



PROSPECTS LEARNING FOUNDATION LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	A D McGarel (resigned 16 th December 2022) J M Sheehan from 2 nd January 2023
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Registered number	00949411
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Registered office	South Essex College Luckyn Lane Entrance Basildon Essex England SS14 3AY
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Independent auditor	Price Bailey LLP Causeway House 1 Dane Street Bishops Stortford Herts CM23 3BT
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PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

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PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

Introduction

The Foundation is a company limited by guarantee and is a not for profit organisation.

Business review

Prospects Learning Foundation Limited was acquired by South Essex College of Further & Higher Education on 1 February 2019 following the merger of the Foundation's parent company with the College. Funding contracts are now included within the South Essex College's funding allocations. The Foundation has continued to provide staff and facilities so that the College can fulfil its contract to the ESFA. Moving forward, a business review will be undertaken annually to establish future delivery plans and appropriate levels of activity.

Principal risks and uncertainties

The key risks of the organisation are principally those facing the education sector in general and its parent company South Essex College. As at the balance sheet dates, these were specifically as follows:

Learner Success
Learner Recruitment
Student Retention
Recruitment of Apprenticeships

The impact of uncertainties due to the UK exiting the European Union

Uncertainties related to the effects of Brexit are relevant to understanding our financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the valuation of debtors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is still one of the most significant economic events for the UK even though the UK left the EU on 31st January 2020. The UK and EU Officials have now agreed new rules and how their future relationship will work. Both sides are now working out how the new rules will affect their relationship. These rules were signed off by the EU and UK Parliaments on 31st December 2020. The UK has recently suffered shortages in fuel, food and essential chemicals due to the effects of the new Brexit rules. The effect of this on the Company in the medium to long term is unknown and could affect future prospects and performance positively or negatively. As the effects are unknown it is extremely difficult for directors and their auditors to predict the outcomes..

The Company is currently reviewing its procurement policies to ensure compliancy with the new rules post Brexit.

The Company recruits student and staff primarily from the UK and should see little impact in this regard. The Company has benefitted from EU funding in the past for project based delivery and will work with DFE and other representatives to ensure we are able to access any future funding to replace this.

PROSPECTS LEARNING FOUNDATION LIMITED

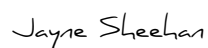
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Financial key performance indicators

The Foundation is a not for profit entity and does not use traditional financial KPIs. The main indicators are income which decreased to £517,275 from £526,929 in the prior year; and operating out-turn..

At the balance sheet date, the Foundation had net assets of £3,183,668 (£3,194,665 21/22) and cash in hand of £7,042 (£7,341 21/22).

This report was approved by the board on and signed on its behalf by:



Jayne Sheehan (Mar 14, 2024, 3:29pm)

J M Sheehan

Director

Date: 14 Mar 2024

PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

DIRECTORS' REPORT

The Director presents her report and the financial statements for the year ended 31 July 2023.

PRINCIPAL ACTIVITIES

The Company is limited by guarantee and is a not-for-profit organisation. The principal activity of the Company is the provision of staffing services to South Essex College.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £(10,997) (2022 – £nil). The Director does not recommend a dividend be paid for the year (2022: Nil).

POLITICAL AND CHARITABLE DONATIONS

The Company made no political or charitable donations during the year (2022: Nil).

DIRECTORS

The Director who served during the year was:

AD McGarel (resigned 2nd January 2023)

J M Sheehan

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *'The Financial Reporting Standard applicable in the UK and Republic of Ireland'*.

Under company law the Director 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is 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 to 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.

PROSPECTS LEARNING FOUNDATION LIMITED

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GOING CONCERN

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

The Director has prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking into account reasonable downsides the Company will have sufficient funds, its liabilities as they fall due for that period.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's Auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, Price Bailey LLP will be deemed to have been reappointed as Auditors 28 days after these financial statements were sent to Members or 28 days after the latest date prescribed for filing the accounts with the Registrar, whichever is earlier.

SMALL COMPANIES NOTE

In preparing this Report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This Report was approved and signed by the Director.

Jayne Sheehan

Jayne Sheehan (Mar 14, 2024, 3:29pm)

J M Sheehan

Director

Date: 14 Mar 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROSPECTS LEARNING FOUNDATION LIMITED

Opinion

We have audited the financial statements of Prospects Learning Foundation Limited (the 'Company') for the year ended 31 July 2023 which comprise Statement of income and retained earnings, Balance Sheet, and notes to the financial statements, including 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 2023, and of its loss 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 Auditor 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

In auditing the revised financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the revised financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The Directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report 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 Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROSPECTS LEARNING FOUNDATION LIMITED

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement included within the revised Directors' Report, 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 is necessary to enable the preparation of revised 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.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the revised financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report 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 revised financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

- Enquiry of management around actual and potential litigation and claims, and any known instances of non-compliance;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the revised financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the revised financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our Auditor's Report.

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 an Auditor's Report 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.



Helena Wilkinson FCA (Senior Statutory Auditor)

For and on behalf of Price Bailey LLP
Chartered Accountants, Statutory Auditor
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
Date 22 March 2024

PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

**Statement of income and retained earnings
for the year ended 31 July 23**

	2023	2022
	£	£
Turnover	517,275	526,929
Cost of sales	<u>(514,258)</u>	<u>(526,947)</u>
Gross Profit (or loss):	<u>3,018</u>	<u>(18)</u>
Admin Expenses	(14,015)	
Other operating Income		18
Operating profit (or loss)	<u>(10,997)</u>	<u>-</u>
Profit (or loss) before tax:	<u>(10,997)</u>	<u>-</u>
Profit (or loss) for the financial year:	<u>(10,997)</u>	<u>-</u>
 Retained earnings at start of the year	3,194,665	3,194,665
Profit (or loss) for the year:	<u>(10,997)</u>	<u>-</u>
Retained earnings at the end of the year	<u>3,183,668</u>	<u>3,194,665</u>

The notes form part of these financial statements.

PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

Registered number: 00949411

**BALANCE SHEET
AS AT 31 JULY 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	4	996,642	1,036,219
Total fixed assets:		<u>996,642</u>	<u>1,036,219</u>
Current assets			
Debtors: amounts falling due within one year	6	2,898,378	2,888,311
Cash at bank and in hand		7,042	7,341
Total current assets:		<u>2,905,420</u>	<u>2,895,652</u>
Creditors: amounts falling due within one year	7	(34,001)	(32,291)
Net current assets		<u>2,871,419</u>	<u>2,863,361</u>
Total assets less current liabilities		3,868,062	3,899,580
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	8	(684,394)	(704,915)
Total net assets (liabilities)		<u><u>3,183,668</u></u>	<u><u>3,194,665</u></u>
Members Funds			
Profit and loss account		3,183,668	3,194,665
		<u><u>3,183,668</u></u>	<u><u>3,194,665</u></u>

The financial statements on pages 10 -17 were approved and authorised for issue by the board and were signed on its behalf by:

Jayne Sheehan

Jayne Sheehan (Mar 14, 2024, 3:29pm)

J M Sheehan
Director

Date: 14 Mar 2024

The notes form part of these financial statements.

PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

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

1. General information

Prospects Learning Foundation Limited is a private company is limited by guarantee and incorporated in England and Wales. Its registered office and trading address is South Essex College ("the College").

The financial statements are prepared in pounds sterling and rounded to the nearest pound.

2. Accounting policies

The Company's parent undertaking, South Essex College includes the Company in its consolidated financial statements.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 Section 1A in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of South Essex College include the equivalent disclosures, the Company has also applied the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 1A in its next financial statements.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

2.1 Going concern

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

The director has prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, South Essex College, to meet its liabilities as they fall due for that period.

Consequently, the director is confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

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

2.2 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under UK law and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

The financial statements therefore present information about the company and not the group.

2.3 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. PLF revenue that is a recharge to other parts of the group is recognised when the underlying activity is undertaken, eg a course of lessons delivered, through a monthly reconciliation of hours diverted.

2.4 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.

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

Depreciation is provided on the following basis:

Freehold property	- 50 years straight line
Building improvements	- 10 years straight line
Plant and machinery	- 5 years straight line
Computer equipment	- 3 years straight line

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.

2.5 Debtors

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

2.6 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.

PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

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

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

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 Income and retained earnings.

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

2.8 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.

2.09 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Judgments in applying accounting policies and key sources of estimation uncertainty

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are recognised in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under or over achievement is adjusted for and reflected in the level of recurrent grant recognised in income and expenditure account. The final grant income is normally determined with conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits.

Grants from non-government sources are recognised in income when the Company is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

PROSPECTS LEARNING FOUNDATION LIMITED

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

3. Operating Profit/(Loss)	2023	2022
	£	£
Operating profit/(loss) is stated after charging		
Audit fees	11,350	2,325

4. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2023	2022
	No.	No.
Direct staff	1	1
Management and administration	12	19
	<u>13</u>	<u>20</u>

5. Tangible Assets

	Land & Buildings	Plant & Machinery		Total
Cost	£	£		£
At 1 August 2022	1,411,257	2,240,518		3,651,775
Additions	-	-		-
Disposals	(4,899)	-		(4,899)
At 31 July 2023	1,406,358	2,240,518	-	3,646,876
Depreciation				
At 1 August 2022	375,038	2,240,518	-	2,615,556
Change for the year	39,577	-	-	39,577
Disposals	(4,899)	-	-	(4,899)
At 31 July 2023	409,716	2,240,518	-	2,650,234
Net book value				
At 31 July 2023	996,642	-	-	996,642
At 31 July 2022	1,036,218	-	-	1,036,219

PROSPECTS LEARNING FOUNDATION LIMITED

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

6. Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Prospects Training Solutions Ltd	Ordinary £1	100%	Education
		Aggregate of share capital and reserves	Profit/(Loss)
		2023	2023
		£	£
Prospects Training Solutions Ltd	-	102,939.00	123,935.00
		<u>-</u>	<u>102,939.00</u>
		<u>-</u>	<u>123,935.00</u>
		Aggregate of share capital and reserves	Profit/(Loss)
		2022	2022
		£	£
Prospects Training Solutions Ltd	-	226,873.00	24,927.00
		<u>-</u>	<u>226,873.00</u>
		<u>-</u>	<u>24,927.00</u>

7. Debtors

	2023	2022
	£	£
Trade debtors	-	162
Amounts owed by group undertakings	2,898,378	2,888,148
	<u>2,898,378</u>	<u>2,888,311</u>

8. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Staff creditors	-	39
Other taxation and social security	2,280	3,504
Deferred capital grants	20,521	20,521
Accruals and deferred income	11,200	8,227
	<u>34,001</u>	<u>32,291</u>

PROSPECTS LEARNING FOUNDATION LIMITED

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

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

	2023 £	2022 £
Deferred capital grants	684,394	704,915
	<u>684,394</u>	<u>704,915</u>

10. 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 scheme cost charge represents contributions payable by the Company to the fund and amounted to £19,342 (2022 - £13,255) were payable to the fund at the balance sheet date.

11. Controlling party

The company is controlled by South Essex College, a company incorporated in England and Wales. Consolidated financial statements can be obtained from the following address: South Essex College, Luker Road, Southend on Sea Essex SS1 1ND.

As at the year end, the company's immediate and ultimate controlling entity is South Essex College for which consolidated financial statements are prepared which contain Prospects Learning Foundation Limited.

12. Events after the reporting period

There were no post balance sheet events.

13. Contingent liability

The company is part of a group VAT registration and therefore is potentially liable for VAT liabilities of its parent. As of 31 July 2023, its parent company, South Essex College, had a liability relating to value added tax of £13,120 (2022 – £77,278).

PROSPECTS LEARNING FOUNDATION LIMITED

(A Company Limited by Guarantee)

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2023**

	2023 £	2022 £
Turnover	517,275	526,929
Cost of sales	(514,258)	(526,947)
Gross profit	<u>3,018</u>	<u>(18)</u>
Less: overheads		
Administration expenses	(14,015)	
Other income		18
Operating (loss)/profit	<u>(10,997)</u>	<u>-</u>
Interest payable	-	-
Loss for the year	<u>(10,997)</u>	<u>-</u>

PROSPECTS LEARNING FOUNDATION LIMITED**(A Company Limited by Guarantee)****SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2023**

	2023	2022
	£	£
Turnover		
Turnover	517,275	526,929
	<u>517,275</u>	<u>542,249</u>
Cost of sales		
Wages and salaries	396,314	434,256
National insurance	31,444	27,163
Staff pension costs	19,342	13,255
Apprenticeship Levy	2,136	1,916
Bad Debts	25,446	-
Repairs and maintenance	-	-
Depreciation	39,576	50,357
	<u>514,258</u>	<u>526,947</u>
Administration expenses		
Wages and Salaries	-	-
Staff Expenses	(39)	39
Provision against inter-group company debtor	-	-
General Overheads	-	(1,942)
Legal and professional	2,381	1,323
Auditors' remuneration	11,350	-
Bank charges	55	(790)
Computing costs	-	159
Photocopier costs	-	419
Other Overheads	268	-
Utilities & Telephones	-	(197)
Irrecoverable VAT	-	971
	<u>14,015</u>	<u>(18)</u>
Interest payable	-	-
Hire purchase interest payable	-	-
	<u>-</u>	<u>-</u>