
THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020



THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)

COMPANY INFORMATION

Directors	C Hodgson CBE S Holliday Dame J Cleverdon B Lightman C Harris M Isap J Yarham (appointed 3 December 2019) D Baldwin (appointed 3 December 2019) Baroness N Morgan (appointed 3 July 2020)
Company secretary	S Featherman
Registered number	09432724
Registered office	2-7 Clerkenwell Green London England EC1R 0DE
Independent auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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THE CAREERS AND ENTERPRISE COMPANY LIMITED
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STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2020

Introduction

The Careers & Enterprise Company (the Company) is the national network set up to inspire and prepare young people for the fast-changing world of work. Its role is to connect schools and colleges, employers and careers programme providers to create high-impact careers opportunities for young people across England.

Business Review

How we deliver our role:

The Company has identified three strategic priorities:

1. Building Networks:

Linking schools and colleges to employers and other external careers providers through the Enterprise Adviser Network and Careers Hubs.

2. Supporting Careers Leaders:

Providing training and support for Careers Leaders in schools and colleges.

3. Backing the Gatsby Benchmarks:

Supporting the implementation of a best practice standard for careers support, the Gatsby Benchmarks, with tools and targeted funding.

This work has been underpinned by research on where need is greatest and what works best to support young people. The Company has continued development of digital systems to support careers and enterprise activities, including Compass Classic and Compass+, a platform to help schools and colleges measure the effectiveness of their careers provision against the Gatsby Benchmarks.

Progress

The following section highlights progress against the Company's three core objectives to support the delivery of the Careers Strategy:

Building Networks

Careers education is improving with disadvantaged areas and Careers Hubs among the best performing

- Schools and colleges continue to make progress against the Gatsby Benchmarks nationally.
- Three million secondary school and college students now benefit from regular employer encounters – half a million more than in 2017.
- Schools and colleges serving disadvantaged communities are among the best performing for careers provision.
- Performance is accelerated in Careers Hubs. The 1,300 schools and colleges now in Hubs on average fully achieve nearly two extra Benchmarks. There is a 95 per cent higher standard of performance in schools in Hubs, compared to those outside the network.
- More than 2,500 business professionals are working as Enterprise Advisers with schools and colleges.
- 232 businesses have committed to become Cornerstone Employers and underwrite careers support to schools and colleges in their area.

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STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Supporting Careers Leaders

- A motivated and engaged workforce of Careers Leaders in schools and colleges has emerged across the country.
- The Company has delivered 2,700 personal development sessions to Careers Leaders.
- 75 per cent of Careers Leaders say careers provision has improved. 81 per cent say they feel positive about the future of careers provision in their school.

Backing the Gatsby Benchmarks

- Schools and colleges have adopted the Gatsby Benchmarks, and they are using them to evaluate, improve and plan careers activity.
- 85% of mainstream schools and colleges (3,170) have joined our network and adopted the Gatsby Benchmarks.
- 4,653 schools and colleges have used completed the digital platform Compass at least once.

Principal risks and uncertainties

The Company has a strategic risk register which is reviewed quarterly by the Senior Leadership Team and the Board. The Company's principal risks and uncertainties relate to the immediate and medium-term impact of the Covid-19 pandemic plus the impact of the rapid scaling up of our network and programmes, including the capacity of the Local Enterprise Partnerships and our other delivery partners to work with us to help implement the government's Careers Strategy.

Financial key performance indicators

The Board and the Senior Leadership Team monitors and manages the performance of the Company assisted by the production of detailed monthly management reports containing detailed monthly accounts and a number of key financial and non-financial performance measures.

Future developments

The Company has a signed Grant Funding Agreement with the DfE for the 2020/21 financial year, allowing the continuation of the strategic priorities set out above. We will do this through the following measures:

Build Networks

To link schools and colleges to employers and other external careers providers through the Enterprise Adviser Network and Careers Hubs. In order to drive improvement in employer engagement and the Gatsby Benchmarks we will do this by:

- Growing the Enterprise Adviser Network so that:
 - o Every secondary school and college in the country is invited to become part of the Network, with at least 4,400 signing-up
 - o 3,600 schools and colleges have been matched with a dedicated volunteer
 - o 250 professional Enterprise Coordinators are supporting schools in the Network.
- Expand the successful 'Careers Hub' model to deliver improvements in careers education:
 - o Increase by 700 (to a total 2,100) the number of schools and colleges in a Careers Hub – nearly half the state funded sector
 - o Continue to support the existing 40 Careers Hubs
 - o Ensure all schools and colleges in Careers Hubs progress against all Gatsby Benchmarks.

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STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Support Careers Leaders

Provide training and support for Careers Leaders so they have the knowledge, behaviour and skills to make progress against the Gatsby Benchmarks. We will do this by:

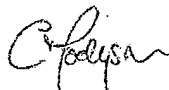
- Delivering Careers Leader training and bursaries so that:
 - o 1,950 Careers Leaders receive a fully funded training bursary
 - o 2,750 benefit from our free online Careers Leader training course.
- Providing innovative digital support and tools to Careers Leaders by:
 - o Supporting 4,400 schools and colleges to use our Compass evaluation tool
 - o Upgrade and roll out our innovative Compass+ tool to 2000 schools
 - o Continue to tailor Compass for SEND, MAT and other settings.

Back the Gatsby Benchmarks

We will support schools and colleges to implement a best practice standard for careers support – the Gatsby Benchmarks – with tools and targeted funding. We will do this by:

- Delivering investment, guidance and resources to:
 - o support 374,000 young people through mentoring, personal guidance, employer engagement and career-related learning
 - o support careers related activity in primary schools through investment, support and guidance
 - o develop careers support for Special Educational Needs and Disabilities (SEND) young people through investment and building a community of practice.
- Providing digital tools and support to schools and colleges
 - o Develop and roll out the Future Skills Survey to measure the impact of careers activities on young people
 - o Launch a Resource Directory to allow schools and colleges to find a quality careers provider that meets their needs.

This report was approved by the board on 16 September 2020 and signed on its behalf.



C Hodgson CBE
Chairman

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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.

Results and dividends

The surplus for the year, after taxation, amounted to £53,257 (2019 - £NIL).

Directors

The directors who served during the year were:

C Hodgson CBE (Non Executive Director)
S Holliday (Non Executive Director)
Dame J Cleverdon (Non Executive Director)
B Lightman (Non Executive Director)
C Harris
M Isap (Non Executive Director)
J Yarham (appointed 3 December 2019)
D Baldwin (Non Executive Director) (appointed 3 December 2019)

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Disclosure of information to auditor

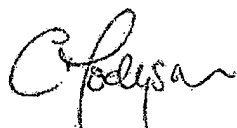
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- 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.

Auditor

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

This report was approved by the board on 16 September 2020 and signed on its behalf.



C Hodgson CBE
Director

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE CAREERS AND ENTERPRISE
COMPANY LIMITED**

Opinion

We have audited the financial statements of The Careers and Enterprise Company Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows and the related notes, 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 March 2020 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 United Kingdom, including the Financial Reporting Council'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.

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE CAREERS AND ENTERPRISE
COMPANY LIMITED (CONTINUED)**

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.

Opinion 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 Strategic report and the Directors' report for the financial year 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.

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 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 CAREERS AND ENTERPRISE COMPANY LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE CAREERS AND ENTERPRISE
COMPANY LIMITED (CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 4, 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: 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 shareholders 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 shareholders 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 shareholders for our audit work, for this report, or for the opinions we have formed.

M Stallabass

Matthew Stallabass (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill
London
EC4M 7JW

1 October 2020

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Government grant	4	29,254,983	19,794,469
Administrative expenses		(29,254,983)	(19,794,469)
Operating surplus	5	-	-
Interest receivable and similar income	9	65,749	-
Surplus before tax		65,749	-
Tax on surplus	10	(12,492)	-
Surplus for the year		53,257	-

There was no other comprehensive income for 2020 (2019: £NIL).

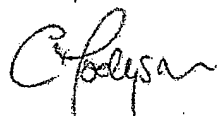
The notes on pages 13 to 21 form part of these financial statements.

THE CAREERS AND ENTERPRISE COMPANY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 09432724

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	1,233	-
		<u>1,233</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	12	178,884	561,360
Cash at bank and in hand	13	16,351,372	20,431,175
		<u>16,530,256</u>	<u>20,992,535</u>
Creditors: amounts falling due within one year	14	(16,478,232)	(14,892,535)
Net current assets		<u>52,024</u>	<u>6,100,000</u>
Total assets less current liabilities		<u>53,257</u>	<u>6,100,000</u>
Creditors: amounts falling due after more than one year	15	-	(6,100,000)
Net assets		<u><u>53,257</u></u>	<u><u>-</u></u>
Capital and reserves			
General reserves	18	53,257	-
		<u><u>53,257</u></u>	<u><u>-</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 September 2020.



C Hodgson CBE
Director

The notes on pages 13 to 21 form part of these financial statements.

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 £	2019 £
Cash flows from operating activities		
Surplus for the financial year	53,257	-
Adjustments for:		
Depreciation of tangible assets	246	-
Interest received	(65,749)	-
Taxation charge	12,492	-
Decrease/(increase) in debtors	382,476	(359,161)
(Decrease)/increase in creditors	(4,526,796)	11,648,154
Net cash generated from operating activities	(4,144,074)	11,288,993
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,479)	-
Interest received	65,749	-
Net cash from investing activities	64,270	-
Net (decrease)/increase in cash and cash equivalents	(4,079,804)	11,288,993
Cash and cash equivalents at beginning of year	20,431,175	9,142,182
Cash and cash equivalents at the end of year	16,351,371	20,431,175
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	16,351,371	20,431,175
	16,351,371	20,431,175

The notes on pages 13 to 21 form part of these financial statements.

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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ANALYSIS OF NET DEBT
AS AT 31 MARCH 2020

	Cash at bank and in hand £
At 1 April 2019	20,431,175
Cash flows	(4,079,804)
At 31 March 2020	16,351,371

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. General information

The Careers and Enterprise Company Limited is a private company (limited by guarantee without share capital) incorporated and domiciled in England and Wales.

The address of the registered office is 2-7 Clerkenwell Green, London, England, EC1R 0DE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 Going concern

The directors consider the going concern basis to be appropriate having paid due regard to the Company's projected results during the twelve months from the date the financial statements are approved and the anticipated cash flows, availability of bank facilities and mitigating actions that can be taken during that period.

2.3 Revenue recognition

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.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 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 reporting date in the countries where the Company operates and generates income.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation is provided on the following basis:

Office equipment	-	20%
Computer equipment	-	33%

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.

2.9 Debtors

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Creditors

Short and long term creditors are measured at the transaction price.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.13 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure. The Grant to support the Enterprise Advisor Network for the academic year ending August 2019 has been received in line with the current contracts in place with Local Enterprise Partnerships. The deferred element of grants is included in creditors as deferred income.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and reviewed to take account of the changing environment within which we operate. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Accruals

At the end of the balance sheet date accruals are made for programmes which are contracted to be paid quarterly in arrears; this includes payments to investment fund beneficiaries and Local Enterprise Partnerships for enterprise co-ordinator costs. Accruals are based on the latest cash projections provided by the fund beneficiaries, and the estimated number of enterprise co-ordinators in place during the quarter.

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Government grant	<u>29,254,983</u>	<u>19,794,469</u>

5. Operating surplus

The operating surplus is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	246	-
Other operating lease rentals	5,916	2,409
Pension cost	<u>179,590</u>	<u>133,369</u>

6. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>11,600</u>	<u>11,300</u>

Fees payable to the Company's auditor and its associates in respect of:

Preparation of the financial statements	1,350	1,300
Review of the annual expenditure certificate	<u>1,050</u>	<u>1,000</u>

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	4,093,288	3,039,266
Social security costs	438,728	333,127
Cost of defined contribution scheme	179,590	133,369
	<u>4,711,606</u>	<u>3,505,762</u>

The average monthly number of employees, including the directors, during the year was 81 (2019: 61).

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	<u>190,832</u>	<u>135,000</u>

There were 2 Executive directors (2019: 1) during the year.

All non-executive Directors provide their services on a voluntary basis.

9. Interest receivable

	2020 £	2019 £
Bank interest receivable	<u>65,749</u>	<u>-</u>

10. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on surplus for the year	12,492	-
Total current tax	<u>12,492</u>	<u>-</u>

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2019 - the same as) the standard rate of corporation tax in the UK of 19% (2019 - 19%) as set out below:

	2020 £	2019 £
Surplus arising from ordinary activities before tax	65,749	-
Surplus arising from ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	12,492	-

11. Tangible fixed assets

	Office equipment £
Cost	
Additions	1,479
At 31 March 2020	1,479
Depreciation	
Charge for the year on owned assets	246
At 31 March 2020	246
Net book value	
At 31 March 2020	1,233
At 31 March 2019	-

THE CAREERS AND ENTERPRISE COMPANY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

12. Debtors

	2020 £	2019 £
Other debtors	160,141	200,142
Prepayments and accrued income	18,743	361,218
	<u>178,884</u>	<u>561,360</u>

13. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	16,351,371	20,431,175

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	375,893	287,533
Corporation tax	12,492	-
Other taxation and social security	104,587	98,896
Other creditors	1,855,544	68,800
Accruals and deferred income	14,129,716	14,437,306
	<u>16,478,232</u>	<u>14,892,535</u>

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

	2020 £	2019 £
Deferred income	-	6,100,000

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16. Grant Funding Income

Grant Funding Agreement was signed with the Department for Education for the value up to £24,284,000 for the period commencing 1 April 2019 and ending 31 March 2020, of which: £22,460,494 was drawn down over the course of the year. This is presented in the accounts as £22,460,494 recognised in the statement of comprehensive income to reflect resources expended by the Company during the year and £nil (the remainder) as deferred income, not expended during the year.

17. Financial instruments

	2020 £	2019 £
Financial assets		
Cash and cash equivalents	16,351,371	20,431,175
Financial assets that are debt instruments measured at amortised cost	132,859	199,860
	<u>16,484,230</u>	<u>20,631,035</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(5,965,884)</u>	<u>(5,445,574)</u>

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

18. General Reserves

General reserves are those to be used to meet the objectives of the company and are not available for distribution.

19. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

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20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £179,590 (2019 - £133,369). Contributions totalling £30,719 (2019 - £24,606) were payable to the fund at the reporting date.

21. Commitments under operating leases

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	<u>238,000</u>	<u>427,800</u>

22. Key management

Key management personnel who have the authority and responsibility for planning, directing and controlling the activities of Careers and Enterprise Company Limited, directly or indirectly, are the directors.

The Director's remuneration is disclosed in note 8 to the financial statements.