

SYSCO BUSINESS SKILLS ACADEMY LTD
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

SYSCO BUSINESS SKILLS ACADEMY LTD

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for the Year Ended 31 July 2019**

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SYSCO BUSINESS SKILLS ACADEMY LTD

**COMPANY INFORMATION
for the Year Ended 31 July 2019**

DIRECTORS:

I Smith
Mrs V Forshaw
C J Donaldson
Mrs J Slater

SECRETARY:

Mrs V Forshaw

REGISTERED OFFICE:

The Threlfall Building
Trueman Street
Liverpool
Merseyside
L3 2BA

REGISTERED NUMBER:

05768964 (England and Wales)

AUDITORS:

Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

SYSCO BUSINESS SKILLS ACADEMY LTD

REPORT OF THE DIRECTORS for the Year Ended 31 July 2019

The directors present their report with the financial statements of the company for the year ended 31 July 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of training services.

DIVIDENDS

A dividend of 80p per share was paid on 1 May 2019.

The total distribution of dividends for the year ended 31 July 2019 will be £200,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2018 to the date of this report.

I Smith
Mrs V Forshaw
C J Donaldson
Mrs J Slater

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Fairhurst, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

V J Forshaw
.....
Mrs V Forshaw - Secretary

17 December 2019
Date:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SYSCO BUSINESS SKILLS ACADEMY LTD

Opinion

We have audited the financial statements of Sysco Business Skills Academy Ltd (the 'company') for the year ended 31 July 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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 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 2019 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 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 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 in the Report of the Directors, 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 Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SYSCO BUSINESS SKILLS ACADEMY LTD

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 Directors.

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 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 company's regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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 either intend to liquidate the company or to cease operations, or have 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.

James J Weston FCCA (Senior Statutory Auditor)

for and on behalf of Fairhurst

Statutory Auditor

Chartered Accountants

Douglas Bank House

Wigan Lane

Wigan

Lancashire

WN1 2TB

18 December 2019

Date:

SYSCO BUSINESS SKILLS ACADEMY LTD

**STATEMENT OF COMPREHENSIVE INCOME
for the Year Ended 31 July 2019**

	Notes	2019 £	2018 £
TURNOVER		2,784,256	3,014,901
Cost of sales		<u>1,203,099</u>	<u>1,396,288</u>
GROSS PROFIT		1,581,157	1,618,613
Administrative expenses		<u>1,518,327</u>	<u>1,602,677</u>
OPERATING PROFIT	4	62,830	15,936
Interest receivable and similar income		<u>1,282</u>	<u>4,252</u>
PROFIT BEFORE TAXATION		64,112	20,188
Tax on profit	5	<u>27,683</u>	<u>20,100</u>
PROFIT FOR THE FINANCIAL YEAR		36,429	88
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>36,429</u></u>	<u><u>88</u></u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 July 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Intangible assets	6	216,667	316,667
Tangible assets	7	<u>75,136</u>	<u>66,415</u>
		291,803	383,082
CURRENT ASSETS			
Debtors	8	320,745	412,651
Cash at bank and in hand		<u>857,445</u>	<u>853,111</u>
		1,178,190	1,265,762
CREDITORS			
Amounts falling due within one year	9	<u>389,649</u>	<u>406,480</u>
NET CURRENT ASSETS		<u>788,541</u>	<u>859,282</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,080,344	1,242,364
PROVISIONS FOR LIABILITIES	10	<u>8,803</u>	<u>7,252</u>
NET ASSETS		<u><u>1,071,541</u></u>	<u><u>1,235,112</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	250,000	250,000
Retained earnings	12	<u>821,541</u>	<u>985,112</u>
SHAREHOLDERS' FUNDS		<u><u>1,071,541</u></u>	<u><u>1,235,112</u></u>

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

17 December 2019

The financial statements were approved by the Board of Directors on and were signed on its behalf by:

I Smith

.....

I Smith - Director

SYSCO BUSINESS SKILLS ACADEMY LTD

**STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 July 2019**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2017	250,000	985,024	1,235,024
Changes in equity			
Total comprehensive income	<u>-</u>	<u>88</u>	<u>88</u>
Balance at 31 July 2018	<u>250,000</u>	<u>985,112</u>	<u>1,235,112</u>
Changes in equity			
Dividends	-	(200,000)	(200,000)
Total comprehensive income	<u>-</u>	<u>36,429</u>	<u>36,429</u>
Balance at 31 July 2019	<u><u>250,000</u></u>	<u><u>821,541</u></u>	<u><u>1,071,541</u></u>

The notes form part of these financial statements

SYSCO BUSINESS SKILLS ACADEMY LTD

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 July 2019

1. STATUTORY INFORMATION

Sysco Business Skills Academy Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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 have been prepared under the historical cost convention.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its debts for the foreseeable future not limited to a period of 12 months from the signing of these accounts. The company therefore continues to adopt the going concern basis in preparing the financial statements.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Depreciation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of property improvements, fixtures and fittings, motor vehicles and computer equipment, and have concluded that the asset lives and residual values are appropriate.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of the business in 2006, is being amortised evenly over its estimated useful life of fifteen years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Improvements to property	- over 15 years
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Financial instruments

The following assets and liabilities are classed as financial instruments - related party loans, trade debtors and trade creditors.

Trade debtors and trade creditors are measured at transaction price.

Other loans including related party loans are initially measured at fair value and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 July 2019

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

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

3. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	981,975	1,039,607
Social security costs	92,364	99,098
Other pension costs	<u>15,103</u>	<u>9,192</u>
	<u><u>1,089,442</u></u>	<u><u>1,147,897</u></u>

The average number of employees during the year was as follows:

	2019	2018
Directors	4	4
Administration	<u>33</u>	<u>40</u>
	<u><u>37</u></u>	<u><u>44</u></u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation - owned assets	24,621	20,777
Goodwill amortisation	<u>100,000</u>	<u>100,000</u>

SYSCO BUSINESS SKILLS ACADEMY LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 July 2019**

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	26,672	22,689
Overprovision in prior years	<u>(540)</u>	<u>-</u>
Total current tax	26,132	22,689
Deferred tax	<u>1,551</u>	<u>(2,589)</u>
Tax on profit	<u><u>27,683</u></u>	<u><u>20,100</u></u>

UK corporation tax has been charged at 19% (2018 - 19%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>64,112</u>	<u>20,188</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	12,181	3,836
Effects of:		
Expenses not deductible for tax purposes	777	317
Adjustments to tax charge in respect of previous periods	(540)	-
Other permanent timing differences	21,726	19,407
Group relief	<u>(6,461)</u>	<u>(3,460)</u>
Total tax charge	<u><u>27,683</u></u>	<u><u>20,100</u></u>

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 August 2018 and 31 July 2019	<u>1,500,000</u>
AMORTISATION	
At 1 August 2018	1,183,333
Charge for year	<u>100,000</u>
At 31 July 2019	<u>1,283,333</u>
NET BOOK VALUE	
At 31 July 2019	<u><u>216,667</u></u>
At 31 July 2018	<u><u>316,667</u></u>

SYSCO BUSINESS SKILLS ACADEMY LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 July 2019**

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 August 2018	30,630	99,697	27,460	145,742	303,529
Additions	-	33,616	-	1,864	35,480
Disposals	-	(31,091)	-	(7,152)	(38,243)
At 31 July 2019	<u>30,630</u>	<u>102,222</u>	<u>27,460</u>	<u>140,454</u>	<u>300,766</u>
DEPRECIATION					
At 1 August 2018	20,418	82,893	15,876	117,927	237,114
Charge for year	2,042	12,476	2,896	7,207	24,621
Eliminated on disposal	-	(29,807)	-	(6,298)	(36,105)
At 31 July 2019	<u>22,460</u>	<u>65,562</u>	<u>18,772</u>	<u>118,836</u>	<u>225,630</u>
NET BOOK VALUE					
At 31 July 2019	<u>8,170</u>	<u>36,660</u>	<u>8,688</u>	<u>21,618</u>	<u>75,136</u>
At 31 July 2018	<u>10,212</u>	<u>16,804</u>	<u>11,584</u>	<u>27,815</u>	<u>66,415</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	54,884	16,246
Amounts owed by group undertakings	47,087	70,463
Other debtors	25,750	69,171
Directors' current accounts	9,950	9,950
Tax	3,234	3,234
VAT	1,028	-
Prepayments and accrued income	<u>178,812</u>	<u>243,587</u>
	<u>320,745</u>	<u>412,651</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	114,301	17,529
Tax	26,672	26,462
Social security and other taxes	19,670	25,849
VAT	-	7,730
Other creditors	1,429	5,310
Accrued expenses	<u>227,577</u>	<u>323,600</u>
	<u>389,649</u>	<u>406,480</u>

10. PROVISIONS FOR LIABILITIES

	2019 £	2018 £
Deferred tax	<u>8,803</u>	<u>7,252</u>

SYSCO BUSINESS SKILLS ACADEMY LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 July 2019**

10. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 August 2018	7,252
Charge to Statement of Comprehensive Income during year	<u>1,551</u>
Balance at 31 July 2019	<u><u>8,803</u></u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019 £	2018 £
250,000	Ordinary	£1	<u>250,000</u>	<u>250,000</u>

12. RESERVES

	Retained earnings £
At 1 August 2018	985,112
Profit for the year	36,429
Dividends	<u>(200,000)</u>
At 31 July 2019	<u><u>821,541</u></u>

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 July 2019 and 31 July 2018:

	2019 £	2018 £
I Smith		
Balance outstanding at start of year	9,950	-
Amounts advanced	-	9,950
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>9,950</u>	<u>9,950</u>

14. ULTIMATE CONTROLLING PARTY

By virtue of their shareholdings in the ultimate parent company, Sysco Management Services Limited, the Donaldson family control the company.

SYSCO BUSINESS SKILLS ACADEMY LTD

**TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 31 July 2019**

	2019		2018	
	£	£	£	£
Sales		2,784,256		3,014,901
Cost of sales				
Direct costs		<u>1,203,099</u>		<u>1,396,288</u>
GROSS PROFIT		1,581,157		1,618,613
Other income				
Deposit account interest	1,282		85	
Other interest	<u>-</u>		<u>4,167</u>	
		<u>1,282</u>		<u>4,252</u>
		1,582,439		1,622,865
Expenditure				
Wages	875,912		946,553	
Social security	78,974		87,617	
Pensions	14,643		8,947	
Rent, rates and insurance	58,678		64,992	
Light and heat	10,449		13,160	
IT costs	13,255		15,252	
Directors' salaries	106,063		93,054	
Directors' social security	13,390		11,481	
Directors' pension contributions	460		245	
Other operating leases	2,363		3,223	
Telephone	16,085		18,541	
Post and stationery	5,232		7,226	
Travelling	44,045		47,749	
Motor expenses	4,125		3,628	
Staff incentives	5,128		3,952	
Repairs and renewals	12,210		19,848	
Sundry expenses	22,872		23,748	
Administration fees	60,000		60,000	
Legal and professional fees	30,388		35,911	
Auditors' remuneration	6,000		6,000	
Entertainment	<u>8,750</u>		<u>6,968</u>	
		<u>1,389,022</u>		<u>1,478,095</u>
		193,417		144,770
Finance costs				
Bank charges		<u>2,546</u>		<u>2,673</u>
Carried forward		190,871		142,097

This page does not form part of the statutory financial statements

SYSCO BUSINESS SKILLS ACADEMY LTD

**TRADING AND PROFIT AND LOSS ACCOUNT
for the Year Ended 31 July 2019**

	2019		2018	
	£	£	£	£
Brought forward		190,871		142,097
Depreciation				
Goodwill	100,000		100,000	
Improvements to property	2,042		2,042	
Fixtures and fittings	12,476		5,601	
Motor vehicles	2,896		3,862	
Computer equipment	<u>7,206</u>		<u>9,272</u>	
		<u>124,620</u>		<u>120,777</u>
		66,251		21,320
Loss on disposal of fixed assets				
Fixtures and fittings	1,284		203	
Computer equipment	<u>855</u>		<u>929</u>	
		<u>2,139</u>		<u>1,132</u>
NET PROFIT		<u><u>64,112</u></u>		<u><u>20,188</u></u>

This page does not form part of the statutory financial statements