

**Nottingham College
Services Limited
(formerly New College
Nottingham Services
Limited)**

Registered number: 08644860

**Directors' report and
financial statements**

For the year ended 31 July 2018

**NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW
COLLEGE NOTTINGHAM SERVICES LIMITED)**

COMPANY INFORMATION

Directors	M McKechnie (resigned 14 March 2018) T Dick (appointed 24 October 2018) N Gell (resigned 23 October 2017) F Baker J Clifford
Registered number	08644860
Registered office	Nottingham College Jesse Boot Avenue Nottingham NG7 2RU
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Park View House 58 The Ropewalk Nottingham NG1 5DW

**NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW
COLLEGE NOTTINGHAM SERVICES LIMITED)**

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NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2018

The directors present their report and the financial statements for the year ended 31 July 2018.

Principal activity

During the year, the principal activity of the company was the provision of services to Nottingham College including cleaning and other staffing services.

Directors

The directors who served during the year were:

M McKechnie (resigned 14 March 2018)

N Gell (resigned 23 October 2017)

F Baker

J Clifford

Directors' responsibilities statement

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 the directors have 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 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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.

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2018

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

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

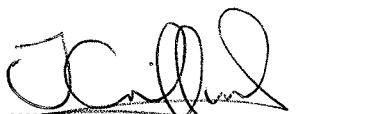
Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



J Clifford
Director

Date: 10.12.18

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

Opinion

We have audited the financial statements of Nottingham College Services Limited (the 'company') for the year ended 31 July 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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 FRS 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 2018 and of its profit 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's 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 the Directors' Report, other than the financial statements and our auditor's report 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.

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

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

Matters on which we are required to report by exception

In 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 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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 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 intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditor's 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 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 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 auditor's report.

Use of the audit 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.



David Hoose (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 20/12/18

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2018**

	Note	2018 £	2017 £
Turnover	4	2,832,082	2,570,865
Cost of sales		(2,680,453)	(2,472,654)
Gross profit		<u>151,629</u>	<u>98,211</u>
Administrative expenses		(148,292)	(67,706)
Operating profit	5	<u>3,337</u>	<u>30,505</u>
Tax on profit	7	-	(6,381)
Profit for the financial year		<u><u>3,337</u></u>	<u><u>24,124</u></u>

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 15 form part of these financial statements.

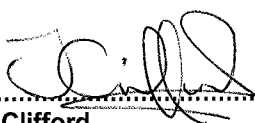
**NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW
COLLEGE NOTTINGHAM SERVICES LIMITED)**
REGISTERED NUMBER: 08644860

**BALANCE SHEET
AS AT 31 JULY 2018**

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	8	2,730	6,124
		<u>2,730</u>	<u>6,124</u>
Current assets			
Stocks	9	6,428	2,214
Debtors: amounts falling due within one year	10	9,095	43,653
		<u>15,523</u>	<u>45,867</u>
Creditors: amounts falling due within one year	11	(14,896)	(48,171)
		<u>627</u>	<u>(2,304)</u>
Net current assets/(liabilities)			
		<u>3,357</u>	<u>3,820</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	3,356	3,819
		<u>3,357</u>	<u>3,820</u>

The company's financial statements have been prepared in accordance with the 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:


.....
J Clifford
Director

Date: 10.12.18

The notes on pages 9 to 15 form part of these financial statements.

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2018**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 August 2016	1	(20,305)	(20,304)
Comprehensive income for the year			
Profit for the year	-	24,124	24,124
At 1 August 2017	<u>1</u>	<u>3,819</u>	<u>3,820</u>
Comprehensive income for the year			
Profit for the year	-	3,337	3,337
Gift aid distribution	-	(3,800)	(3,800)
At 31 July 2018	<u><u>1</u></u>	<u><u>3,356</u></u>	<u><u>3,357</u></u>

The notes on pages 9 to 15 form part of these financial statements.

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

1. General information

The company is limited by share capital, and was incorporated and registered in England, registration number 08644860. The registered office of the company is Nottingham College, Jesse Boot Avenue, Nottingham, NG7 2RU.

The principal activity of the company is the provision of cleaning services to the Nottingham College group.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 "FRS102", the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006

The company's functional currency is GBP.

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.

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

2. Accounting policies (continued)

2.3 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.

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:

Equipment	- 7 years straight line
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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.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

2.5 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.

2.6 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 accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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.

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

2. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 Pensions

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 payments 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 Taxation

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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

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

In the application of the Company's accounting policies, which are described in Note 2, management is required to make judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

For judgements made around the stock and bad debt provision see note 2.4 and 2.5. No further judgmental items are noted within the financial statements

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

4. Turnover

The whole of the turnover has risen in the United Kingdom and is attributable to the cleaning and other services rendered in the year to the Nottingham College group.

5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	3,394	3,280
Auditors' remuneration - non-audit	1,000	1,000
Fees payable to the company's auditor for the audit of the company's annual financial statements	2,500	2,500
Defined contribution pension cost	35,946	12,480
	<u>35,946</u>	<u>12,480</u>

6. Employees

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

	2018 No.	2017 No.
Production staff	203	182
	<u>203</u>	<u>182</u>

7. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	-	6,381
Total current tax	<u>-</u>	<u>6,381</u>

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19.67%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	3,337	30,505
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.67%)	634	6,000
Effects of:		
Expenses not deductible for tax purposes	-	381
Tax (decrease) due to anticipated gift aid payment to Parent	(634)	-
Total tax charge for the year	-	6,381

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

8. Tangible fixed assets

	Equipment £
Cost or valuation	
At 1 August 2017	24,301
At 31 July 2018	<u>24,301</u>
Depreciation	
At 1 August 2017	18,177
Charge for the year on owned assets	3,394
At 31 July 2018	<u>21,571</u>
Net book value	
At 31 July 2018	<u>2,730</u>
At 31 July 2017	<u>6,124</u>

9. Stocks

	2018 £	2017 £
Goods purchased held	<u>6,428</u>	<u>2,214</u>

10. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	<u>9,095</u>	<u>43,653</u>

NOTTINGHAM COLLEGE SERVICES LIMITED (FORMERLY NEW COLLEGE NOTTINGHAM SERVICES LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

11. Creditors: Amounts falling due within one year

	2018 £	2017 £
Corporation tax	-	6,381
Other creditors	10,938	43,423
Accruals and deferred income	3,958	(1,633)
	<u>14,896</u>	<u>48,171</u>

12. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 (2017 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

13. Reserves

Profit & loss account

The reserve includes all current and prior period retained profits and losses.

14. Pension commitments

The company operates a defined contribution 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 £12,480 (2016 - £9,101).

15. Related party transactions

The company has taken advantage of the exemption available under the relevant FRS 102 framework not to disclose transactions with group entities, on the grounds that the exemption is available as the company is a 100% subsidiary of Nottingham College.

16. Controlling party

The company considers Nottingham College to be the Ultimate Parent Undertaking and controlling party, by virtue of its ownership of 100% of the issued share capital of the company. Copies of the consolidated financial statements are publicly available.