

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021
FOR
SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT
LIMITED**

Company number 03617931

SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

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For the year ended 31 July 2021

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SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

COMPANY INFORMATION

For the year ended 31 July 2021

DIRECTORS: Michael Johnson
Paul Stephen Marks
Ian Matthew Jones

REGISTERED OFFICE: Bournemouth and Poole College
North Road
Poole
Dorset
BH14 0LS

REGISTERED NUMBER: 03617931 (England and Wales)

AUDITORS Alliotts LLP
Friary Court
13-21 High Street
Guildford
GU1 3DL

SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

For the year ended 31 July 2021

The directors present their report with the financial statements of the company for the year ended 31 July 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2020 to the date of this report.

Michael Johnson

Ian Matthew Jones

Paul Stephen Marks

Termination of directors

William Patrick Cotton

Terminated 25 February 2021

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 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;
- 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.

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

AUDITORS

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

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies' exemption.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'M Johnson', written in a cursive style.

Mr M Johnson – Director

16th December 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Southern Educational Facilities Management Ltd (the 'company') for the year ended 31 July 2021 which comprise the profit and loss account, the balance sheet 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 2021 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the 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 financial statements are authorised for issue. Our responsibilities and the responsibilities of the governors with respect to going concern are described in the relevant sections of this report.

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 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 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 companies regime and take advantage of the small companies' exemption in preparing the directors' report 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 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.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed all transactions listed;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

Christopher Mantel
Christopher Mantel (Dec 14, 2021 15:54 GMT)

Christopher Mantel FCA (Senior Statutory Auditor)
for and on behalf of Alliotts LLP

Dec 14, 2021
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Chartered Accountants
Statutory Auditor

Friary Court
13-21 High Street
Guildford
GU1 3DL

SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JULY 2021

	2021	2020
	£	£
TURNOVER	464,305	356,848
Cost of sales	<u>(532,846)</u>	<u>(416,656)</u>
GROSS SURPLUS	(68,541)	(59,807)
Administrative expenses	-	-
Other operating income	<u>68,541</u>	<u>59,807</u>
OPERATING SURPLUS	-	-
Other finance costs	-	-
SURPLUS BEFORE TAXATION	-	-
Tax on surplus	-	-
OPERATING SURPLUS FOR THE FINANCIAL YEAR	<u>-</u>	<u>-</u>

SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

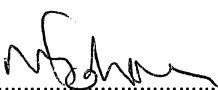
BALANCE SHEET

For the year ended 31 July 2021

	Note	2021 £	2020 £
CURRENT ASSETS			
Debtors	5	28,876	46,893
Cash and cash equivalents		14,721	8,326
		<u>43,597</u>	<u>55,219</u>
CREDITORS			
Amounts falling due within one year	6	(43,573)	(55,195)
		<u>25</u>	<u>25</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CAPITAL AND RESERVES			
Called up share capital		2	2
Retained earnings		23	23
		<u>25</u>	<u>25</u>
SHAREHOLDERS FUNDS			

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

The financial statements were approved by the Board of Directors and authorised for issue on 16th December 2021 and were signed on its behalf by:



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Mr M Johnson – Director

SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2021

1. STATUTORY INFORMATION

Southern Educational Facilities Management Limited 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.

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Fundamental accounting concept

The financial statements have been prepared under the historical cost convention.

Going Concern

The Company is a wholly owned subsidiary of The Bournemouth and Poole College. The Bournemouth & Poole College has guaranteed to cover any losses incurred by the Company in the course of its business.

Turnover

Turnover, which is stated net of Value Added Tax, represents income receivable arising from the company's operations providing educational support services.

Other operating income

Other operating income represents claims made under the governments Furlough Scheme that was in reply to the COVID-19 pandemic. Income is recognised in line with claims made.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the company are provided by the National Employee Savings Trust (NEST). NEST is a defined contribution scheme and contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Cash and cash equivalents

Cash and cash equivalents 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.

SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2021 (continued)

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 statement of financial position 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 trade and other receivables 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.

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 trade and other payables, bank loans and loans from fellow group companies, 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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 non-current assets.

The cost of an 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.

SOUTHERN EDUCATIONAL FACILITIES MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2021 (continued)

4. EMPLOYEES AND DIRECTORS	2021	2020
The average number of employees during the year was	34	31

	2021	2020
	£	£
5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade debtors	452	851
Amount due from parent undertaking	16,726	34,752
Prepayments and accrued income	11,698	11,290
	<u>28,876</u>	<u>46,893</u>

	2021	2020
	£	£
6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Social security and other taxes	9,291	6,148
Amounts due to parent undertaking	34,282	48,808
Accruals and deferred income	-	239
	<u>43,573</u>	<u>55,195</u>

7. PARENT UNDERTAKING

The issued share capital of the company is wholly owned by the Bournemouth and Poole College, a further education corporation and exempt charity, whose accounts may be viewed at the registered office.

8. RELATED PARTY DISCLOSURES

Due to the nature of the company's operations most transactions are with Bournemouth & Poole College, its parent undertaking as follows;

	2021	2020
	£	£
Sales to Parent undertaking	457,528	348,013
Amount owed to parent undertaking	34,282	48,808
Amount owed by parent undertaking	<u>16,726</u>	<u>34,752</u>
Sales to Related parties	6,777	8,835
Amount due to Related parties	-	226
Amount due from Related parties	<u>452</u>	<u>851</u>