

**Greater Birmingham & Solihull Institute of Technology
Company Limited by Guarantee**

**ANNUAL REPORT FOR THE PERIOD FROM
4 SEPTEMBER 2019 to 31 JULY 2020**

Company Registration Number 12189062



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Greater Birmingham & Solihull Institute of Technology

Company Information

Directors

Carl William Arntzen
Professor Julian Beer
John Callaghan
Lee Francis Cattermole
Paul James Doherty
Professor Jonathan Rowe
Michael Hopkins
Louise Jones
Mark Terrance Smith

Registered Office

c/o Squire Patton Boggs (UK) LLP (Ref: Csu)
Rutland House,
148 Edmund Street,
Birmingham,
England,
B3 2JR

Accountants

Prime Chartered Accountants
Corner Oak
1 Homer Road
Solihull
B91 3QG

Professional Advisors

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Legal Advisers

Eversheds Sutherland (International) LLP
114 Colmore Row
Birmingham
B3 3AL

Shakespeare Martineau LLP
1 Colmore Square
Birmingham
B4 6AA

Company Secretary

Squire Patton Boggs Secretarial Services Limited
Rutland House,
148 Edmund Street
Birmingham
B3 2JR

Registered Number

12189062

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 JULY 2020

Principal Activities

The government is establishing high-quality institutes of technology (IoTs).

IoTs are collaborations between further education (FE) providers, universities and employers to address skills gaps that are considered vital for their region. They will specialise in delivering higher technical education (at Levels 3 to 7) with a focus on STEM (science, technology, engineering and mathematics) subjects.

IoTs will focus on the specific technical skills needs required in their area. They will provide employers with a skilled workforce and students with a clear route to technical employment. The overall objective of the current investment is to provide this training capacity.

It is intended that IoTs will appeal to:

- young people taking T levels or A levels who want to progress to higher technical education;
- adult learners who want access to further training; and / or
- people in employment who want to develop new skills

The business of the Greater Birmingham & Solihull Institute of Technology (GBS IoT) is the co-ordination of delivery of apprenticeships and technical skills in the Greater Birmingham and Solihull and surrounding areas and supporting the delivery of apprenticeships and technical skills training by certain of the Partners in the field of advanced manufacturing and engineering.

GBS IoT is in receipt of a license from the Department for Education (DfE) awarding the right to use the IoT brand; it is also identified as the accountable body responsible for the implementation of the proposal submitted to the DfE. The accountable body is also the recipient of, and accountable for, the Capital Grant issued by DfE.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr Carl William Arntzen (appointed as a director on 6 December 2019)

Professor Julian Beer (appointed as a director on 6 December 2019)

Mr John Callaghan (appointed as a director on 4 September 2019)

Mr Lee Francis Cattermole (appointed as a director on 6 December 2019)

Mr Paul James Doherty (appointed as a director on 6 December 2019)

Mr Peter Gardner (appointed as a director on 6 December 2019, resigned on 25 February 2021)

Mr Michael Hopkins (appointed as a director on 4 September 2019)

Ms Louise Jones (appointed as a director on 6 December 2019)

Mr Mark Terrance Smith (appointed as a director on 4 September 2019)

Professor Jonathan Rowe (appointed as a director on 25 February 2021)

Auditor

Prime Chartered Accountants were appointed as auditors on 3 March 2021. Under section 487(2) of the Companies Act 2006 Prime Chartered Accountants will be deemed to be reappointed.

is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This report was approved by the board on 20th April 2021 and signed on its behalf by.

John Callaghan

John Callaghan
Director
20th April 2021

A small, rectangular black box containing a white, stylized handwritten signature that appears to read 'Mark Smith'.

Mark Smith
Director
20th April 2021

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 group and parent company financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 group and the parent company and of the group's profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GREATER BIRMINGHAM & SOLIHULL INSTITUTE OF TECHNOLOGY

FOR THE PERIOD ENDED 31 JULY 2020

Opinion

We have audited the financial statements of Greater Birmingham & Solihull Institute Of Technology (the 'company') for the period ended 31 July 2020 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2020 and of its surplus for the period 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GREATER BIRMINGHAM & SOLIHULL INSTITUTE OF TECHNOLOGY

FOR THE PERIOD ENDED 31 JULY 2020

Other information

The director is responsible for the other information. The other information comprises the information in the Report of the Director, 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, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director has been prepared in accordance with applicable legal requirements.

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 Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GREATER BIRMINGHAM & SOLIHULL INSTITUTE
OF TECHNOLOGY**

FOR THE PERIOD ENDED 31 JULY 2020

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page 7, the director is 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 director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

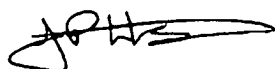
In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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.

Use of our report

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.



Jeremy Kitson FCA (Senior Statutory Auditor)
for and on behalf of Prime
Chartered Accountants
Statutory Auditor
Corner Oak
1 Homer Road
Solihull
B91 3QG

Date:23/04/2021.....

Greater Birmingham and Solihull Institute of Technology
Profit and Loss account for the period ended 31st
July 2020

	Notes	2020 £
Turnover	1	715,585
Cost of Sales		(591,961)
Gross Profit		123,624
Administrative expenses		(123,624)
Operating profit/loss	2	-
Profit/loss on ordinary activities before taxation		-
Tax on profit/loss on ordinary activities	1	-
Result for the period		-

All the above results derive from continuing operations.

The notes on pages 13 to 15 form an integral part of these financial statements.

Greater Birmingham and Solihull Institute of Technology
Balance Sheet as at 31st July 2020

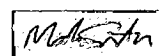
	Notes	2020 £
Fixed Assets		
Asset under construction	4	162,953
Current Assets		
Debtors	5	438,839
Cash at bank and in hand		<u>451,864</u>
		890,703
Creditors		
Amount falling due in one year	6	(893,962)
Amount Falling due after one year	7	(159,694)
Net current Assets		(162,953)
Net Assets		-
Capital and Reserves		
Called up share capital		-
Profit and loss account	8	-
Shareholder funds		-

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

The financial statements on pages were approved by the Board of Directors and authorised for issue on 20th April 2021 and signed on its behalf by:

John Callaghan

John Callaghan
Director
20th April 2021



Mark Smith
Director
20th April 2021

The notes on pages 13 to 15 form an integral part of these financial statements.

Company registration no. 12189062.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2020**

1. PRINCIPAL ACCOUNTING POLICIES

Greater Birmingham and Solihull Institute of Technology is a private company, limited by guarantee, registered in England and Wales

Basis of accounting

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements are prepared in accordance with the historical cost convention.

The functional and presentational currency of the Company is Pounds Sterling (£).

A summary of the more important accounting policies, which have been applied consistently, is set out below.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared a medium term financial plan, including cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of severe but possible downsides, including changes arising from the Covid-19 pandemic, the company will have sufficient funds, to meet its liabilities as they fall due for that period.

The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

Turnover

Turnover represents the value, net of value added tax of the subscriptions paid by members of the IOT and grants received directly from the DFE.

Depreciation

Equipment costing less than £1,000 per individual item is written off to the income and expenditure account in the year of acquisition. Equipment costing more than £1,000 per individual item is capitalised and is depreciated on a straight-line basis over its useful economic life of five years.

Buildings are depreciated on a straight-line basis over its useful economic life of fifty years.

Where equipment is acquired with the aid of a specific grant, it is capitalised and depreciated in accordance with the above policy with the related grant being credited to a deferred income account and released to the profit and loss account over the expected useful economic life of the equipment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2020**

Depreciation (continued)

Where land and buildings are acquired with the aid of government grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Assets Under Construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31st July. They are not depreciated until they are brought into use.

Taxation

The company will adopt a Non-Trading Status on the basis that its activities do not constitute a trade. This status would mean that the company should not be liable to tax on any profits arising or be able to relieve any losses arising for tax purposes.

2. OPERATING PROFIT/LOSS

This is stated after charging:

	2020
	£
Administrative expenses	(118,624)
Audit Fees	(5,000)
	<u>(123,624)</u>

3. STAFF COSTS AND DIRECTORS' REMUNERATION

The average number of persons (excluding directors) employed during the year was nil.

No directors have received any fee or remuneration for their services during the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2020**

4. TANGIBLE FIXED ASSETS

	2020
	£
Building	
Asset under construction	
Additions	162,953
As at 31 July 2020	<u>162,953</u>

The land relating to the asset under construction will be leased from Aston University for a period of 21 years and charged on a peppercorn rent basis.

5. DEBTORS

	2020
	£
Grants receivable	102,415
Other Debtors	336,424
	<u>438,839</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020
	£
Other creditors	19,092
Accruals	874,870
	<u>893,962</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2020
	£
Other creditors	159,694
	<u>159,694</u>

8. PROFIT AND LOSS ACCOUNT

	2020
	£
Profit/(loss) for the year	-
Balance at 31 July 2020	-