
SCHOOLS' CHOICE LIMITED

UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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SCHOOLS' CHOICE LIMITED
REGISTERED NUMBER:10318265

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	52,234	56,101
Current assets			
Debtors: amounts falling due within one year	6	3,043,020	1,286,429
Cash at bank and in hand	7	45,337	748,959
		<u>3,088,357</u>	<u>2,035,388</u>
Creditors: amounts falling due within one year	8	(1,599,129)	(997,601)
Net current assets		<u>1,489,228</u>	<u>1,037,787</u>
Total assets less current liabilities		<u>1,541,462</u>	<u>1,093,888</u>
Creditors: amounts falling due after more than one year		(1,000,000)	(1,000,000)
Net assets		<u><u>541,462</u></u>	<u><u>93,888</u></u>
Capital and reserves			
Profit and loss account		541,462	93,888
		<u><u>541,462</u></u>	<u><u>93,888</u></u>

SCHOOLS' CHOICE LIMITED
REGISTERED NUMBER:10318265

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2019

The directors consider that the company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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


M S Yarham
Director

11/09/2019

The notes on pages 3 to 11 form part of these financial statements.

SCHOOLS' CHOICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Schools' Choice Limited is a private company limited by shares incorporated in England and Wales. Registered number 09720915. The registered office is Beacon House, Landmark Business Park, Whitehouse Road, Ipswich, Suffolk, IP1 5PB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv),
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Vertas Group Limited as at 31 March 2019 and these financial statements may be obtained from Companies House.

2.3 Going concern

The directors are of the opinion the company will continue to be profitable with a positive net asset position for the foreseeable future. For this reason, the directors consider it appropriate for the financial statements to be prepared on a going concern basis.

SCHOOLS' CHOICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- range of 4-20% per annum
Computer equipment	- 10% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment

SCHOOLS' CHOICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

2.9 Creditors

Short term creditors are measured at transaction price.

2.10 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

SCHOOLS' CHOICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.14 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Management assess that there are no key judgements or sources of estimation uncertainty impacting the financial statements.

SCHOOLS' CHOICE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

4. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	88,997	23,032
Adjustments in respect of previous periods	1,360	-
	<u>90,357</u>	<u>23,032</u>
Total current tax	<u>90,357</u>	<u>23,032</u>
Deferred tax		
Origination and reversal of timing differences	(4,309)	(253)
Total deferred tax	<u>(4,309)</u>	<u>(253)</u>
Taxation on profit on ordinary activities	<u>86,048</u>	<u>22,779</u>

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19.2%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	441,813	116,667
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19.2%)	83,944	22,400
Effects of:		
Expenses not deductible for tax purposes	237	84
Adjustments to tax charge in respect of prior periods	1,360	-
Adjustments to bring deferred tax to an average rate of 19%	507	295
Total tax charge for the year/period	<u>86,048</u>	<u>22,779</u>

SCHOOLS' CHOICE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

5. Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2018	13,156	49,284	62,440
Additions	-	3,510	3,510
At 31 March 2019	<u>13,156</u>	<u>52,794</u>	<u>65,950</u>
Depreciation			
At 1 April 2018	1,411	4,928	6,339
Charge for the year on owned assets	2,143	5,234	7,377
At 31 March 2019	<u>3,554</u>	<u>10,162</u>	<u>13,716</u>
Net book value			
At 31 March 2019	<u>9,602</u>	<u>42,632</u>	<u>52,234</u>
At 31 March 2018	<u>11,745</u>	<u>44,356</u>	<u>56,101</u>

6. Debtors

	2019 £	2018 £
Trade debtors	1,034,946	226,794
Amounts owed by group undertakings	1,716,386	966,065
Other debtors	74,073	14,356
Prepayments and accrued income	213,053	78,961
Deferred taxation	4,562	253
	<u>3,043,020</u>	<u>1,286,429</u>

SCHOOLS' CHOICE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	45,337	748,959
Less: bank overdrafts	(6,404)	-
	<u>45,337</u>	<u>748,959</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	6,404	-
Trade creditors	832,636	17,223
Corporation tax	90,357	23,467
Other taxation and social security	175,116	172,990
Other creditors	45,905	66,091
Accruals and deferred income	448,711	717,830
	<u>1,599,129</u>	<u>997,601</u>

9. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Amounts owed to group undertakings	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

Amounts repayable to a related party of the company. Interest of 10% per annum is charged on the outstanding loan balance. The loan repayment date is 31 March 2022.

SCHOOLS' CHOICE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

10. Deferred taxation

	2019 £	2018 £
At beginning of year	253	-
Charged to profit or loss	4,309	253
At end of year	4,562	253

The deferred tax asset is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(362)	253
Short term timing differences	4,924	-
	4,562	253

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total expense recognised in profit and loss of £170,999 represents contributions payable to these plans by the Company at rates specified in the rules of the plans. The company operates two current plans, LGPS and NEST, with total contributions in the year of £167,731 and £3,268, respectively.

The company's employees belonged to the Local Government Pension Scheme (LGPS), which is managed by Suffolk County Council. This is a funded defined-benefit scheme, with the assets held in a separate trustee-administered fund.

On 29 December 2016 Suffolk County Council provided the company with an enduring indemnity which has the effect of capping the employer pension contributions payable by the company to the Suffolk Local Government Pension Scheme.

Due to the enduring indemnity, the defined benefit scheme will be treated as a defined contribution scheme for the purposes of the preparation of the accounts and the contributions will be recognised as they fall due.

SCHOOLS' CHOICE LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019**

12. Related party transactions

The company is the subsidiary of Vertas Group Limited. The ultimate controlling party is Suffolk County Council. The company has taken advantage of exemptions in respect of disclosing related party transactions with wholly owned fellow group companies.

At the year end, £1,000,000 (2018: £1,000,000) was owed to Suffolk County Council, the company's ultimate controlling party.

13. Controlling party

Vertas Group Limited is the company's parent undertaking by virtue of having a majority shareholding, and is a company incorporated in the United Kingdom.

The smallest group of undertaking for which group accounts have been drawn up is the group headed by Vertas Group Limited. The consolidated accounts of Vertas Group Limited are publicly available from Companies House.

The largest group of undertaking for which group accounts have been drawn up is that headed by Suffolk County Council.

The ultimate controlling party is considered to be Suffolk County Council.
