

THE COLLEGES' PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 JULY 2023

THE COLLEGES' PARTNERSHIP LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:05606069

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	109,074	175,807
Investments	6	2	2
		<u>109,076</u>	<u>175,809</u>
Current assets			
Debtors: amounts falling due within one year	7	1,825,485	1,142,476
Cash at bank and in hand	8	875,347	2,391,993
		<u>2,700,832</u>	<u>3,534,469</u>
Creditors: amounts falling due within one year	9	(1,684,774)	(2,872,239)
Net current assets		<u>1,016,058</u>	<u>662,230</u>
Net assets		<u><u>1,125,134</u></u>	<u><u>838,039</u></u>
Capital and reserves			
Profit and loss account		1,125,134	838,039
		<u><u>1,125,134</u></u>	<u><u>838,039</u></u>

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 by:

Steve Campion
Director

Date: 15 January 2024

The notes on pages 2 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. General information

The Colleges' Partnership Limited (the "Company") is a company limited by guarantee and incorporated and domiciled in England & Wales in the United Kingdom.

The Colleges' Partnership Limited is a company with charitable objects and is considered by HM Revenue and Customs as an exempt charity.

The Company's registered address is C/O Wiltshire College & University Centre, Cocklebury Road, Chippenham, Wiltshire, England, SN15 3QD.

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.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 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.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

2. Accounting policies (continued)

2.5 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 profit or loss 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.

2.6 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:

Fixtures and fittings	-	10%
Computer equipment	-	25%

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 profit or loss.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Basic financial assets

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

2. Accounting policies (continued)

2.8 Financial instruments (CONTINUED)

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 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.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Significant judgements in applying accounting policies

There are no significant judgements in applying accounting policies.

(b) Key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 8 for the net carrying amount of the debtors.

(ii) Deferred income

The Company has included monies received in advance within deferred income in relation to its training contracts. Management will recognise the balance as revenue in the Statement of Comprehensive Income when the customer and the Company are both satisfied that there are no further requirements attached to the funding that still need to be delivered.

4. Employees

The average monthly number of employees, including directors, during the year was 101 (2022: 102).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

5. Tangible fixed assets

	Fixtures, fittings and equipment £
COST	
At 1 August 2022	842,886
Additions	973
Disposals	(20,751)
	<hr/>
At 31 July 2023	823,108
	<hr/>
DEPRECIATION	
At 1 August 2022	667,079
Charge for the year on owned assets	46,955
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At 31 July 2023	714,034
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NET BOOK VALUE	
At 31 July 2023	<u>109,074</u>
At 31 July 2022	<u>175,807</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

6. Fixed asset investments

	Investments in subsidiary companies £
COST	
At 1 August 2022	2
	<hr/>
At 31 July 2023	2
 NET BOOK VALUE	
At 31 July 2023	<hr/> <hr/> 2
At 31 July 2022	<hr/> <hr/> 2

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

7. Debtors

	2023 £	2022 £
Trade debtors	94,372	43
Other debtors	3,253	2,014
Prepayments and accrued income	983,310	1,140,419
Amounts owed by group undertakings	744,550	-
	<u>1,825,485</u>	<u>1,142,476</u>

8. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	875,347	2,391,993
	<u>875,347</u>	<u>2,391,993</u>

9. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	34,681	36,699
Other taxation and social security	70,822	96,567
Accruals and deferred income	1,579,271	2,738,973
	<u>1,684,774</u>	<u>2,872,239</u>

10. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

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 pension cost charge represents contributions payable by the Company to the fund and amounted to £162,329 (2022: £135,664).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

12. Commitments under operating leases

At 31 July 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	£	£
Not later than 1 year	18,168	9,844
Later than 1 year and not later than 5 years	68,130	-
	<u>86,298</u>	<u>9,844</u>

13. Related party transactions

The Company is a joint venture that is owned equally by Wiltshire College & University Centre and Bridgwater & Taunton College (together, 'the colleges').

During the year, the Company credited both colleges a total of £479,840 (2022: £1,713,104) in recognition of the contribution that the colleges make to the educational direction of the Company. The balance was outstanding at year-end as recognised within Accruals and Deferred Income (2022: the balance was outstanding at year-end as recognised within Accruals and Deferred Income).

During the year, the Company obtained specialist advice from Wiltshire College & University Centre for its business support areas. The Company's Statement of Comprehensive Income includes charges totalling £97,316 (2022: £154,800). These are included in administrative expenses.

14. Controlling party

The Company is a joint venture and is governed equally by Wiltshire College & University Centre and Bridgwater & Taunton College.

15. Auditors' information

The auditors' report on the financial statements for the year ended 31 July 2023 was unqualified.

The audit report was signed on 15 January 2024 by Nathan Coughlin FCA (Senior statutory auditor) on behalf of Bishop Fleming LLP.

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.