

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

Haines Watts

Chartered Accountants
Bridge House
157 Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION

Directors Dr M Hanbury
Mrs S J Goldsworthy

Company number 09017482

Registered office Chatsworth Road
Eccles
Salford
M30 9DY

Auditor Haines Watts
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
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**CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 AUGUST 2017

The directors present their annual report and financial statements for the year ended 31 August 2017.

Principal activities

The principal activity of the company continued to be that of the provision of education to young adults with special needs.

Directors

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

Dr M Hanbury
Mrs S J Goldsworthy

Auditor

Haines Watts are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



15/12/17

Dr M Hanbury
Director

15 December 2017

**CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' RESPONSIBILITIES STATEMENT**

FOR THE YEAR ENDED 31 AUGUST 2017

The directors are responsible for preparing the annual 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 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 surplus or deficit 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

**CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBER OF CHATSWORTH FUTURES LIMITED

Opinion

We have audited the financial statements of Chatsworth Futures Limited (the 'company') for the year ended 31 August 2017 which comprise the Income and Expenditure Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows 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 August 2017 and of its surplus for the ended 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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual 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.

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 our audit:

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

**CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBER OF CHATSWORTH FUTURES LIMITED

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 Strategic Report and the Directors' Report.

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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.

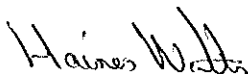
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.



**John Whittick BSc FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants
Statutory Auditor**

15/12/17.....

Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Year ended 31 August 2017 £	Year ended 31 August 2016 £
Income		616,523	470,182
Administrative expenses		(506,215)	(314,565)
Operating surplus	2	110,308	155,617
Interest receivable and similar income	4	107	196
Surplus before taxation		110,415	155,813
Tax on surplus		(21)	(39)
Surplus for the financial ended		<u>110,394</u>	<u>155,774</u>


The Income and Expenditure Account has been prepared on the basis that all operations are continuing operations.

**CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET**

AS AT 31 AUGUST 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	5		207,529		189,049
Current assets					
Debtors	6	2,169		21,646	
Cash at bank and in hand		225,239		125,732	
		<u>227,408</u>		<u>147,378</u>	
Creditors: amounts falling due within one year	7	<u>(71,085)</u>		<u>(82,969)</u>	
Net current assets			<u>156,323</u>		<u>64,409</u>
Total assets less current liabilities			<u>363,852</u>		<u>253,458</u>
Reserves					
Income and expenditure account			<u>363,852</u>		<u>253,458</u>

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

 15/12/17
Dr M Hanbury
Director

Company Registration No. 09017482

**CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Company information

Chatsworth Futures Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Chatsworth Road, Eccles, Salford, M30 9DY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Building improvements	10 years straight line
Fixtures, fittings & equipment	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in surplus or deficit, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

**CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Impairment of financial assets

Financial assets, other than those held at fair value through surplus and deficit, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in surplus or deficit.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in surplus or deficit.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in surplus or deficit in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

The tax expense represents the sum of the tax currently payable and deferred tax.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Retirement benefits to employees of the company are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the company.

The TPS and LGPS are multi-employer schemes and the company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. They are therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

2 Operating surplus

	2017	2016
Operating surplus for the period is stated after charging/(crediting):	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	4,320	4,080
Depreciation of tangible fixed assets	31,368	24,657
	<u> </u>	<u> </u>

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 13 (2016: 9).

	2017 £	2016 £
Wages and salaries	313,148	211,296
Social security costs	22,260	8,451
Pension costs	44,073	20,990
	<u>379,481</u>	<u>240,737</u>

4 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Interest on bank deposits	107	196
	<u>107</u>	<u>196</u>

5 Tangible fixed assets

	Building improvements £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 September 2016	200,633	13,783	214,416
Additions	21,377	28,471	49,848
	<u>222,010</u>	<u>42,254</u>	<u>264,264</u>
At 31 August 2017			
Depreciation and impairment			
At 1 September 2016	20,063	5,304	25,367
Depreciation charged in the ended	21,245	10,123	31,368
	<u>41,308</u>	<u>15,427</u>	<u>56,735</u>
At 31 August 2017			
Carrying amount			
At 31 August 2017	<u>180,702</u>	<u>26,827</u>	<u>207,529</u>
At 31 August 2016	<u>180,570</u>	<u>8,479</u>	<u>189,049</u>

6 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Prepayments and accrued income	2,169	21,646
	<u>2,169</u>	<u>21,646</u>

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

7	Creditors: amounts falling due within one year	2017	2016
		£	£
	Trade creditors	13,951	-
	Corporation tax	21	39
	Other creditors	49,214	20,282
	Accruals and deferred income	7,899	62,648
		<u>71,085</u>	<u>82,969</u>
8	Retirement benefit schemes	2017	2016
		£	£
	Defined contribution schemes		
	Charge to profit or loss in respect of defined contribution schemes	44,073	20,990
		<u>44,073</u>	<u>20,990</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

9 Related party transactions

During the period, services were procured from Chatsworth Multi Academy Trust totalling £1,054 and services provided to totalling £656. In addition wages are recharged to Chatsworth Multi Academy Trust totalling £310,970. Martin Hanbury and Sue Goldsworthy are both governors of Chatsworth Multi Academy Trust. At the year end an amount of £49,214 was due to Chatsworth Multi Academy Trust. In entering into the transaction, the academy has complied with the requirements of the Academies Financial Handbook 2016. These transactions are considered to be at cost and are considered to be value for money for the academy trust.

10 Controlling party

Each member of the company limited by guarantee undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he or she ceases to be a member.

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017

	£	Year ended 31 August 2017 £	£	Year ended 31 August 2016 £
Income				
Sales		604,288		434,562
Other income		12,235		35,620
		<u>616,523</u>		<u>470,182</u>
Administrative expenses		<u>(506,215)</u>		<u>(314,565)</u>
Operating surplus		110,308		155,617
Investment revenues				
Bank interest received	<u>107</u>		<u>196</u>	
		<u>107</u>		<u>196</u>
Surplus before taxation		<u><u>110,415</u></u>		<u><u>155,813</u></u>

CHATSWORTH FUTURES LIMITED
(A COMPANY LIMITED BY GUARANTEE)
SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 AUGUST 2017

	Year ended 31 August 2017 £	Year ended 31 August 2016 £
Administrative expenses		
Wages and salaries	289,808	161,654
Employer's N.I. contributions	22,260	8,451
Agency costs	23,340	49,642
Staff pension costs	44,073	20,990
Rent	1	1
Rates	826	-
Educational visits and activities	-	3,139
Cleaning	720	5,774
Power, light and heat	2,095	-
Repairs and maintenance	10,098	3,478
Technology costs	11,979	-
Travelling expenses	3,669	-
Subscriptions	1,575	2,599
Legal and professional fees	10,095	11,502
Audit fees	4,320	4,080
Bank charges	-	439
Insurances	3,109	-
Printing, postage and stationery	1,127	1,764
Telephone	1,139	940
Staff development	2,844	-
Educational supplies	22,643	15,455
Other support costs	19,126	-
Depreciation	31,368	24,657
	<u>506,215</u>	<u>314,565</u>

CHATSWORTH FUTURES LIMITED
INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY
FOR THE YEAR ENDED 31 AUGUST 2017

To: The corporation of Chatsworth Futures Limited and Secretary of State for Education, acting through the Education Skills Funding Agency

In accordance with the terms of our engagement letter dated 4 January 2016 and further to the requirements of the funding agreement with Education Skills Funding Agency (ESFA) we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest that in all material respects the expenditure disbursed and income received by Chatsworth Futures Limited during the period 1 September 2016 to 31 August 2017 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post-16 Audit Code of Practice issued by the ESFA. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record returns, for which the ESFA has other assurance arrangements in place.

This report is made solely to the corporation of Chatsworth Futures Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the corporation of Chatsworth Futures Limited and the ESFA those matters we are required to state in a 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 corporation of Chatsworth Futures Limited and the ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Chatsworth Futures Limited and the reporting accountant

The corporation of Chatsworth Futures Limited is responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

CHATSWORTH FUTURES LIMITED INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Approach

We conducted our engagement in accordance with the Code issued by the ESFA. We performed a limited assurance engagement as defined in that framework.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the college's income and expenditure.

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the corporation's framework of authorities. As identified by review of minutes, management accounts, discussion with the directors and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the corporation are within the corporation's framework of authorities.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of purchases, we have considered whether the activity is permissible within the corporation's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the corporation's delegated authorities and that the internal delegations have been approved by the board of directors.
- Formal representations have been obtained from the board of directors acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the corporation's framework of authorities.

**CHATSWORTH FUTURES LIMITED
INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON
REGULARITY (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2017

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Signed

Haines Watts

Date