Kane - Director

19 April 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE EDUCATION FELLOWSHIP LIMITED

Opinion

We have audited the financial statements of The Education Fellowship Limited (the 'company') for the year ended 31 August 2017 on pages six to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2017 and of its result 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.

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 Auditors' responsibilities for the audit of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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.

Opinion 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE EDUCATION FELLOWSHIP LIMITED

Matters on which we are required to report by exception

In the 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 Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

Our responsibilities for the audit of the 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 a Report of the Auditors 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 these financial statements.

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 Report of the Auditors.

Ian Chown (Senior Statutory Auditor)
for and on behalf of Smith Hodge & Baxter Audit Services
Thorpe House
93 Headlands
Kettering
Northamptonshire
NN15 6BL

19 April 2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	2016 £
TURNOVER		<u>-</u>	<u>-</u>
OPERATING PROFIT and			
PROFIT BEFORE TAXATION	4	-	-
Tax on profit	5	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
FOR THE YEAR		<u>-</u>	<u>-</u>

The notes form part of these financial statements

THE EDUCATION FELLOWSHIP LIMITED (REGISTERED NUMBER: 07718968)

BALANCE SHEET
31 AUGUST 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Investments	6	-	-
CURRENT ASSETS			
Debtors	7	30,649	30,649
Cash at bank		<u>177</u>	<u>177</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>30,826</u>	<u>30,826</u>
CAPITAL AND RESERVES			
Called up share capital	8	2,820	2,820
Share premium	9	49,980	49,980
Retained earnings	9	<u>(21,974)</u>	<u>(21,974)</u>
SHAREHOLDERS' FUNDS		<u>30,826</u>	<u>30,826</u>

The financial statements were approved by the Board of Directors on 19 April 2018 and were signed on its behalf by:

J E Kane - Director

THE EDUCATION FELLOWSHIP LIMITED (REGISTERED NUMBER: 07718968)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2017

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 September 2015	2,820	(21,974)	49,980	30,826
Changes in equity				
Balance at 31 August 2016	2,820	(21,974)	49,980	30,826
Changes in equity				
Balance at 31 August 2017	2,820	(21,974)	49,980	30,826

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	<u>-</u>	<u>-</u>
Increase in cash and cash equivalents		<u>-</u>	<u>-</u>
Cash and cash equivalents at beginning of year	2	177	177
Cash and cash equivalents at end of year	2	<u>177</u>	<u>177</u>

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017**

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2017	2016
	£	£
Profit before taxation	-	-
Cash generated from operations	-	-

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 August 2017

	31.8.17	1.9.16
	£	£
Cash and cash equivalents	177	177

Year ended 31 August 2016

	31.8.16	1.9.15
	£	£
Cash and cash equivalents	177	177

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. STATUTORY INFORMATION

The Education Fellowship Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company was dormant throughout the current year and previous year.

Preparation of consolidated financial statements

The financial statements contain information about The Education Fellowship Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Sections 402 / 405(3)(a) of the Companies Act 2006 from the requirements to prepare consolidated financial statements as severe long-term restrictions substantially hinder the exercise of the rights of the parent company over the assets or management of its subsidiary, The Education Fellowship Trust, which is a charitable company providing educational services to children through the operation of academies funded by, and subject to the regulations of, the Education and Skills Funding Agency, an executive agency sponsored by the Department for Education.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Going concern

The directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

In March 2017 the Trustees of the company's subsidiary The Education Fellowship Trust informed the Department for Education it wished to terminate its funding agreement and transfer all of its academies to new sponsors. Until this process is fully complete the Academy Trust will continue to be fully funded and continue to operate. Once all of the academies have been transferred out of the Academy Trust to new sponsors the Academy Trust will cease to operate, the timing of which is not certain. The Trustees have concluded that these circumstances represent a material uncertainty that cast doubt upon the trust's ability to continue as a going concern.

Notwithstanding the above, the Trustees of the company's subsidiary The Education Fellowship Trust have prepared the financial statements on a going concern basis as a definite final completion date has not formally been set.

Given this situation the directors of the company have similarly prepared the company's financial statements on the going concern basis. It is intended that the company will be dissolved once its subsidiary The Education Fellowship Trust has ceased to operate and been dissolved.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 August 2017 nor for the year ended 31 August 2016.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2017

3. EMPLOYEES AND DIRECTORS - continued

	2017 £	2016 £
Directors' remuneration	<u>-</u>	<u>-</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

2017 £	2016 £
-----------	-----------

Remuneration totalling £43,000 (2016: £68,000) was received by the auditor from the subsidiary in respect of the following services provided to the subsidiary: £25,000 (2016: £24,000) audit of the subsidiary's accounts, £Nil (2016: £5,000) internal audit and £18,000 (2016: £39,000) other services.

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 August 2017 nor for the year ended 31 August 2016.

6. FIXED ASSET INVESTMENTS

The company's investments at the Balance Sheet date in the share capital of companies include the following:

The Education Fellowship Trust

Nature of business: Multi academy trust

	2017 £	2016 £
Aggregate capital and reserves	88,343,360	85,835,945
Profit/(loss) for the year	<u>2,507,415</u>	<u>(6,263,051)</u>

The Education Fellowship Trust is a charitable company limited by guarantee. The Education Fellowship Limited is the sole member of The Education Fellowship Trust, and in the event of The Education Fellowship Trust being wound up while they are a member, or within one year after they cease to be a member, The Education Fellowship Limited undertakes to contribute such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a member.

The registered office of The Education Fellowship Trust is: The Old Dairy, Grange Road, Islip, Kettering, Northamptonshire, NN14 4JB.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Amounts owed by group undertakings	28,849	28,849
Called up share capital not paid	<u>1,800</u>	<u>1,800</u>
	<u>30,649</u>	<u>30,649</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2017

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2017	2016
Number:	Class:		£	£
2,000	Ordinary A	1p	20	20
100,000	Ordinary B	1p	<u>1,000</u>	<u>1,000</u>
			<u>1,020</u>	<u>1,020</u>

Allotted and issued:		Nominal value:	2017	2016
Number:	Class:		£	£
180,000	Ordinary C shares of 1p each	1p	<u>1,800</u>	<u>1,800</u>

9. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 September 2016	(21,974)	49,980	28,006
Profit for the year	-	-	-
At 31 August 2017	<u>(21,974)</u>	<u>49,980</u>	<u>28,006</u>

10. RELATED PARTY DISCLOSURES

During the year the company's subsidiary, The Education Fellowship Trust, incurred expenses of £Nil (2016: £Nil) on behalf of the company. Amounts owed to the company by The Education Fellowship Trust at 31 August 2017 are detailed in Note 7 to the financial statements.

11. ULTIMATE CONTROLLING PARTY

The company's ultimate controlling parties are Sir Ewan Harper and Johnson Kane, who act as trustees of The Education Fellowship Staff Trust, which controls 100% of the company's issued share capital.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.