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

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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

COMPANY INFORMATION

Directors	C Hodgson CBE (retired 31 March 2023) S Holliday Dame J Cleverdon B Lightman (retired 31 December 2022) M Isap J Yarham D Baldwin Baroness Morgan of Cotes E Beale O De Botton M Samir (appointed 9 February 2023)
Company secretary	S Mohideen
Registered number	09432724
Registered office	120 Aldersgate Street London England EC1A 4JQ
Independent auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW

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

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 8
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Statement of cash flows	12
Analysis of net debt	15
Notes to the financial statements	13 - 21

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

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Introduction

The Careers & Enterprise Company (the Company) is the national body for careers education in England, set up by Government to inspire and prepare young people for the fast-changing world of work and support every young person to take their best next step. Its role is to connect schools and colleges, employers and careers programme providers to create high-impact careers opportunities for young people.

Business Review

Careers Education is improving across England. Through CEC's digital tools, schools and colleges are reporting progress across the 8 Gatsby Benchmarks of best practice in all parts of the country. Some of the strongest performance is in areas with high levels of economically disadvantaged young people. Where schools and colleges are part of a Careers Hubs they report faster progress and performance. See our Ready for the Future report for more information.

Impact

Careers education is helping young people become more career ready.

- As students progress through secondary school their career readiness grows – up from 45% in Year 7 to 74% in Year 13. This includes increasing awareness of pathways like apprenticeships – up from 39% in Year 7 to 81% in Year 11.

- The longer Careers Hubs – local networks of support – work with schools and colleges, the more breadth and depth of exposure students have with employers – 81% of schools in a Careers Hub since 2018 engage with at least ten business, compared with 48% who are not in a Careers Hub.

Careers education is helping play a role in tackling disadvantage.

- Those who face the most barriers benefit most from high quality careers education. When a school reaches all eight Gatsby Benchmarks the odds of a young person from a disadvantaged community becoming NEET reduces by 20%.

- Schools with the more economically-disadvantaged students engage more with careers, report higher performance and progress faster – up 67%, compared with 64% for those schools in least disadvantaged areas.

Careers education is becoming embedded in the mainstream of school and college life.

- Careers is starting to impact on the curriculum and a whole schools approach is emerging – 91% of colleges link maths lessons with careers and 93% do the same with English. 79% of schools link science lessons with careers and 75% do the same with maths and English.

- Careers Leaders are becoming more connected, able to link careers to education, employer and local growth strategies with use of CEC data and digital tools (Compass+, Future Skills Questionnaire) growing significantly and enabling better targeting.

Continuing Progress and improvement across all key measures.

- 91% of schools and colleges are now in a Careers Hub

- Schools and colleges in well-established Careers Hubs achieve nearly double the number of Gatsby Benchmarks (5.6) compared to those not engaged (2.9). Average Gatsby Benchmarks across the system up from 1.8 to 4.9 in 5 years.

- The CEC has supported 2,724 Careers Leaders to take part in professional development training. Schools and

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

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

colleges with a trained Careers Leader achieved more Gatsby Benchmarks on average than those without.

•4,464 schools and colleges are reporting progress using CEC's digital platform. 3,048 of these are using Compass+. 91,970 students have completed the Future Skills Questionnaire.

•3,520 business professionals are volunteering as Enterprise Advisers and are partnered with schools and colleges. 435 businesses have become Cornerstone Employers, signing up to work with Hubs to provide more opportunities to schools and colleges in their area.

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 impact of the rapid scaling up of our network and programmes, including those relating to local leadership structures and the capacity of our other delivery partners to work with us to help implement government priorities.

Financial key performance indicators

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

Future Developments

Objectives

We aim:

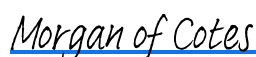
1. For a careers education system that has a measurable impact on young people - now and in the future.
2. To include all young people in careers education removing barriers where we can.
3. To build leaders and institutions who can sustain the mission in the long term.

Our strategic priorities for the coming year are to:

1. Raise the quality of careers provision in schools, special schools and colleges against the Gatsby Benchmarks through training for the education workforce, targeted support and quality assurance.
2. Drive more high-quality experiences with employers for students and teachers – with a focus on areas of need.
3. Amplify apprenticeships, technical and vocational routes – including by supporting the implementation of the Provider Access Legislation (PAL).
4. Focus on interventions for economically disadvantaged young people (FSM) and those who face most barriers – through identifying and addressing the needs of specific cohorts.
5. Connect careers provision in schools and colleges to the needs of local economies – as articulated through Local Skills Improvement Plans (LSIPs).

The Company has signed a Grant Funding Agreement with the Department for Education for the 2023/24 financial year. This supports the delivery of the strategic priorities set above.

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


Baroness Morgan of Cotes (Jul 5, 2023 18:24 GMT+1).....
Baroness Morgan of Cotes
Chair
Date: Jul 5, 2023

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

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 profit for the year, after taxation, amounted to £55,577 (2022 - £4,474).

Directors

The directors who served during the year were:

C Hodgson CBE (Non Executive Director) (retired 31 March 2023)
S Holliday (Non Executive Director)
Dame J Cleverdon (Non Executive Director)
B Lightman (Non Executive Director) (retired 31 December 2022)
M Isap (Non Executive Director)
J Yarham
D Baldwin (Non Executive Director)
Baroness N Morgan (Non Executive Director)
E Beale (Non Executive Director)
O De Botton
M Samir (appointed 9 February 2023)

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

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditor

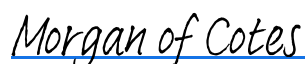
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- 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 and signed on its behalf.


[Morgan of Cotes \(Jul 5, 2023 18:24 GMT+1\)...](#)

Baroness Morgan of Cotes
Chair

Date: Jul 5, 2023

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS 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 2023, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity 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 2023 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

In auditing the financial statements, we have concluded that the directors' 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 directors with respect to going concern are described in the relevant sections of this report.

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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
(A company limited by guarantee)

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, 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:

Our procedures involved enquiries with management, review of the reporting to the directors with respect to compliance with laws and regulation, review of board meeting minutes and review of legal correspondence.

We focused on laws and regulations that could give rise to a material misstatement in the Company financial statements. Our tested included by were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- testing of journal postings made during the year to identify potential management override of controls;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

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

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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.



Matthew Stallabrass (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill

London

EC4M 7JW

Date: 14 July 2023

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Grant Income	4	30,675,138	24,385,447
Administrative expenses		(30,675,534)	(24,385,447)
Operating (deficit)/surplus	5	(396)	-
Interest receivable and similar income	9	55,973	4,474
(Deficit)/surplus before tax		55,577	4,474
(Deficit)/surplus for the year		55,577	4,474

There was no other comprehensive income for 2023 (2022:£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 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	71,749	63,209
		<u>71,749</u>	<u>63,209</u>
Current assets			
Debtors: amounts falling due within one year	12	1,220,708	59,169
Cash at bank and in hand	13	10,000,915	9,185,803
		<u>11,221,623</u>	<u>9,244,972</u>
Creditors: amounts falling due within one year	14	(11,172,639)	(9,243,025)
Net current assets		48,984	1,947
Net assets		<u>120,733</u>	<u>65,156</u>
Capital and reserves			
General reserves	17	<u>120,733</u>	<u>65,156</u>

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

Morgan of Cotes

.....
Baroness Morgan of Cotes
Director

Date: 5.7.23

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

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Profit and loss account £	Total equity £
At 1 April 2021	60,682	60,682
Comprehensive income for the year		
Profit for the year	4,474	4,474
Total comprehensive income for the year	4,474	4,474
At 1 April 2022	65,156	65,156
Comprehensive income for the year		
Profit for the year	55,577	55,577
Total comprehensive income for the year	55,577	55,577
At 31 March 2023	120,733	120,733

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

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	55,577	4,474
Adjustments for:		
Depreciation of tangible assets	39,849	13,623
Interest received	(55,973)	(4,474)
Taxation charge	-	116
(Increase)/decrease in debtors	(1,200,550)	1,881,459
Increase/(decrease) in creditors	1,959,783	(2,567,383)
Corporation tax received/(paid)	-	(204)
Net cash generated from operating activities	798,686	(672,389)
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(57,577)
Purchase of tangible fixed assets	(39,547)	-
Interest received	55,973	4,474
Net cash from investing activities	16,426	(53,103)
Net increase/(decrease) in cash and cash equivalents	815,112	(725,492)
Cash and cash equivalents at beginning of year	9,185,803	9,911,295
Cash and cash equivalents at the end of year	10,000,915	9,185,803
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	10,000,915	9,185,803

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 120 Aldersgate Street, London, England, EC1A 4JQ.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 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.

2.8 Debtors

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

2.9 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.

2.10 Creditors

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

2.11 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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.11 Financial instruments (continued)

third parties, loans to related parties and investments in non-puttable ordinary shares.

2.12 Government grants & grant income

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 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 beneficiaries. Accruals are based on the latest cash projections provided by the beneficiaries.

4. Turnover

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

	2023 £	2022 £
Government grants (note 15)	29,291,524	23,818,911
Other grant income	1,383,614	566,536
	<u>30,675,138</u>	<u>24,385,447</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Operating surplus

The operating surplus is stated after charging:

	2023	2022
	£	£
Depreciation of tangible fixed assets	39,849	13,623
Other operating lease rentals	-	3,078
Pension cost	260,421	213,901
	<u>260,421</u>	<u>213,901</u>

6. Auditor's remuneration

	2023	2022
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	16,380	14,820
	<u>16,380</u>	<u>14,820</u>

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

Preparation of the financial statements	1,800	1,620
Review of the annual expenditure certificate	1,860	1,260
	<u>1,860</u>	<u>1,260</u>

7. Employees

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

	2023	2022
	£	£
Wages and salaries	5,036,391	4,563,654
Social security costs	604,020	519,215
Cost of defined contribution scheme	246,341	226,501
	<u>5,886,752</u>	<u>5,309,370</u>

The average monthly number of employees, including the directors, during the year was 102 (2022: 91.5).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	270,080	265,027

The highest paid director received remuneration of £142,425; Salary £135,000 plus pension £7,425 during the year. (2022: £141,975).

There were 2 Executive directors (2022: 2) during the year.

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

9. Interest receivable

	2023 £	2022 £
Bank interest receivable	55,973	4,474

10. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - *lower than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	55,577	4,474
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	10,560	850
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	7,571	4,241
Capital allowances for year in excess of depreciation	(18,131)	(8,351)
Other timing differences leading to an increase (decrease) in taxation	-	3,260
Total tax charge for the year	-	-

There are no factors that may affect future tax charges

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Tangible fixed assets

	Office equipment £
Cost	
At 1 April 2022	151,114
Additions	39,547
At 31 March 2023	190,661
Depreciation	
At 1 April 2022	87,905
Charge for the year on owned assets	31,007
At 31 March 2023	118,912
Net book value	
At 31 March 2023	71,749
<i>At 31 March 2022</i>	63,209

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Debtors

	2023 £	2022 £
Trade debtors	81,878	-
Other debtors	41,893	44,617
Prepayments	-	14,552
Accrued income	1,096,937	-
	1,220,708	59,169

Trade debtors is made up of grant income claimed but not received as at the year end.

Accrued income is grant income claimable against activities but not yet claimed at year-end.

The increase (2021/22: decrease) in both trade debtors and accrued income are due to some claims being made in arrears during 2022/23 (advanced in 2021/22).

13. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	10,000,915	9,185,803

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,754,269	303,671
Other taxation and social security	158,674	138,447
Other creditors	55,131	1,240,599
Accruals	6,189,379	5,522,939
Deferred income	2,015,186	2,037,369
	11,172,639	9,243,025

The increase in Trade creditors at the year-end is driven by a £6.3m/25% increase in total expenditure versus last year.

Deferred income held at year-end is all in respect of non-government grant income.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Grant Funding Income

A grant funding agreement was signed with the Department for Education for the value up to £29,000,000 (2022: £27,970,000) for the period commencing 1 April 2022 and ending 31 March 2023.

During the financial year, a grant funding agreement variation was signed for a further £1,659,000. A primary grant funding agreement of £600,000 was also agreed with the Department for Education. Therefore, grant funding awarded by the Department for Education totalled £31,259,000 for the year ending 31 March 2023.

£29,291,524 (2022: £23,818,911) of this funding was spent and is recognised in the statement of comprehensive income to reflect resources expended by the Company during the year.

16. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets that are measured at amortised cost	11,251,792	9,230,420
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	(8,998,779)	(7,068,366)
	<u> </u>	<u> </u>

Financial assets that are measured at amortised cost comprise of cash, trade debtors and other debtors.

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

17. General Reserves

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

18. 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.

19. 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 £260,421 (2022 - £213,901). Contributions totalling £44,067 (2022 - £39,417) were payable to the fund at the reporting date.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	247,680	221,998

21. 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.