

INSTRUCTUS

England & Wales · Charity number 1144894

Details

Other names	SKILLS CFA
Status	Registered
Legal form	Charitable company
Company number	07066687
Registered	2011-12-02
Register	View on the Charity Commission register

Contact

Address	Suite 103a Harborough Enterprise Centre Compass Point Business Park Northampton Road Market Harborough LE16 9HW
Phone	01536 738631
Email	jane.pratt@instructus.org
Website	http://www.instructus.org

Activities

Objects: TO ADVANCE EDUCATION FOR THE PUBLIC BENEFIT BY PROMOTING QUALIFICATIONS, TRAINING AND SKILLS.

Activities: The charitable objective of Instructus is to advance education for the public benefit by promoting qualifications, training and skills.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£2,194,614	£2,157,937	£295,760	32
2024-07-31	£2,296,966	£2,334,710	£259,084	32
2023-07-31	£3,079,579	£3,416,055	£296,833	36
2022-03-31	£2,584,552	£2,734,521	£633,309	40
2021-03-31	£2,246,295	£2,674,149	£842,665	41

Trustees

Name	Role	Appointed
NIGEL HOPKINS	Chair	2013-09-26
Jacqueline Shorrocks		2025-06-13
Richard Jacques Traish		2018-01-18
Rosalyn Allen		2019-01-23
Susanna Frost		2024-06-28

INSTRUCTUS

England & Wales - Charity number 1144894

Accounts

Company Number: 07066687
Charity Number: 1144894

Instructus
(A company limited by guarantee)

**Consolidated Financial Statements For
the year ended 31 July 2025**

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONTENTS

Officers and professional advisors	1
Trustees' Annual Report (incorporating the directors' report)	2 - 13
Independent Auditor's Report to the members of Instructus	14 - 17
Consolidated Statement of Financial Activities (including income and expenditure account)	18
Consolidated Statement of Financial Position	19
Company Statement of Financial Position	20
Consolidated Statement of Cash Flows	21
Notes to the Financial Statements	22 - 37

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

OFFICERS AND PROFESSIONAL ADVISORS

Registered charity name	Instructus
Charity Registration No.	1144894
Company Registration No.:	07066687
Trustees:	Mr N P Hopkins (Chair) Mr R Traish Ms R Allen Ms S Frost Ms J Shorrocks
Company Secretary:	Mr A Hammond
Registered Office:	Suite 103a Harborough Enterprise Centre Compass Point Business Park Northampton Road Market Harborough Leicestershire LE16 9HW
Auditor:	TC Group 31 High View Close Hamilton Office Park Leicester LE4 9LJH
Bankers:	Unity Trust Bank Plc Nine Brindley Place Birmingham B1 2HB
Solicitors:	Freeth Cartwright LLP Cumberland Court 80 Mount Street Nottingham NG1 6HH

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the period ended 31 July 2025.

Reference and administrative details

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the financial statements.

The Trustees

The trustees who served the charity during the period were as follows:

Mr N P Hopkins (Chair)
Ms J A Norrington (Resigned 02/10/2025)
Mr R Traish
Ms R Allen
Ms S Frost
Ms J Shorrocks (Appointed 13/6/2025)
Ms E J Rush (Resigned 21/5/2025)
Ms Al Cooper (Resigned 13/12/2024)
Ms D Rapkins (Resigned 13/11/2024)

Structure, governance, and management

Constitution

Instructus is a registered charity (Charity No: 1144894) and a company limited by guarantee (Company No: 07066687), which is incorporated in England and Wales.

Governing document

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustee appointment and management

Trustees are appointed by the board of trustees.

The charity has robust recruitment, induction, appraisal, and training processes in place for all trustees. Trustees receive frequent reports on operations, human resources, risks, and finance. Financial governance is a top priority for trustees: the CEO holds regular finance meetings and holds regular audit meetings with the executive team, where at least one trustee is present, and where performance is reviewed, targets are agreed, and financial governance is scrutinised to minimise risks and maximise income potential. Trustees meet every three months for board meetings and once a year to agree the strategic direction of the charity over the ensuing three-year period. The Risk & Audit Committee meets formally four times per year, plus additional meetings to review budgets as required. Trustees act as Chair of the Risk & Audit Committee.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

The trustees delegate operational powers to the Chief Executive Officer, who is responsible for implementing the strategies and operating the charity.

Arrangements for setting the remuneration of the charity's key management personnel lie with the Chief Executive (for his direct reports) and with the Chairman of the board for the Chief Executive. The performance and development review documents are used to assess the performance of the key personnel and the financial performance of the charity, and its subsidiaries are used as benchmarks to agree any pay amendments.

Our trustees have concentrated on the strategic plan to ensure the organisation returns to a surplus position following losses incurred during and post pandemic. The Trustees understand the key challenges facing Instructus and as well as their detailed induction training, receive regular updates on the performance of the charity.

Introduction

Instructus is a charity whose objects are *"to advance education for the public benefit by promoting qualifications, training and skills"*.

Instructus is the sole owner of **CQM Training & Consultancy Ltd.** The **Springboard Consultancy** is a brand within Instructus.

Instructus is the UK's pan-sector standard setting body for business skills at work across the UK. It is responsible for setting standards, developing vocational business qualifications and apprenticeship frameworks, registering, and issuing pan-sector apprenticeship frameworks.

As part of our commitment to maintaining the UK Skills system, we are a strategic partner with Skills Development Scotland who operate the nations Standards and Framework agreement.

Instructus continue to certify apprenticeships in the devolved nations. Legacy frameworks on England finally closed in 2025. We consistently achieve quality metrics agreed with the Skills Federation who are the co-ordinator for all certifications.

The Springboard Consultancy is an international training and personal development consultancy that contributes to achieving greater equality in the world by helping attendees be the best they can be and realising their full potential both in their personal lives and at work. Springboard sits as a brand within Instructus.

Springboard programmes make a significant difference to people's lives and are delivered by employees and a network of licenced freelance and in house trainers. As of July 2025, we had a global network of 121 licenced trainers delivering programmes both in the UK and internationally with 2,709 individuals benefiting from development over the year.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

CQM Training and Consultancy Ltd delivers training principally across the UK with some international provision. CQM offer development programmes in the areas of leadership and management, continuous improvement, and vocational skills. As a lead provider on the Register of Apprenticeship Training Providers (ROATP), CQM deliver a range of apprenticeships in many different market sectors.

All activity conducted by Instructus, The Springboard Consultancy and CQM Training & Consultancy Ltd has a direct and positive public benefit. Our work in qualifications, training and skills always focuses on individual learners at the heart of our offering. The more people we can develop, the more lives will be transformed.

Performance

The in-year performance was in line with expectations, primarily due to the following reasons:

- Over performance in Instructus.
- Continued stringent cost management.
- Increased 'in house' delivery of Springboard licencing programmes.

There are many positives to note:

- Instructus delivering a sustainable surplus for a 2nd year.
- New Springboard materials developed for pilot in September 2025.
- SBC revenues are in line with original budget.
- Cash performed in line with forecasts.
- Significant improvement in learner achievement to over 60%.
- Ofsted monitoring visit deeming that 'Reasonable Progress' was being made.
- Steady growth in CQM Commercial sales and forward pipeline.

There were inevitably some challenges in the year:

- CQM not achieving planned budget, principally due to a deterioration in apprenticeship starts – plans to address this are underway for 2025-6.
- Skills development projects fell below the anticipated level.
- Lower Commercial programme sales than anticipated.
- Revenue in most channels remain relatively static – addressing this is the core strategic focus for 2025/26.

Financial

Group cash position at year end was £365,569. This was above the reserve level agreed by the board.

CQM returned a small loss of £12,087, however we are expected to fall within acceptable financial performance as measured by the Department for Education due to CiBLS loan repayment position.

Instructus returned a Surplus of £46,887.

Group returned to a surplus of £36,677, which is an improvement in line with the post COVID recovery plan.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

We have taken a cautious approach to budgets for 2025/26. The development of Springboard products will move into pilot stage in September 2025, with full roll out in 2026. Increased marketing effort will accompany this roll out. We are reviewing our freelance trainer network and plan to ensure we support commercially active trainers, whilst increasing focus on programmes sold directly by us, and programmes delivered 'in house' for corporate clients.

Certification volumes are planned to remain at current levels. We have already won tenders for Skills Development generating more than the target revenue in the budget.

In CQM we maintain our efforts to increase the value of commercial work delivered, but plan to complement this with a 'rebuilding' of core apprenticeship numbers. We will continue to focus on achievement rates and learners who are beyond their planned end dates for apprenticeships.

Our budgets for 2025/26 have been agreed by the board. Achievement of budgets will result in an overall surplus of circa £75,000.

After reviewing budgets, forecasts and cash flow, the board of CQM are satisfied that the organisation remains a going concern over the next 12 months.

Customer

In CQM we continued to execute the strategy of balancing Commercial delivery alongside Apprenticeships. Commercial revenue for the year was £286K, with the most significant product being Lean Six Sigma Green Belt programmes. Commercial sales are expected to grow in the financial year 2025/26.

Apprenticeship volume has dipped due to fewer closed cohort sales and the underperformance of open cohorts. Within the year we have looked to mitigate this with recruitment of additional sales resource and a review of product mix. Apprenticeship sales are expected to grow back to previous levels over the course of 2025/26.

Springboard delivered a revenue of £501k in 2024/25, which was a £40k improvement on the previous year. Of the 24 programmes run in the year, 8 were for Navigator – double the number delivered in 23/24. There is a definite, yet subtle increase in appetite for men's personal development. Licencing programmes continued to deliver, and a significant new client was onboarded. We plan to further grow licencing revenue in 2025/26, with a focus on 'in house' programmes for key clients.

In addition, we have re developed materials for our key product, the Springboard Women's Development programme. This update ensures the product remains relevant and class leading in its field. We are piloting the new materials in Autumn 2025 and will be rolling out throughout 2025/26. We will be then reviewing the wider training portfolio to prioritise further updates and product extensions as appropriate.

We have also employed a full-time Springboard trainer. This will help us ensure quality delivery to our customers, whilst improving margin over the existing freelance model.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

People

We maintained level staff sickness rate of 0.6%.

We regularly measure staff satisfaction through a 'pulse' survey every six months, which identifies key areas for us to work on. We measure employee engagement through our net promoter score which is currently 38. This is a significant year on year improvement (previous year net promoter score was 4). The range of scores is -100 to 100, with anything between 0-30 being considered Good and anything over 30 being Excellent.

We continue to focus on employee training and development, accessing training courses, ongoing CPD, apprenticeships and coaching, regularly reviewed through line manager development touchpoints alongside an appraisal process.

We have a suite of mandatory training courses covering all statutory requirements, including safeguarding, health and safety, GDPR and anti-bribery. Compliance with this training is monitored and reviewed on a regular basis.

The CEO leads quarterly Health and Safety meetings which are reported to the Risk & Audit Committee and board as appropriate.

Impact

2709 people have been developed through Springboard programmes (in-house & freelance) over the year.

We have licensed 26 new people to deliver Springboard programmes, bringing our total number of active trainers to 121.

We have successfully certified 6897 people. Of these 3235 were in Wales and 3662 were in Scotland.

We have continued to focus on Improvement Standards programmes which helps build the skills levels across organisations, with some significant business improvements being achieved.

We have successfully led 117 CQM learners through EPA. We currently have 231 learners on apprenticeship programmes with CQM, with an additional 31 currently on breaks in learning. Our in-year number of learners was 464. Approximately 118 have completed commercial training programmes.

We have continued to support a wide variety of employers, training providers, awarding organisations and professional bodies with the development of learners and skills for the future.

The following links give specific case studies give a flavour of the impact we are making.

In CQM our commercial Green Belt work with Carlsberg Britivic;

- <https://zenoot.com/articles/case-study-1m-and-counting-how-cqms-lean-six-sigma-training-course-delivered-hard-benefits-for-a-soft-drinks-giant/>
- <https://www.youtube.com/watch?v=47PPNqzmm6g>

And our significant work with major brands delivering Food Technologist apprenticeships;

- <https://cqmltd.co.uk/wp-content/uploads/2024/09/Food-Tech-Recipe-For-Success-Resource-Pack.pdf>

In Springboard our work with women in STEM at UK Atomic and our work with Kepak;

- <https://springboardconsultancy.com/wp-content/uploads/2025/09/Amy-Coulson-UKAEA-Case-Study-v3.pdf>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

- <https://springboardconsultancy.com/wp-content/uploads/2025/09/OAL-Kepak-SBC-EDI-Entry-Updated-v3-002.docx>

Both CQM and Springboard were linked with two Princess Royal Training Award wins in late 2024 – CQM with Johnson Matthey, and Springboard with South Wales Police;

- <https://cqmltd.co.uk/celebrating-success-johnson-matthey-princess-royal-training-awards-2024/>
- <https://springboardconsultancy.com/resources/case-studies/celebrating-womens-success-south-wales-police-win-the-princess-royal-training-awards-2024/>

Skills Projects

At the start of 2023 Instructus secured the preferred supplier status for Skills Development Scotland (SDS) for a further four years. Having secured this preferred supplier status, Instructus has continued to secure projects via competitive bidding. During 2024/25 funding was secured to deliver the following projects, which were delivered on time and on budget.

- UK Wide NOS Review for Human Resources
- UK Wide NOS Review for Recruitment
- UK Wide NOD Review for Intercultural Working
- UK Wide NOS Review for Prevention of Work-Related Violence
- UK Wide NOS to SOC mapping
- Welsh NOS Translations for Sales & RM
- Welsh NOS Translations for Education
- Welsh NOS Translations for Youth Work

Charity and Social Impact

The Charitable object of Instructus is *“to advance education for the public benefit by promoting qualifications, training and skills”*.

As an organisation all our activity is focused on delivering this charitable object. We have a simple view that developing people transforms lives. We believe that that our activities cultivate a positive economic and social impact for those we serve. This can be as simple as official certification of the hard work that has gone into an Apprenticeship, through to the delivery of an Apprenticeship, building the skills to forge careers and deliver commercial returns for the UK economy. This can be the delivery of Personal Development programmes that help promote inclusion and close gender pay gaps, through to life changing decisions from our participants that benefit businesses, communities, and individuals alike.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

Our work can be broken down into 3 key areas

Qualifications	Training	Skills
Certification of English Apprenticeship Frameworks	Apprenticeships across a wide range of Standards	National Occupational Standards Review Projects
Certification of Apprenticeships in Scotland, Wales & Northern Ireland	Lean Six Sigma Programmes	Qualification structure reviews
Certification of Yellow, Green, Black and Master Black Belt practitioners	Management Programmes	Apprenticeship framework review, across the devolved nations
	Springboard Personal Development Programmes	
	Licensing Programmes to grow Springboard trainer base	

These activities have driven significant public benefit and social value in a wide variety of areas, including.

- New apprentices delivering the skills required by UK PLC
- Individual growth which in turn impacts societal growth.
- Improved business ROI as new skills are deployed to bring commercial benefit.
- Improved productivity
- Improved equality
- Simplification and development of the skills systems across the devolved nations

The long-term aspiration of the Board is to generate a sustainable surplus from our core programmes to offer funded products to participants with less advantage. In 2025/6 we intend to explore funding sources to broaden the reach of our Springboard products.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

Quality Assurance

Instructus has continued its role as both an Issuing Authority and Certification Body for apprenticeships in the UK, meeting all statutory and regulatory obligations. Instructus prides itself of continuous improvement of internal and external processes. Our certification team continue to significantly overachieve the targets set in our Service Level Agreements with the Federation.

We have various accreditations, including:

- Cyber Essentials
- IASME Governance
- Matrix Accreditation
- Living Wage Employer

CQM had an OfSTED inspection in February 2024. The judgement was 'requires improvement'. This result was disappointing and led to a detailed review and updated improvement plans. We received an OfSTED monitoring visit in January 2025 and Inspectors judged that "Reasonable Progress" was being made in all areas. We continue to focus on quality with our Quality Improvement Plan (QIP) being monitored directly by the board of CQM.

OfSTED inspection is now expected to be under the new framework which is being used from Nov 25 onwards. The Board and Executive team are confident with the ongoing actions undertaken from the QIP that CQM will meet the required standard for the revised grading criteria and terminology (no longer a one-word outcome). Additional training and awareness of the new framework has been organised for the operations team this Autumn.

Overall, the DfE Compliance Dashboard has improved across the piece – most notably the Achievement and Retention rate, with the Achievement rate significantly increasing to 61% for the academic year 24/25. Over 2025/26 we plan to further increase this achievement rate, whilst also reducing the numbers of learners who are 'Beyond Planned End Date' (BPEDs) from 18.7% to 10%.

Apprenticeship Employer feedback was 4.0 (out of a possible 4) and Apprentice feedback was 3.4 (out of a possible 4).

We have updated Springboard evaluations and introduced pulse surveys at pertinent points throughout the programme delivery alongside attending numerous programmes to ensure we monitor quality of delivery. We measure our customer satisfaction against 20 core metrics, achieving an average of 4.6 out of 5 across all participants over the year.

We met all our certification quality scores throughout the year which measure our error rate and compliance with timely processing.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

Risks

The organisation maintains a full risk register, which is reviewed by the Boards and Audit Committee. Our primary high-level risks are:

CQM Performance

Whilst we have seen strong commercial performance, CQM still relies heavily on apprenticeships. We are awaiting the full proposals from Government regarding how the Skills levy will become a Growth & Skills Levy, with additional flexibilities. However, it must be noted that no additional funding is expected. In addition, the apprenticeship funding bands remain unchanged since 2017, with all inflationary costs being met by providers. Regulatory compliance for delivery of apprenticeships continues to grow, despite no additional funding. This landscape makes achievement of acceptable margin for apprenticeships reliant on dynamic and progressive management. Both the CQM and Instructus boards will ensure the strategic response to these challenges is both sustainable and appropriate.

Refreshing Springboard Products

The new Springboard materials will be introduced in September 2025 (pilot). Making a significant change could destabilise the product with existing customers, although initial feedback has been positive. We plan to review other products in 2025/26 starting with the Navigator Men's programme.

Funding growth

Cash has performed in line with expectation, and the organisation has returned to surplus. Despite this there is little additional cash to fund growth. We have increased marketing budgets and are focusing on updating programmes. Our intention is to ensure a sustainable long-term surplus which in turn will release funds to invest in more inorganic growth.

Certification

The Scottish government are moving responsibility for all apprenticeships from Skills Development Scotland (SDS) to the Scottish Funding Council (SFC). This move was planned to happen in the Autumn of 2026, although latest intelligence is that this has slipped to at least April 2027. Whilst the primary focus is the transfer of existing work and employees, there is a provision in the Bill that would allow for the SFC to take over certification work for apprenticeships in the longer term. We are working closely with the Skills Federation to represent our work to the Scottish Government and customers to ensure continuation of certification services in the current format.

Quality

Whilst we have made progress following our OfSTED inspection, Delivery of our Quality Improvement Plan remains essential. Failure to deliver could compromise our ability to deliver apprenticeships in the long term, which would significantly restrict the impact we have as an organisation. Progress is extremely positive and is being regularly monitored at both executive and board levels.

As we establish our new Springboard materials, we need to ensure that all programmes delivered are at a suitable standard. The planned changes will afford us tighter control over the work delivered under our brand.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

Reserves

The board have agreed a reserve level of £200K, rising to £250K at the end of 2025. These figures have been agreed following a scenario analysis of liabilities in the unlikely event that the organisation cease trading. Year-end cash was £366K.

Cash levels have been above the agreed reserves throughout the year and this position is forecast to continue over the next 12 months.

All CBiLs loan commitments have been met to date, and repayments are factored into forward budgets. The CiBLS loan will be paid off in full in August 2026.

Future Strategic Plans

The board have reviewed our strategy over the year. Our core purpose continues as being 'Developing People' Transforming lives'. In addition to delivering this remit in all our activity, we are aiming to show that sustainable growth can be achieved. The board have agreed 3 strategic pillars to underpin our strategy and performance is measured against these areas. These pillars are Inclusive Culture, Outstanding Quality, and Smart Growth.

Key strategic priorities for the year ahead:

- Promoting our core values of Authenticity; Inclusivity; Integrity.
- Focusing on quality.
- Continuing delivery of high-quality certification of apprenticeships.
- Increasing proportion of commercial programmes, particularly Continuous Improvement and Springboard.
- Delivering key skills development projects, working closely with the devolved nations.
- Updating core programmes.
- Growing Springboard programme reach with a focus on corporate 'in house' trainers and programmes delivered directly by us.
- Delivering high quality targeted apprenticeships and improving completion rates above 65%.
- Achieving 'Good' judgment on Ofsted reinspection.
- Developing our staff, whilst maintaining a positive net promoter score.
- Maintaining a surplus, with year-on-year growth.
- Investigating funding sources to support delivery of core programmes to less advantaged.

The board would like to thank the team for delivering a platform for growth and celebrate the difference we are making to individuals from our numerous and diverse interventions.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

Trustees' Responsibilities

The Trustees, who are also Directors of Instructus for the purposes of company law, are responsible for preparing the Report of the Trustees and the incorporated Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Instructus website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2025

Auditor

Each of the person who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report was approved and signed on behalf of the board of trustees by:

Nigel Hopkins

.....
Mr N P Hopkins

Trustee

Date: 12/12/2025

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 JULY 2025

Opinion

We have audited the financial statements of Instructus ('the parent charity') and its subsidiaries ('the group') for the period ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Statements of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2025 and of the group's income and expenditure for the period 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 charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 JULY 2025

Other information

The other information comprises the information included in the Trustees Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, 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 included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' 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 and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 JULY 2025

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charity for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charity'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 trustees either intend to liquidate the charity 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charitable company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 JULY 2025

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the Audit Report

This report is made solely to the charity'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.



Dilun Mistry FCA (Senior Statutory Auditor)

for and on behalf of TC Group

31 High View Close
Hamilton Office Park
Leicester
LE4 9LH

Date: 18/12/2025

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT of FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2025

	Note	Year ended Unrestricted Funds 2025 £	Year ended Total Funds 2025 £	Year ended Total Funds 2024 £
Income and endowments:				
Charitable activities	3	811,809	811,809	832,166
Other trading activities	4	1,382,794	1,382,794	1,464,791
Investments	5	11	11	9
Total incoming		2,194,614	2,194,614	2,296,966
Expenditure on:				
Raising Funds	6	1,469,508	1,469,508	1,362,202
Charitable Activities	7,8	688,429	688,429	972,507
Total expenditure		2,157,937	2,157,937	2,334,710
Net movement in funds		36,677	36,677	(37,744)
Reconciliation of funds				
Total funds brought forward		259,083	259,083	296,833
Total funds carried forward		295,760	295,760	259,083

The Statement of Financial Activities includes all gains and losses recognised in the period. All funds relate to unrestricted funds in both periods.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 JULY 2025

	Note	31 July 2025 £	31 July 2024 £
Fixed assets			
Intangible fixed assets	13	84,169	6,000
Tangible fixed assets	14	20,795	14,977
		<u>104,964</u>	<u>20,977</u>
Current assets			
Stocks	16	2,241	2,583
Debtors	17	255,212	334,420
Cash at bank and in hand		365,569	244,802
		<u>623,022</u>	<u>602,781</u>
Creditors: amounts falling due within one year	18	(429,559)	(307,157)
		<u>193,463</u>	<u>274,647</u>
Net current assets			
		<u>298,427</u>	<u>295,624</u>
Total assets less current liabilities			
		<u>298,427</u>	<u>295,624</u>
Creditors: amounts falling due after one year	18	(2,667)	(34,667)
Provisions			
Other provisions	19	-	(1,874)
		<u>295,760</u>	<u>259,084</u>
Net assets			
		<u>295,760</u>	<u>259,084</u>
Funds of the charity			
Unrestricted funds		295,760	259,084
Total charity funds	25	<u>295,760</u>	<u>259,084</u>

Approved by the Board of Trustees and signed on its behalf by:

Nigel Hopkins

.....
Mr N P Hopkins
Trustee

Date: 12/12/2025

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 JULY 2025

	Note	31 July 2025 £	31 July 2024 £
Fixed assets			
Intangible fixed assets	13	51,669	-
Tangible fixed assets	14	10,201	6,156
Investments	15	650,000	650,000
		<u>711,870</u>	<u>656,156</u>
Current assets			
Stocks	16	2,241	2,583
Debtors	17	115,137	158,013
Cash at bank and in hand		197,688	149,196
		<u>315,066</u>	<u>309,545</u>
Creditors: amounts falling due within one year	18	(153,910)	(139,808)
Net current assets		<u>161,156</u>	<u>169,984</u>
Net assets		<u>873,026</u>	<u>826,139</u>
Funds			
Unrestricted funds		<u>873,026</u>	<u>826,139</u>
Total funds		<u>873,026</u>	<u>826,139</u>

The surplus for the financial period of the parent company was £46,887 (year ended 31 July 2024: 26,636).

These financial statements were approved by the board of trustees and authorised for issue on behalf of the board by:

Nigel Hopkins

Mr N P Hopkins

Trustee

Date: 12/12/2025

Company registration number: 07066687

INSTRUCTUS**COMPANY LIMITED BY GUARANTEE****CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025**

	Year Ended 2025 £	Year Ended 2024 £
Cash flows from operating activities		
Surplus/(Deficit) for the financial period	36,677	(37,736)
<i>Adjustments for:</i>		
Tax charge	(1,876)	-
Depreciation of tangible assets	8,391	7,092
Amortisation of intangible assets	2,337	81,975
Profit on disposal of tangible fixed assets	-	(138)
Other interest receivable and similar income	(11)	(9)
Tax received	-	-
Decrease in stock	342	123
Interest paid	4,527	7,787
Decrease/(increase) in debtors	79,208	(10,436)
(Decrease)/increase in creditors	122,402	(8,899)
Net cash used in operating activities	<u>251,997</u>	<u>39,759</u>
Cash flows from investing activities		
Interest received	11	9
Purchase of tangible assets	(15,244)	(8,023)
Purchase of intangible assets	(80,506)	-
Proceeds on the sale of fixed assets	1,036	162
Net cash used in investing activities	<u>(94,725)</u>	<u>(7,852)</u>
Cash flows from financing activities		
Repayment of bank loans including interest paid	<u>(36,527)</u>	<u>(40,059)</u>
Net decrease in cash and cash equivalents	120,767	(8,152)
Cash and cash equivalents at beginning of year	244,802	252,954
Cash and cash equivalents at end of year	<u>365,569</u>	<u>244,802</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

1 General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Suite 103a, Harborough Enterprise Centre, Compass Point Business Park, Northampton Road, Market Harborough, Leicestershire, LE16 9HW. The financial statements are prepared in Sterling, which is the functional currency of the charitable company.

Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The board received detailed forecasts as part of the budget setting exercise for 2025/26. These have been reviewed in August 2025, alongside an updated forecast with no material changes. The board is also assured that performance in P1 & P2 is tracking in line with the forecast position. Budgets have also been stress tested looking at worst case scenarios. Based on the analysis, the board concluded that Instructus remains a going concern well beyond the next 12 months.

Consolidation

The financial statements consolidate the financial statements of Instructus and all its subsidiary undertakings.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of management, there are no key areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements;

The following principal accounting policies have been applied:

Taxation

The charity is exempt from tax on income and gains, falling within part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects. No tax charges have arisen.

Funds

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are funds earmarked by the trustees for specific purposes.

Restricted funds, which have been given for a specific purpose and can only be used for that purpose without the consent of the donor.

There were no Designated or Restricted funds during the year ended 31 July 2025 or during the year ended 31 July 2024.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income from grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

Accounting policies (continued)

Resources expended

All expenditure is recognised on an accruals basis inclusive of VAT which cannot be fully recovered, and is classified under the headings of the Statement of Financial activities to which it relates:

Expenditure on charitable activities include:

- a. Expenditure on the charity's primary charitable purposes as described in the trustees' report.
- b. Governance costs associated with the governance of the charity and its assets. Included within this category are costs associated with the strategic, as opposed to day to day, management of the charity's activities.

Expenditure on other activities are directly attributable to specific activities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at a cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

Accounting policies (continued)

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows;

Goodwill	10 years
Course development costs	3 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings, office and computer equipment	20% - 25% straight line
---	-------------------------

Investments

Investments, including investments in subsidiaries, are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Stocks

Stocks of study guides and training course materials are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

Accounting policies (continued)

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the Statement of Financial Position and the amount of the provision as an expense.

Provisions are initially measured as the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required in income or expenditure unless the provision was originally recognised as part of the cost of an asset.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

There are no key areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements.

2. Limited by guarantee

The charity is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

3. Charitable activities income

	Year ended 31 July 2025 Unrestricted Funds £	Year ended 31 July 2025 Total Funds £	Year ended 31 July 2024 Unrestricted Funds £	Year ended 31 July 2024 Total Funds £
Grants and contracts	-	-	-	-
Registration, certification and training income	299,366	299,366	374,239	374,239
Other income	512,443	512,443	457,927	457,927
	811,809	811,809	832,166	832,166

4. Other trading activities income

	Year ended 31 July 2025 Unrestricted Funds £	Year ended 31 July 2025 Total Funds £	Year ended 31 July 2024 Unrestricted Funds £	Year ended 31 July 2024 Total Funds £
Training and consultancy	1,382,794	1,382,794	1,464,791	1,464,791

5. Investment income

	Year ended 31 July 2025 Unrestricted Funds £	Year ended 31 July 2025 Total Funds £	Year ended 31 July 2024 Unrestricted Funds £	Year ended 31 July 2024 Total Funds £
Bank interest receivable	11	11	9	9

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

6. Costs of other trading activities

	Year ended 31 July 2025	Year ended 31 July 2025	Year ended 31 July 2024	Year ended 31 July 2024
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	£	£	£
Total costs	1,469,508	1,469,508	1,362,202	1,362,202
	<u>1,469,508</u>	<u>1,469,508</u>	<u>1,362,202</u>	<u>1,362,202</u>

	Year ended 31 July 2025	Year ended 31 July 2024
	£	£
Training and consultancy materials	182,389	166,773
Staff costs	1,065,585	970,072
Staff training and recruitment	3,209	8,891
Travel and sustenance	34,873	45,919
Premises costs	11,047	13,811
Legal and professional fees	-	-
Other expenditure	164,517	149,424
Amortisation of goodwill	-	-
Depreciation	7,888	7,313
	<u>1,469,508</u>	<u>1,362,202</u>

7. Expenditure on charitable activities by fund type

	Year ended 31 July 2025	Year ended 31 July 2025	Year ended 31 July 2024	Year ended 31 July 2024
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	£	£	£
Instructus – training and skills	673,228	673,228	958,581	958,581
Support costs	15,201	15,201	13,926	13,926
	<u>688,429</u>	<u>688,429</u>	<u>972,507</u>	<u>972,507</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total Year ended 31 July 2025	Total Year ended 31 July 2024
	£	£	£	£
Instructus Training and skills	673,228	-	673,228	958,581
Governance costs	-	15,201	15,201	13,926
	673,228	15,201	688,429	972,507

	Total Year ended 31 July 2025	Total Year ended 31 July 2024
	£	£
Instructus, parent company – Training and skills activities costs.		
Contract, project, registration, training and certification costs	143,645	158,494
Staff costs	416,207	601,009
Staff expenses, training and recruitment	12,548	14,894
Premises costs	25,310	46,119
Legal and professional fees	646	-
Other expenditure	72,034	56,446
Depreciation and amortisation	2,838	81,618
	673,228	958,581

Governance costs:

	Total Year ended 31 July 2025	Total Year ended 31 July 2024
	£	£
Auditor fees	11,275	12,450
Costs of trustees' meetings	3,926	1,476
	15,201	13,926

9. Net expenditure

Net expenditure is stated after charging:

	Year ended 31 July 2025	Year ended 31 July 2024
	£	£
Amortisation and impairment of intangible assets	2,337	81,975
Depreciation of tangible fixed assets	8,391	7,092
Operating lease cost	1,600	1,642

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

10. Auditor's remuneration

	Year ended 31 July 2025	Year ended 31 July 2024
	£	£
Auditor's remuneration	18,850	17,750
Auditor's remuneration – non audit services	6,835	7,700
	<u>25,685</u>	<u>25,450</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Year ended 31 July 2025	Year ended 31 July 2024
	£	£
Wages and salaries	1,139,646	1,330,479
Social security costs	149,608	137,463
Other post retirement benefit costs	88,648	98,973
	<u>1,377,902</u>	<u>1,566,915</u>

The average head count of employees during the year ended 31 July 2025 was 32 (year ended 31 July 2024: 32).

The number of employees whose remuneration for the period fell within the following bands, were:

	Year ended 31 July 2025	Year ended 31 July 2024
	£	£
£60,000 to £69,999	2	1
£80,000 to £89,999	-	1
£90,000 to £99,999	1	-
£120,000 to £129,999	1	2
	<u>4</u>	<u>4</u>

The key management personnel of the group comprise those of Instructus being the Chief Executive Officer and Managing Director and the key management personnel of its two wholly owned subsidiaries, CQM Training and Consultancy Limited and The Springboard Consultancy Limited. The total for the group key management personnel was £702,436 (year ended 31 July 2024: £815,595).

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

12. Trustee remuneration and expenses

No trustees received remuneration for their services as trustees during the year ended 31 July 2025 (year ended 31 July 2024: None).

Trustees' travel and subsistence expenses of £1,272 (year ended 31 July 2024: £448) were reimbursed by the charity to 4 (year ended 31 July 2024: 3) trustees during the year ended 31 July 2025.

The charity has insurance to indemnify the trustees, other officers and the charity against the consequences of any neglect or default on the part of the trustees, employees and agents.

13. Intangible assets

Group

	Goodwill	Course development costs	Asset under construction Software	Total
	£	£	£	£
Cost				
At 1 August 2024	954,758	4,058	10,000	968,816
Additions	-	52,006	28,500	80,506
Disposals	-	(4,058)	-	(4,058)
At 31 July 2025	954,758	52,006	38,500	1,045,264
Amortisation/impairment				
At 1 August 2024	954,758	4,058	4,000	962,816
Charge for the period	-	337	2,000	2,337
Disposals	-	(4,058)	-	(4,058)
At 31 July 2025	954,758	337	6,000	961,095
Carrying amount				
At 31 July 2025	-	51,669	32,500	84,169
At 31 July 2024	-	-	6,000	6,000

The course development costs are company intangible assets.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

Company

	Course development costs £	Total £
Cost		
At 1 August 2024	4,058	4,058
Additions	52,006	52,006
Disposals	(4,058)	(4,058)
At 31 July 2025	52,006	52,006
Amortisation/impairment		
At 1 August 2024	4,058	4,058
Charge for the period	337	337
Disposals	(4,058)	(4,058)
At 31 July 2025	337	337
Carrying amount		
At 31 July 2025	51,669	51,669
At 31 July 2024	-	-

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

14. Tangible assets

Group	Equipment £	Total £
Cost		
At 1 August 2024	175,738	175,738
Additions	15,244	15,244
Disposals	(16,106)	(16,106)
At 31 July 2025	174,876	174,876
Depreciation		
At 1 August 2024	160,760	160,760
Charge for the period	8,391	8,391
Eliminated on disposals	(15,070)	(15,070)
At 31 July 2025	154,081	154,081
Carrying amount		
At 31 July 2025	20,795	20,795
At 31 July 2024	14,978	14,978
Company		
Cost		
At 1 August 2024	58,211	58,211
Additions	6,547	6,547
Disposals	(14,950)	(14,950)
At 31 July 2025	49,808	49,808
Depreciation		
At 1 August 2024	52,055	52,055
Charge for the period	2,502	2,502
Eliminated on disposals	(14,950)	(14,950)
At 31 July 2025	39,607	39,607
Carrying amount		
At 31 July 2025	10,201	10,201
At 31 July 2024	6,156	6,156

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

15. Investments

The group has no investments

Company	Shares in group undertakings £
Cost	
At 1 August 2024 and 31 July 2025	<u>1,285,336</u>
Impairment	
At 1 August 2024	635,336
Provision for impairment	-
At 31 July 2025	<u>635,335</u>
Carrying amount	
At 1 August 2024 and 31 July 2025	<u>650,000</u>

Company investments comprise:

The company has two wholly owned subsidiaries, CQM Training and Consultancy Limited (Company No: 02782477) and The Springboard Consultancy Limited (Company No: 04729410). Both companies were registered in England and Wales, with registered offices as Instructus, 100% ordinary share capital owned and both are included within the consolidated accounts. The main activities of the subsidiary CQM Training and Consultancy Limited is training, coaching and consultancy. On 31 March 2021 the activity of The Springboard Consultancy Limited was hived up into Instructus and the company is now dormant.

A summary of their results is shown below:

CQM Training and Consultancy Limited

	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Income	1,382,794	1,464,791
Expenditure	(1,393,007)	(1,449,196)
Net (loss)/profit	<u>(10,213)</u>	<u>15,595</u>
 Assets	 382,880	 299,315
Liabilities	(310,149)	(216,371)
Net assets	<u>72,731</u>	<u>82,944</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

15. Investments (continued)

The Springboard Consultancy Limited

	Year ended 31 July 2025	Year ended 31 July 2024
	£	£
Income	-	-
Expenditure	-	-
Net loss	-	-
Assets	2	2
Liabilities	-	-
Net assets	2	2

16. Stocks

	Group		Company	
	Year ended 31 July 2025	Year ended 31 July 2024	Year ended 31 July 2025	Year ended 31 July 2024
	£	£	£	£
Raw materials and consumables	2,241	2,583	2,241	2,583

Stock comprises study guides and training course materials.

17. Debtors

	Group		Company	
	Year ended 31 July 2025	Year ended 31 July 2024	Year ended 31 July 2025	Year ended 31 July 2024
	£	£	£	£
Trade debtors	51,732	104,097	33,784	97,109
Amounts owed by group undertakings	-	16,439	32,111	21,216
Prepayments and accrued income	199,299	211,374	45,447	29,827
Other debtors	4,181	2,510	3,795	2,406
	255,212	334,420	115,137	150,557

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

18. Creditors: amounts falling due within one year

	Group		Company	
	Year ended 31 July 2025	Year ended 31 July 2024	Year ended 31 July 2025	Year ended 31 July 2024
	£	£	£	£
Trade creditors	106,166	62,468	64,655	34,665
Accruals and deferred income	205,444	117,356	34,362	53,375
Bank loans	32,000	32,000	-	-
Social security and other taxes	71,116	81,650	47,606	40,733
Other creditors	14,833	13,684	7,285	3,333
	429,559	307,157	153,909	132,105

Accruals and deferred income includes £175,132 (period ended 31 July 2024: £81,488) of deferred income in relation to income received in advance for training and consultancy services.

Creditors: amounts falling due over one year

	Group		Company	
	Year ended 31 July 2025	Year ended 31 July 2024	Year ended 31 July 2025	Year ended 31 July 2024
	£	£	£	£
Bank loans	2,667	34,667	-	-
	2,667	34,667	-	-

The bank loans are secured by a debenture comprising fixed and floating charges over all the assets of CQM Training and Consultancy Limited. The loan attracts interests of £3.99% above the base rate. There is no balance due over 5 years.

19. Provisions

Group	Deferred tax £
At 1 August 2024	1,874
Additions	-
Disposals	(1,874)
At 31 July 2025	-

The company does not have any other provisions.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

20. Deferred tax

The deferred tax included in the Statement of Financial Position is as follows:

	Group		Company	
	Year ended 31 July 2025 £	Year ended 31 July 2024 £	Year ended 31 July 2025 £	Year ended 31 July 2024 £
Included in provisions	-	1,874	-	-
	-	1,874	-	-

The deferred tax relates to accelerated capital allowances.

21. Net debt analysis

Group

	At 1 August 2024 £	Net cash flows £	At 31 July 2025 £
Cash	244,802	120,767	365,569
Borrowings	(66,667)	32,000	(34,667)
	178,135	152,767	330,902

22. Employee benefits

Defined contribution plans

The amount recognised in the Statement of Financial Activities as an expense in relation to defined contribution plans was £88,648 (year ended 31 July 2024: £98,973). Creditors include a balance of £14,274 (year ended 31 July 2024: £10,519) due in respect of pension commitments.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31 July 2025	31 July 2024	31 July 2025	31 July 2024
	£	£	£	£
Not late than 1 year	810	1,621	810	1,621
Later than 1 year and not later than 5 years	-	810	-	810
Larger than 5 years	-	-	-	-
	810	2,431	810	2,431

24. Related party transactions

	Year ended	Year ended
	31 July 2025	31 July 2024
	£	£
Recharges received from CQM	202,101	162,564
Recharges paid to CQM	86,067	-
Amount due (to)/from CQM	31,111	21,216

25. Analysis of charitable funds

	At 1 August 2024	Income	Expenditure	At 31 July 2025
	£	£	£	£
General funds	259,084	2,194,614	(2,157,937)	295,761
	259,084	2,194,614	(2,157,937)	295,761

INSTRUCTUS

England & Wales - Charity number 1144894

Accounts

Company Number: 07066687
Charity Number: 1144894

Instructus
(A company limited by guarantee)

Consolidated Financial Statements For
the year ended 31 July 2024

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONTENTS

Officers and professional advisors	1
Trustees' Annual Report (incorporating the directors' report)	2 - 13
Independent Auditor's Report to the members of Instructus	14 - 17
Consolidated Statement of Financial Activities (including income and expenditure account)	18
Consolidated Statement of Financial Position	19
Company Statement of Financial Position	20
Consolidated Statement of Cash Flows	21
Notes to the Financial Statements	22 - 37

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

OFFICERS AND PROFESSIONAL ADVISORS

Registered charity name	Instructus
Charity Registration No.	1144894
Company Registration No.:	07066687
Trustees:	Mr N P Hopkins (Chair) Ms A S Cooper Ms J A Norrington Ms E J Rush Mr R Traish Ms R Allen Ms S Frost
Company Secretary:	Mr A Hammond
Registered Office:	Suite 103a Harborough Enterprise Centre Compass Point Business Park Northampton Road Market Harborough Leicestershire LE16 9HW
Auditor:	TC Group 31 High View Close Hamilton Office Park Leicester LE4 9LJH
Bankers:	Unity Trust Bank Plc Nine Brindley Place Birmingham B1 2HB
Solicitors:	Freeth Cartwright LLP Cumberland Court 80 Mount Street Nottingham NG1 6HH

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the period ended 31 July 2024.

Reference and administrative details

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the financial statements.

The Trustees

The trustees who served the charity during the period were as follows:

Mr N P Hopkins (Chair)
Ms J A Norrington Ms E J Rush
Mr R Traish Ms R Allen Ms A Cooper
Ms D Rapkins (appointed 15.03.24) (resigned 13.11.24)
Ms S Frost (appointed 28.06.24)
Ms J Seymour (resigned 08.09.23)

Structure, governance, and management

Constitution

Instructus is a registered charity (Charity No: 1144894) and a company limited by guarantee (Company No: 07066687), which is incorporated in England and Wales.

Governing document

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustee appointment and management

Trustees are appointed by the board of trustees.

The charity has robust recruitment, induction, appraisal, and training processes in place for all trustees. Trustees receive frequent reports on operations, human resources, risks, and finance. Financial governance is a top priority for trustees: the CEO holds regular finance meetings and holds regular audit meetings with the executive team, where at least one trustee is present, and where performance is reviewed, targets are agreed, and financial governance is scrutinised to minimise risks and maximise income potential. Trustees meet every three months for board meetings and once a year to agree the strategic direction of the charity over the ensuing three-year period. The Risk & Audit Committee meets formally four times per year, plus additional meetings to review budgets as required. Trustees act as Chair of the Risk & Audit Committee.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

The trustees delegate operational powers to the Chief Executive Officer, who is responsible for implementing the strategies and operating the charity.

Arrangements for setting the remuneration of the charity's key management personnel lie with the Chief Executive (for his direct reports) and with the Chairman of the board for the Chief Executive. The performance and development review documents are used to assess the performance of the key personnel and the financial performance of the charity, and its subsidiaries are used as benchmarks to agree any pay amendments.

Our trustees have concentrated on the strategic plan to ensure the organisation returns to a surplus position following losses incurred during and post pandemic. The Trustees understand the key challenges facing Instructus and as well as their detailed induction training, receive regular updates on the performance of the charity.

Introduction

Instructus is a charity whose objects are *"to advance education for the public benefit by promoting qualifications, training and skills"*.

Instructus is the sole owner of **CQM Training & Consultancy Ltd**. The **Springboard Consultancy** is a brand within Instructus.

Instructus is the UK's pan-sector standard setting body for business skills at work across the UK. It is responsible for setting standards, developing vocational business qualifications and apprenticeship frameworks, registering, and issuing pan-sector apprenticeship frameworks.

As part of our commitment to maintaining the UK Skills system, we are a strategic partner with Skills Development Scotland who operate the nations Standards and Framework agreement.

Instructus continue to certify apprenticeships in the devolved nations, alongside legacy frameworks in England. We consistently achieve quality metrics agreed with the Federation for Industry Sector Skills & Standards (FISSS).

The Springboard Consultancy is an international training and personal development consultancy that contributes to achieving greater equality in the world by helping attendees be the best they can be and realising their full potential both in their personal lives and at work. Springboard sits as a brand within Instructus.

Springboard programmes make a significant difference to people's lives and are delivered by employees and a network of licenced freelance and in house trainers. As of July 2024, we had a global network of 135 licenced trainers delivering programmes both in the UK and internationally with 2,812 individuals benefiting from development over the year.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

CQM Training and Consultancy Ltd delivers training principally across the UK with some international provision. CQM offer development programmes in the areas of leadership and management, continuous improvement, and vocational skills. As a lead provider on the Register of Apprenticeship Training Providers (ROATP), CQM deliver a range of apprenticeships in many different market sectors.

All activity conducted by Instructus, The Springboard Consultancy and CQM Training & Consultancy Ltd has a direct and positive public benefit. Our work in qualifications, training and skills always focuses on individual learners at the heart of our offering. The more people we can develop, the more lives will be transformed.

Performance

The in-year performance was in line with expectations, primarily due to the following reasons:

- Delivery of strategic plan to return to organizational surplus.
- Overperformance of Skills Development activity.
- Continued stringent cost management.

There are many positives to note:

- Both organisations delivering surplus.
- SBC revenues are in line with original budget.
- Development work on the Springboard portfolios continued.
- Cash performed in line with forecasts.
- Learner tracking processes improved.
- Office relocation to Market Harborough saving £20k per annum (realized in 2024/25 budget).

There were inevitably some challenges in the year:

- CQM achieving a 'requires improvement' inspection from Ofsted.
- Lower Commercial programme sales than anticipated.
- Revenue in most channels remain static – addressing this is the core strategic focus for 2024/25.

Financial

Group cash position at year end was £244K. This was above the reserve level agreed by the board.

CQM returned a profit of £15,595.

Instructus returned a surplus of £26,636.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

Average Monthly Revenue	2021/22	2022/23	2023/24	2024/25 Budget
Springboard	£35K	£38K	£38.2K	£42.5K
CQM Apprenticeships	£110K	£103K	£105K	£97K
CQM Commercial	£20K	£21.5K	£17K	£26.5K
Certification	£37K	£24.5K	£22K	£22K
Skills Development	£9.5K	£5K	£9.8K	£7K

We have taken a cautious approach to budgets for 2024/25 with growth focused on Springboard and CQM Commercial programmes. We have increased our marketing effort against both these channels and our improved forward pipeline supports the achievability of the budget in these areas.

Our budgets for 2024/25 have been agreed by the board. Achievement of budgets will result in an overall surplus of circa £55K with a stretch target of £100K.

After reviewing budgets, forecasts and cash flow, the board of CQM are satisfied that the organisation remains a going concern over the next 12 months.

After reviewing budgets, forecasts and cash flow, the board of Instructus are satisfied that the organisation remains a going concern over the next 12 months.

Customer

In 2023/24 CQM achieved £208K of commercial work, with £75K of this from new clients and £133K from existing clients.

In the coming year we are focusing our sales and marketing effort on core apprenticeships and commercial work, particularly that of a higher value. Our commercial day rate has been reviewed and increased proportionately according to level of delivery and capability. We have undertaken a profitability analysis of all products, allowing us to streamline our programme delivery and product offering. We have tightened our processes of tracking earners to ensure there are no extraordinary adjustments for funded learners due to withdrawals or breaks in learning. We were disappointed to receive a 'requires improvement' judgment from Ofsted and a revised and reinvigorated Quality Improvement Plan has been deployed to ensure we correct this position at reinspection.

In Springboard work has continued recovering royalty payments, bringing licencing agreements in line, creating an Open Cohort schedule, improving the trainer licencing process, and increasing sales value of programmes. Account Management has become more consistent with better relationships being created across the piece. In 2024/25 we are planning to update the core products alongside an increased marketing focus.

Key commercial wins for CQM this year have included Phinia LSSGB phases 1 and 2, Britvic LSSGB phase 2, AB World Foods LSSBB and CMA Lean Awareness & White Belt delivery.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

For Springboard, National Grid continue to be a valued customer having multiple cohorts of Springboard, Spring Forward and Navigator. Other significant new business includes UKAEA and WPP, with multiple cohorts delivered both in the UK and internationally.

We met all certification quality scores throughout the year.

Employer feedback as measured by the ESFA was 4.0 (Green)

Apprentice feedback as measured by the ESFA was 3.6 (Green)

People

We saw a significant decrease in staff sickness rates from 1.9% to 0.4% in the year.

We regularly measure staff satisfaction through a 'pulse' survey every six months, which identifies key areas for us to work on. We measure employee engagement through our net promoter score which is currently 4. The range of scores is -100 to 100, with anything between 0-30 being considered Good and anything over 30 being Excellent.

We continue to focus on employee training and development, accessing training courses, ongoing CPD, apprenticeships and coaching, regularly reviewed through line manager development touchpoints alongside an appraisal process.

We have a suite of mandatory training courses covering all statutory requirements, including safeguarding, health and safety, GDPR and anti-bribery. Compliance with this training is monitored and reviewed on a regular basis.

The CEO leads quarterly Health and Safety meetings which are reported to the Risk & Audit Committee and board as appropriate.

Impact

2,812 people have been developed through Springboard Programmes (in-house & freelance) over the year. We have licensed 13 new people to deliver Springboard Programmes, bringing our total number of active trainers to 135. We have successfully certified 7,041 people across the UK. 401 were against English legacy frameworks, 3,112 in Wales, and 3,528 in Scotland.

We have continued to focus on Improvement Standards programmes which helps build the skills levels across organisations, with some significant business improvements being achieved. Indeed, we have seen apprentices on our improvement standards apprenticeship programmes deliver over £3m in savings for their organisations even during a tough time for many, plus of course gaining a skillset to be able to continue to deliver that year on year.

We have successfully led 112 CQM learners through EPA. We currently have 345 learners on apprenticeship programmes with CQM, with an additional 25 currently on breaks in learning. Approximately 290 have completed commercial training programmes.

We have continued to support a wide variety of employers, training providers, awarding organisations and professional bodies with the development of learners and skills for the future.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

Skills Projects

At the start of 2023 Instructus secured the preferred supplier status for Skills Development Scotland (SDS) for a further four years. Having secured this preferred supplier status, Instructus has continued to secure projects via competitive bidding. During 2023/24 funding was secured to deliver the following projects, which were delivered on time and on budget.

- UK Wide NOS Review for Sales
- UK Wide NOS Review for Risk Management
- Research Review for Scottish Technical Expert Group (TEG) for Business and Digital Admin
- Welsh Apprenticeship framework review for Management
- Welsh Apprenticeship framework review for Business Admin
- Welsh Apprenticeship framework review for Customer Service
- Welsh Apprenticeship framework review for Marketing
- Welsh Apprenticeship framework review for Sales & Telesales
- Welsh Apprenticeship framework review for Contact Centre
- Welsh Apprenticeship framework review for Translation & Interpreting
- UK Wide analysis into SOC for NOS
- Welsh NOS translations

Charity and Social Impact

The Charitable object of Instructus is *"to advance education for the public benefit by promoting qualifications, training and skills"*.

As an organisation all our activity is focused on delivering this charitable object. We have a simple theory that developing people transforms lives. We believe that that our activities cultivate a positive economic and social impact for those we serve. This can be as simple as official certification of the hard work that has gone into an Apprenticeship, through to the delivery of an Apprenticeship, building the skills to forge careers and deliver commercial returns for the UK economy. This can be the delivery of Personal Development programmes that help promote inclusion and close gender pay gaps, through to life changing decisions from our participants that benefit businesses, communities, and individuals alike.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

Our work can be broken down into 3 key areas

Qualifications	Training	Skills
Certification of English Apprenticeship Frameworks	Apprenticeships across a wide range of Standards	National Occupational Standards Review Projects
Certification of Apprenticeships in Scotland, Wales & Northern Ireland	Lean Six Sigma Programmes	Qualification structure reviews
Certification of Yellow, Green, Black and Master Black Belt practitioners	Management Programmes	Apprenticeship framework review, across the devolved nations
	Springboard Personal Development Programmes	
	Licensing Programmes to grow Springboard trainer base	

These activities have driven significant public benefit and social value in a wide variety of areas, including.

- New apprentices delivering the skills required by UK PLC
- Individual growth which in turn impacts societal growth.
- Improved business ROI as new skills are deployed to bring commercial benefit.
- Improved productivity
- Improved equality
- Simplification and development of the skills systems across the devolved nations

In addition to our core activity, in 24/25 we are planning on expanding access to our core products and services for the less advantaged. Initially this will be offering Springboard licencing to Third Sector organisations and repeating with CI programmes if the pilot is successful.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

The following links give specific case studies give a flavour of the impact we are making.

<https://cqmltd.co.uk/celebrating-sussex-johnson-matthey-princess-royal-training-awards-2024/>

<https://zenoot.com/articles/case-study-1m-and-counting-how-cqms-lean-six-sigma-training-course-delivered-hard-benefits-for-a-soft-drinks-giant/>

<https://springboardconsultancy.com/2024/08/27/celebrating-success-south-wales-police/>

<https://springboardconsultancy.com/2023/12/11/avon-and-somerset-contabulary-navigator-mens-development-programme-case-study/>

<https://springboardconsultancy.com/2023/11/27/environmental-champion-lisa-baines-environmental-technical-lead-at-national-grid-shares-her-spring-forward-experience/>

<https://springboardconsultancy.com/2023/08/23/national-grid-case-study/>

Quality Assurance

Instructus has continued its role as both an Issuing Authority and Certification Body for apprenticeships in the UK, meeting all statutory and regulatory obligations. Instructus prides itself of continuous improvement of internal and external processes. Our certification team continue to significantly overachieve the targets set in our Service Level Agreements with the Federation.

We have various accreditations, including:

- Cyber Essentials
- IASME Governance
- Matrix Accreditation
- Living Wage Employer

Quality remains a key focus for CQM, with a review of the Quality Improvement Plan being a standing agenda item on all board meetings. There has been a significant focus on making improvements following the Ofsted inspection. We have engaged the services of the Fellowship of Inspection Nominees' (FIN) to advise and evaluate our progress in the lead up to re-inspection. This external evaluation confirms that we are making good progress in all focus areas. In addition, we have asked an Instructus trustee to attend the CQM board meeting to add additional assurance on progress.

ESFA have reviewed our Quality Improvement Plan and support the actions being taken.

We have updated Springboard evaluations and introduced pulse surveys at pertinent points throughout the programme delivery alongside attending numerous programmes to ensure we monitor quality of delivery. We are updating trainer materials to ensure consistency of approach and are moving resources to an online facility to ensure they can be kept updated based on feedback and emerging perspectives.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

Risks

There are 4 key risks:

Apprenticeships

We are awaiting details on what the new government proposes in the skills/apprenticeship arena. The new body 'Skills England' is being formed and the ESFA is being merged into the Department for Education. The labour manifesto suggested they would introduce more flexibility to the apprenticeship levy to support more modular programmes, but details are yet to be released, and no additional funding has been made available.

Sadly, the apprenticeship funding bands remain unchanged since 2017, with all inflationary costs being met by providers. In addition, the regulatory compliance for delivery of apprenticeships continues to grow, despite no additional funding.

Pressure to achieve apprenticeship completions remains. We are above the median position across providers and are striving to continue our upward trend to achieve more than 60% for 2024/25.

We closely monitor developments and are focusing on our strategy of increasing our commercial programmes alongside delivering high quality and effective apprenticeships.

Refreshing Springboard Products

The current materials were last updated in 2019 and are in need of a refresh or even full re-write. In 2024/25 we are focusing on Springboard Women's Programme followed by the Navigator programme.

Funding growth

Cash has performed in line with expectation and the organisation has returned to surplus. Despite this there is little additional cash to fund growth. We have increased marketing budgets and are focusing on updating programmes. Our intention is to ensure a sustainable long-term surplus which in turn will release funds to invest in more inorganic growth.

Quality

Delivery of our Quality Improvement Plan is essential. Failure to deliver could compromise our ability to deliver apprenticeships in the long term, which would significantly restrict the impact we have as an organisation. Progress is being monitored at both executive and board levels.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

Reserves

The board have agreed a reserve level of £200K, rising to £250K at the end of 2025. These figures have been agreed following a scenario analysis of liabilities in the unlikely event that the organisation cease trading.

Cash levels have been above the agreed reserves throughout the year and this position is forecast to continue over the next 12 months.

All CBiLs loan commitments have been met to date, and repayments are factored into forward budgets.

Future Strategic Plans

The board have reviewed our strategy over the year. Our core purpose continues as being 'Developing People' Transforming lives'. In addition to delivering this remit in all our activity, we are aiming to show that sustainable growth can be achieved. We also aim to access funding to increase access to our programmes for the less advantaged. The board have agreed 3 strategic pillars to underpin our strategy and performance is measured against these areas. These pillars are Inclusive Culture, Outstanding Quality, and Smart Growth.

Key strategic priorities for the year ahead:

- Promoting our core values of Authenticity; Inclusivity; Integrity.
- Focusing on quality.
- Continuing delivery of high-quality certification of apprenticeships.
- Increasing proportion of commercial programmes, particularly Continuous Improvement and Springboard.
- Delivering key skills development projects, working closely with the devolved nations.
- Updating core programmes.
- Growing Springboard programme reach.
- Delivering high quality targeted apprenticeships and improving completion rates above 65%.
- Developing our staff, whilst maintaining a positive net promoter score.
- Maintaining a surplus, with year-on-year growth.
- Investigating funding sources to support delivery of core programmes to advantaged.

The board would like to thank the team for delivering a platform for growth and celebrate the difference we are making to individuals from our numerous and diverse interventions.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

Trustees' Responsibilities

The Trustees, who are also Directors of Instructus for the purposes of company law, are responsible for preparing the Report of the Trustees and the incorporated Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Instructus website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

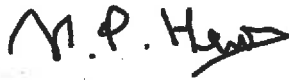
TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE YEAR ENDED 31 JULY 2024

Auditor

Each of the person who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report was approved and signed on behalf of the board of trustees by:



.....
Mr N P Hopkins

Trustee

Date: 24/01/2025

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 JULY 2024

Opinion

We have audited the financial statements of Instructus ('the parent charity') and its subsidiaries ('the group') for the period ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Statements of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2024 and of the group's income and expenditure for the period 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 charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 JULY 2024

Other information

The other information comprises the information included in the Trustees Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, 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 included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' 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 and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 JULY 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charity for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charity'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 trustees either intend to liquidate the charity 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charitable company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

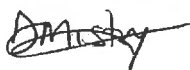
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 JULY 2024

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the Audit Report

This report is made solely to the charity'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.



Dilun Mistry FCA (Senior Statutory Auditor)

for and on behalf of TC Group

31 High View Close
Hamilton Office Park
Leicester
LE4 9LH

Date: 27 / 01 / 2025

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT of FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2024

		Year ended	Year ended	16 Month
		Unrestricted	Total	ended
		Funds	Funds	Total
		2024	2024	Funds
	Note	£	£	2023
				£
Income and endowments:				
Charitable activities	3	832,166	832,166	1,086,142
Other trading activities	4	1,464,791	1,464,791	1,993,277
Investments	5	9	9	160
Total incoming		2,296,966	2,296,966	3,079,579
Expenditure on:				
Raising Funds	6	1,362,202	1,362,202	2,119,434
Charitable Activities	7,8	972,507	972,507	1,296,621
Total expenditure		2,334,710	2,334,710	3,416,055
Net movement in funds		(37,744)	(37,744)	(336,476)
Reconciliation of funds				
Total funds brought forward		296,833	296,833	633,309
Total funds carried forward		259,083	259,083	296,833

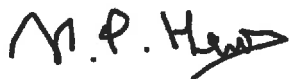
The Statement of Financial Activities includes all gains and losses recognised in the period. All funds relate to unrestricted funds in both periods.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 JULY 2024

	Note	31 July 2024 £	31 July 2023 £
Fixed assets			
Intangible fixed assets	13	6,000	87,975
Tangible fixed assets	14	14,977	14,070
		<u>20,977</u>	<u>102,045</u>
Current assets			
Stocks	16	2,583	2,706
Debtors	17	334,420	323,984
Cash at bank and in hand		244,802	252,954
		<u>602,781</u>	<u>579,644</u>
Creditors: amounts falling due within one year	18	(307,157)	(316,056)
		<u>274,647</u>	<u>263,588</u>
Net current assets			
		<u>274,647</u>	<u>263,588</u>
Total assets less current liabilities		<u>295,624</u>	<u>365,633</u>
Creditors: amounts falling due after one year	18	(34,667)	(66,667)
Provisions			
Other provisions	19	(1,874)	(2,133)
		<u>259,084</u>	<u>296,833</u>
Net assets		<u>259,084</u>	<u>296,833</u>
Funds of the charity			
Unrestricted funds		259,084	296,833
Total charity funds	25	<u>259,084</u>	<u>296,833</u>

Approved by the Board of Trustees and signed on its behalf by:



.....
Mr N P Hopkins
Trustee

Date: 24/01/2025

INSTRUCTUS

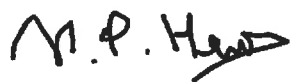
COMPANY LIMITED BY GUARANTEE

COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 JULY 2024

	Note	31 July 2024 £	31 July 2023 £
Fixed assets			
Intangible fixed assets	13	-	-
Tangible fixed assets	14	6,155	2,413
Investments	15	650,000	650,000
		<u>656,155</u>	<u>652,413</u>
Current assets			
Stocks	16	2,583	2,706
Debtors	17	158,013	160,266
Cash at bank and in hand		149,196	132,149
		<u>309,792</u>	<u>295,121</u>
Creditors: amounts falling due within one year	18	(139,808)	(148,031)
Net current assets		<u>169,984</u>	<u>147,090</u>
Net assets		<u>826,139</u>	<u>799,503</u>
Funds			
Unrestricted funds		<u>826,139</u>	<u>799,503</u>
Total funds		<u>826,139</u>	<u>799,503</u>

The surplus for the financial period of the parent company was £26,636 (year ended 31 July 2023: deficit £185,752).

These financial statements were approved by the board of trustees and authorised for issue on behalf of the board by:



Mr N P Hopkins

Trustee

Date: 24/01/2025

Company registration number: 07066687

INSTRUCTUS**COMPANY LIMITED BY GUARANTEE****CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024**

	Year Ended 2024 £	Year Ended 2023 £
Cash flows from operating activities		
Deficit for the financial period	(37,736)	(336,476)
<i>Adjustments for:</i>		
Tax charge	-	-
Depreciation of tangible assets	7,092	17,978
Amortisation of intangible assets	81,975	69,558
Profit on disposal of tangible fixed assets	(138)	(958)
Other interest receivable and similar income	(9)	(160)
Tax received	-	-
Decrease in stock	123	1,079
Interest paid	7,787	10,837
Decrease/(increase) in debtors	(10,436)	155,336
(Decrease)/increase in creditors	(8,899)	(58,203)
Net cash used in operating activities	<u>39,759</u>	<u>(140,979)</u>
Cash flows from investing activities		
Interest received	9	160
Purchase of tangible assets	(8,023)	(2,829)
Purchase of intangible assets	-	-
Proceeds on the sale of fixed assets	162	1,197
Net cash used in investing activities	<u>(7,852)</u>	<u>(1,472)</u>
Cash flows from financing activities		
Repayment of bank loans including interest paid	<u>(40,059)</u>	<u>(53,503)</u>
Net decrease in cash and cash equivalents	(8,152)	(195,954)
Cash and cash equivalents at beginning of year	252,954	448,908
Cash and cash equivalents at end of year	<u>244,802</u>	<u>252,954</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

1 General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Suite 103a, Harborough Enterprise Centre, Compass Point Business Park, Northampton Road, Market Harborough, Leicestershire, LE16 9HW. The financial statements are prepared in Sterling, which is the functional currency of the charitable company.

Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The board received detailed forecasts as part of the budget setting exercise for 2024/25. These have been reviewed in August 2024, alongside an updated forecast with no material changes. The board is also assured that performance in P1 & P2 is tracking in line with the forecast position. Budgets have also been stress tested looking at worst case scenarios. Based on the analysis, the board concluded that Instructus remains a going concern well beyond the next 12 months.

Consolidation

The financial statements consolidate the financial statements of Instructus and all its subsidiary undertakings.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of management, there are no key areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements;

The following principal accounting policies have been applied:

Taxation

The charity is exempt from tax on income and gains, falling within part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects. No tax charges have arisen.

Funds

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are funds earmarked by the trustees for specific purposes.

Restricted funds, which have been given for a specific purpose and can only be used for that purpose without the consent of the donor.

There were no Designated or Restricted funds during the year ended 31 July 2024 or during the period ended 31 July 2023.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income from grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

Accounting policies (continued)

Resources expended

All expenditure is recognised on an accruals basis inclusive of VAT which cannot be fully recovered, and is classified under the headings of the Statement of Financial activities to which it relates:

Expenditure on charitable activities include:

- a. Expenditure on the charity's primary charitable purposes as described in the trustees' report.
- b. Governance costs associated with the governance of the charity and its assets. Included within this category are costs associated with the strategic, as opposed to day to day, management of the charity's activities.

Expenditure on other activities are directly attributable to specific activities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at a cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

Accounting policies (continued)

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows;

Goodwill	10 years
Course development costs	3 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings, office and computer equipment	20% - 25% straight line
---	-------------------------

Investments

Investments, including investments in subsidiaries, are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Stocks

Stocks of study guides and training course materials are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

Accounting policies (continued)

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the Statement of Financial Position and the amount of the provision as an expense.

Provisions are initially measured as the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required in income or expenditure unless the provision was originally recognised as part of the cost of an asset.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

There are no key areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements.

2. Limited by guarantee

The charity is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

3. Charitable activities income

	Year ended 31 July 2024 Unrestricted Funds £	Year ended 31 July 2024 Total Funds £	Period ended 31 July 2023 Unrestricted Funds £	Period ended 31 July 2023 Total Funds £
Grants and contracts	-	-	-	-
Registration, certification and training income	374,239 457,927	374,239 457,927	477,507 608,635	477,507 608,635
Other income				
	832,166	832,166	1,086,142	1,086,142

4. Other trading activities income

	Year ended 31 July 2024 Unrestricted Funds £	Year ended 31 July 2024 Total Funds £	Period ended 31 July 2023 Unrestricted Funds £	Period ended 31 July 2023 Total Funds £
Training and consultancy	1,464,791	1,464,791	1,993,277	1,993,277

5. Investment income

	Year ended 31 July 2024 Unrestricted Funds £	Year ended 31 July 2024 Total Funds £	Period ended 31 July 2023 Unrestricted Funds £	Period ended 31 July 2023 Total Funds £
Bank interest receivable	9	9	160	160
	9	9	160	160

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

6. Costs of other trading activities

	Year ended 31 July 2024	Year ended 31 July 2024	Period ended 31 July 2023	Period ended 31 July 2023
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	£	£	£
Total costs	1,362,202	1,362,202	2,119,434	2,119,434
	<u>1,362,202</u>	<u>1,362,202</u>	<u>2,119,434</u>	<u>2,119,434</u>

	Year ended 31 July 2024	Period ended 31 July 2023
	£	£
Training and consultancy materials	166,773	235,414
Staff costs	970,072	1,481,455
Staff training and recruitment	8,891	3,124
Travel and sustenance	45,919	94,471
Premises costs	13,811	51,577
Legal and professional fees	-	1,920
Other expenditure	149,424	177,240
Amortisation of goodwill	-	60,220
Depreciation	7,313	14,013
	<u>1,362,202</u>	<u>2,119,434</u>

7. Expenditure on charitable activities by fund type

	Year ended 31 July 2024	Year ended 31 July 2024	Period ended 31 July 2023	Period ended 31 July 2023
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	£	£	£	£
Instructus – training and skills	958,581	958,581	1,270,800	1,270,800
Support costs	13,926	13,926	25,821	25,821
	<u>972,507</u>	<u>972,507</u>	<u>1,296,621</u>	<u>1,296,621</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Year ended 31 July 2024 £	Total Period ended 31 July 2023 £
Instructus Training and skills	958,581	-	958,581	1,270,800
Governance costs	-	13,926	13,926	25,821
	958,581	13,926	972,507	1,296,621

	Total Year ended 31 July 2024 £	Total Period ended 31 July 2023 £
Instructus, parent company – Training and skills activities costs.		
Contract, project, registration, training and certification costs	158,494	205,131
Staff costs	601,009	852,464
Staff expenses, training and recruitment	14,894	25,160
Premises costs	46,119	67,997
Legal and professional fees	-	13
Other expenditure	56,446	107,687
Depreciation and amortisation	81,618	12,348
	958,581	1,270,800

Governance costs:

	Total Year ended 31 July 2024 £	Total Period ended 31 July 2023 £
Auditor fees	12,450	23,585
Costs of trustees' meetings	1,476	2,236
	13,926	25,821

9. Net expenditure

Net expenditure is stated after charging:

	Year ended 31 July 2024 £	Period ended 31 July 2023 £
Amortisation and impairment of intangible assets	81,975	69,588
Depreciation of tangible fixed assets	7,092	17,978
Operating lease cost	1,642	47,171

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

10. Auditor's remuneration

	Year ended 31 July 2024	Period ended 31 July 2023
	£	£
Auditor's remuneration	17,750	18,735
Auditor's remuneration – non audit services	7,700	6,983
	<u>25,450</u>	<u>25,718</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Year ended 31 July 2024	Period ended 31 July 2023
	£	£
Wages and salaries	1,330,479	1,952,447
Social security costs	137,463	217,116
Other post retirement benefit costs	98,973	173,191
	<u>1,566,915</u>	<u>2,342,754</u>

The average head count of employees during the year ended 31 July 2024 was 32 (period ended 31 July 2023: 36).

The number of employees whose remuneration for the period fell within the following bands, were:

	Year ended 31 July 2024	Period ended 31 July 2023
	£	£
£60,000 to £69,999	1	1
£80,000 to £89,999	1	0
£100,000 to £109,999	0	1
£120,000 to £129,999		1
	<u>2</u>	
	<u>4</u>	<u>3</u>

The key management personnel of the group comprise those of Instructus being the Chief Executive Officer and Managing Director and the key management personnel of its two wholly owned subsidiaries, CQM Training and Consultancy Limited and The Springboard Consultancy Limited. The total for the group key management personnel was £815,595 (period ended 31 July 2023: £442,469).

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

12. Trustee remuneration and expenses

No trustees received remuneration for their services as trustees during the year ended 31 July 2024 (period ended 31 July 2023: None).

Trustees' travel and subsistence expenses of £448 (period ended 31 July 2023: £1,541) were reimbursed by the charity to 3 (period ended 31 July 2023: 6) trustees during the year ended 31 July 2024.

The charity has insurance to indemnify the trustees, other officers and the charity against the consequences of any neglect or default on the part of the trustees, employees and agents.

13. Intangible assets

Group and company

	Goodwill	Course development costs	Asset under construction Software	Total
	£	£	£	£
Cost				
At 1 August 2023	954,758	4,058	10,000	968,816
Additions	-	-	-	-
At 31 July 2024	954,758	4,058	10,000	968,816
Amortisation/impairment				
At 1 August 2023	874,783	4,058	2,000	880,841
Charge for the period	79,975	-	2,000	81,975
At 31 July 2024	954,758	4,058	4,000	962,816
Carrying amount				
At 31 July 2024	-	-	6,000	6,000
At 31 July 2023	79,975	-	8,000	87,975

The course development costs are company intangible assets.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

14. Tangible assets

Group	Equipment £	Total £
Cost		
At 1 August 2023	222,435	222,435
Additions	8,023	8,023
Disposals	(54,719)	(54,719)
At 31 July 2024	175,739	175,738
Depreciation		
At 1 August 2023	208,365	208,365
Charge for the period	7,092	7,092
Eliminated on disposals	(54,695)	(54,695)
At 31 July 2024	160,762	160,762
Carrying amount		
At 31 July 2024	14,977	14,977
At 31 July 2023	14,070	14,070
Company		
Cost		
At 1 August 2023	107,295	107,295
Additions	5,385	5,385
Disposals	-	-
At 31 July 2024	112,680	112,680
Depreciation		
At 1 August 2023	104,882	104,882
Charge for the period	1,642	1,642
Eliminated on disposals	-	-
At 31 July 2024	106,524	106,524
Carrying amount		
At 31 July 2024	6,156	6,156
At 31 July 2023	2,413	2,413

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

15. Investments

The group has no investments

Company	Shares in group undertakings £
Cost	
At 1 August 2023 and 31 July 2024	<u>1,285,336</u>
Impairment	
At 1 August 2023	635,336
Provision for impairment	-
At 31 July 2024	<u>635,335</u>
Carrying amount	
At 1 August 2023 and 31 July 2024	<u>650,000</u>

Company investments comprise:

The company has two wholly owned subsidiaries, CQM Training and Consultancy Limited (Company No: 02782477) and The Springboard Consultancy Limited (Company No: 04729410). Both companies were registered in England and Wales, with registered offices as Instructus, 100% ordinary share capital owned and both are included within the consolidated accounts. The main activities of the subsidiary CQM Training and Consultancy Limited is training, coaching and consultancy. On 31 March 2021 the activity of The Springboard Consultancy Limited was hived up into Instructus and the company is now dormant.

A summary of their results is shown below:

CQM Training and Consultancy Limited

	Year ended 31 July 2024 £	Period ended 31 July 2023 £
Income	1,464,791	1,993,437
Expenditure	(1,449,196)	(2,074,500)
Net (loss)/profit	<u>15,595</u>	<u>(81,063)</u>
 Assets	 299,315	 351,266
Liabilities	(216,371)	(283,917)
Net assets	<u>82,944</u>	<u>67,349</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

15. Investments (continued)

The Springboard Consultancy Limited

	Year ended 31 July 2024	Period ended 31 July 2023
	£	£
Income	-	-
Expenditure	-	-
Net loss	-	-
Assets	2	2
Liabilities	-	-
Net assets	2	2

16. Stocks

	Group		Company	
	Year ended 31 July 2024	Period ended 31 July 2023	Year ended 31 July 2024	Period ended 31 July 2023
	£	£	£	£
Raw materials and consumables	2,583	2,706	2,583	2,706

Stock comprises study guides and training course materials.

17. Debtors

	Group		Company	
	Year ended 31 July 2024	Period ended 31 July 2023	Year ended 31 July 2024	Period ended 31 July 2023
	£	£	£	£
Trade debtors	104,097	114,676	97,109	84,485
Amounts owed by group undertakings	16,439	-	21,216	36,407
Prepayments and accrued income	211,374	193,515	29,827	23,656
Other debtors	2,510	15,793	2,406	15,718
	334,420	323,984	150,557	160,266

INSTRUCTUS**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024****18. Creditors: amounts falling due within one year**

	Group		Company	
	Year ended 31 July 2024	Period ended 31 July 2023	Year ended 31 July 2024	Period ended 31 July 2023
	£	£	£	£
Trade creditors	62,468	71,885	34,665	17,658
Accruals and deferred income	117,356	135,041	53,375	90,216
Bank loans	32,000	32,000	-	-
Social security and other taxes	81,650	65,514	40,733	36,857
Other creditors	13,684	11,616	3,333	3,300
	307,157	316,056	132,105	148,031

Accruals and deferred income includes £81,488 (period ended 31 July 2023: £93,028) of deferred income in relation to income received in advance for training and consultancy services.

Creditors: amounts falling due over one year

	Group		Company	
	Year ended 31 July 2024	Period ended 31 July 2023	Year ended 31 July 2024	Period ended 31 July 2023
	£	£	£	£
Bank loans	34,667	66,667	-	-
	34,667	66,667	-	-

The bank loans are secured by a debenture comprising fixed and floating charges over all the assets of CQM Training and Consultancy Limited. The loan attracts interests of £3.99% above the base rate. There is no balance due over 5 years.

19. Provisions

Group	Deferred tax £
At 1 August 2023	2,133
Additions	-
Disposals	(259)
At 31 July 2024	1,874

The company does not have any other provisions.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

20. Deferred tax

The deferred tax included in the Statement of Financial Position is as follows:

	Year ended 31 July 2024 £	Group Period ended 31 July 2023 £	Year ended 31 July 2024 £	Company Period ended 31 July 2023 £
Included in provisions	1,874	2,133	-	-
	<u>1,874</u>	<u>2,133</u>	<u>-</u>	<u>-</u>

The deferred tax relates to accelerated capital allowances.

21. Net debt analysis

Group

	At 1 August 2023 £	Net cash flows £	At 31 July 2024 £
Cash	252,954	(8,512)	244,802
Borrowings	(98,667)	32,000	(66,667)
	<u>154,287</u>	<u>23,848</u>	<u>178,135</u>

22. Employee benefits

Defined contribution plans

The amount recognised in the Statement of Financial Activities as an expense in relation to defined contribution plans was £98,973 (period ended 31 July 2023: £173,191). Creditors include a balance of £10,519 (period ended 31 July 2023: £10,305) due in respect of pension commitments.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2024

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Year ended 31 July 2024 £	Group Period ended 31 July 2023 £	Year ended 31 July 2024 £	Company Period ended 31 July 2023 £
Not late than 1 year	1,6	40,188	1,621	31,638
21 Later than 1 year and not later than 5 years	810	110,552	810	92,667
Larger than 5 years	-	-	-	-
	2,431	150,740	2,431	124,305

24. Related party transactions

Charity

During the year the charity received recharge income of £89,254 (period ended 31 July 2023: £104,468) from CQM Training and Consultancy Limited. Year end debtors include a balance of £21,216 (period ended 31 July 2023: £36,407) due from CQM Training and Consultancy Limited.

25. Analysis of charitable funds

	At 1 August 2023 £	Income £	Expenditure £	At 31 July 2024 £
General funds	296,833	2,296,957	(2,334,710)	259,084
	296,833	2,296,957	(2,334,710)	259,084

INSTRUCTUS

England & Wales - Charity number 1144894

Accounts

Company Number: 07066687
Charity Number: 1144894

Instructus
(A company limited by guarantee)

Consolidated Financial Statements
For the period ended 31 July 2023

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONTENTS

Officers and professional advisors	1
Trustees' Annual Report (incorporating the directors' report)	2 - 17
Independent Auditor's Report to the members of Instructus	18 - 22
Consolidated Statement of Financial Activities (including income and expenditure account)	23
Consolidated Statement of Financial Position	24
Company Statement of Financial Position	25
Consolidated Statement of Cash Flows	26
Notes to the Financial Statements	27 - 42

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the period ended 31 July 2023.

Reference and administrative details

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the financial statements.

The Trustees

The trustees who served the charity during the period were as follows:

Mr N P Hopkins	Chair
Ms J A Norrington	
Ms E J Rush	
Mr R Traish	
Ms R Allen	
Ms A Cooper	
Ms J Seymour (resigned 8 September 2023)	

Structure, governance, and management

Constitution

Instructus is a registered charity (Charity No: 1144894) and a company limited by guarantee (Company No: 07066687), which is incorporated in England and Wales.

Governing document

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustee appointment and management

Trustees are appointed by the board of trustees.

The charity has robust recruitment, induction, appraisal, and training processes in place for all trustees. Trustees receive frequent reports on operations, human resources, risks, and finance. Financial governance is a top priority for trustees: the CEO holds regular finance meetings and holds regular audit meetings with the executive team, where at least one trustee is present, and where performance is reviewed, targets are agreed, and financial governance is scrutinised to minimise risks and maximise income potential. Trustees meet every three months for board meetings and once a year to agree the strategic direction of the charity over the ensuing three-year period. The Risk & Audit Committee meets formally four times per year, plus additional meetings to review budgets as required. Trustees act as Chair of the Risk & Audit Committee.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

The trustees delegate operational powers to the Chief Executive Officer, who is responsible for implementing the strategies and operating the charity.

Arrangements for setting the remuneration of the charity's key management personnel lie with the Chief Executive (for his direct reports) and with the Chairman of the board for the Chief Executive. The performance and development review documents are used to assess the performance of the key personnel and the financial performance of the charity, and its subsidiaries are used as benchmarks to agree any pay amendments.

Our trustees have concentrated on the strategic refocussing following withdrawal from End Point Assessment (EPA) and assuring the growth of Springboard and CQM. The Trustees understand the key challenges facing Instructus and as well as their detailed induction training, receive regular updates on the performance of the charity.

Introduction

Instructus is a charity whose objects are *"to advance education for the public benefit by promoting qualifications, training and skills"*.

Instructus is the sole owner of **CQM Training & Consultancy Ltd**. The **Springboard Consultancy** is a brand within Instructus.

Instructus is the UK's pan-sector standard setting body for business skills at work across the UK. It is responsible for setting standards, developing vocational business qualifications and apprenticeship frameworks, registering, and issuing pan-sector apprenticeship frameworks.

As part of our commitment to maintaining the UK Skills system, we are a strategic partner with Skills Development Scotland who operate the nations Standards and Framework agreement.

Instructus continue to certify apprenticeships in the devolved nations, alongside legacy frameworks in England. We consistently achieve quality metrics agreed with the Federation for Industry Sector Skills & Standards (FISSS).

In April 2022 Instructus strategically decided not to pursue Ofqual recognition as an End Point Assessment Organisation (EPAO). The Board agreed that the infrastructure requirements to achieve Ofqual recognition were not viable based on pipeline forecasts, and therefore decided to withdraw from the OFQUAL recognition process. This decision led to a significant gap in predicted revenues and a decision to restructure resources and remove operational costs.

The Springboard Consultancy is an international training and development consultancy that contributes to achieving greater equality in the world by helping attendees be the best they can be and realising their full potential. Springboard sits as a brand within Instructus.

Springboard programmes make a significant difference to people's lives and are delivered by employees and a network of licenced freelance trainers. As of July 2023, we had 129 licenced trainers delivering programmes, and delivered programmes to 2148 individuals over the year.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

CQM Training and Consultancy Ltd delivers training principally across the UK with some international provision. CQM offer development programmes in the areas of leadership and management, continuous improvement, and vocational skills. As a lead provider on the Register of Apprenticeship Training Providers (ROATP), CQM deliver a range of apprenticeships in many different market sectors.

All activity conducted by Instructus, The Springboard Consultancy and CQM Training & Consultancy Ltd has a direct and positive public benefit. Our work in qualifications, training and skills always focuses on individual learners at the heart of our offering. The more people we can develop, the more lives will be transformed.

Financial Year End

Many of the metrics and reporting for apprenticeships through the ESFA run in the year August- July. A decision was made by the board to re calibrate the financial year to this time frame. As a result, the reporting period is from April 2022 – July 2023. Future reporting years will be from August to July annually.

Performance

The in-year performance was not in line with expectations, primarily due to the following reasons:

- Decision to withdraw from EPA, significantly impacting revenues.
- Resourcing and skills needed refocusing as a result of EPA withdrawal.
- Static apprenticeship funding, despite double digit inflation.
- Impact of COVID delaying apprenticeship completions.

There are many positives to note:

- SBC revenues are in line with original budget.
- Open Cohorts continue to be successful, with the approach being replicated in Springboard.
- Commercial programmes in CQM are a growing percentage of total revenue.
- Significant cost savings have been made which will positively impact in 2023/24.
- We have been reappointed to SDS as a strategic partner for the next 2+2 years.
- We have returned to surplus at a group level in the last 2 quarters.
- Stronger forward sales and pipelines as we enter 2023/24.

Financial

Group cash position at year end was £253K. This was above the reserve level agreed by the board.

CQM returned a loss in the 16-month period of £83K.

Instructus returned a loss in the 16-month period of £186K.

One off restructuring costs of 82K are included in these figures.

The monthly turnover required to break even in April 2022 for Instructus was £100K. The turnover required to break even in July 2023 is £64K.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

The monthly turnover required to break even in April 2022 for CQM was £142K. The turnover required to break even in July 2023 is £124K.

Average Monthly Revenue	2021/22	2022/23	2023/24 (Budget)
Springboard	£35K	£38K	£39.5K
CQM Apprenticeships	£110K	£103K	£114K
CQM Commercial	£20K	£21.5K	£20K
Certification	£37K	£24.5K	£24K
Skills Development	£9.5K	£5K	£7K

Our cost savings have started to impact our performance with the organisation achieving overall surplus from January 2023, albeit not enough to offset previous losses.

Our budgets for 2023/24 have been agreed by the board based on our turn revenues rather than relying on growth, with a surplus position forecast for the year. Naturally we are aiming to achieve growth but are not reliant on it for a break-even position.

On this basis, the board are satisfied that the organisation remains a going concern.

Customer

Over the 16-month period to 31st July 2023 CQM achieved £325K of commercial work, with £79K of this from new clients and £246K from existing clients.

Our intention is to focus resource on driving commercial sales of a higher value via existing business. To release our limited resource from time consuming low value, yet profitable sales we are endeavouring to enable the lower value sales to follow a more automated sales process, but without impacting customer service – trialling via website, AI and chat bots.

In Springboard much work has been done on recovering royalty payments, bringing licencing agreements in line, creating an Open Cohort schedule, improving the trainer licencing process, and increasing sales value of programmes whilst moving towards smaller cohorts – hence encouraging repeat business/more cohorts. Account Management has become more consistent with better relationships being created across the piece.

Major wins include CMA and Johnson Matthey for CQM and the introduction of open cohorts, Leonardo's, National Grid and Alpine F1 for Springboard.

We met all our certification quality scores throughout the year.

CQM Learner recommendation rate was 94.4%

CQM customer recommendation rate was 96.4%

We are introducing a quarterly recommendation rating across the group in the new financial year which will give us an ongoing view of our customer performance.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

People

We saw a significant increase in staff sickness rates from 1% to 1.9% in the year. ONS figures state the UK average for 2022 was 2.6%.

We regularly measure staff satisfaction through a 'pulse' survey every six months, which identifies key areas for us to work on. We measure employee engagement through our net promoter score which is currently 4. The range of scores is -100 to 100, with anything between 0-30 being considered Good and anything over 30 being Excellent.

We continue to focus on employee training and development, accessing training courses, ongoing CPD, apprenticeships and coaching, regularly reviewed through line manager development 'touchpoints'.

We have a suite of mandatory training courses covering all statutory requirements, including safeguarding, health and safety, GDPR and anti-bribery. Compliance with this training is monitored and reviewed on a regular basis.

The CEO leads quarterly Health and Safety meetings which are reported to the Risk & Audit Committee and board as appropriate.

Impact

2148 people have been developed through Springboard Programmes (in-house & freelance) over the 16 months.

We have licensed 18 new people to deliver Springboard Programmes, bringing our total number of active trainers to 129 (Freelance 58, In-house 71).

We have successfully certified 13,842 people across the UK.

We have continued to increase the number of learners on Improvement Standards programmes which helps build the skills levels across organisations, with some significant business improvements being achieved. Indeed, we have seen apprentices on our improvement standards apprenticeship programmes deliver over £3m in savings for their organisations even during a tough time for many, plus of course gaining a skillset to be able to continue to deliver that year on year.

We have successfully led 151 CQM learners through EPA, and a further 160 through framework/certificated programmes.

We currently have 366 learners on apprenticeship programmes with CQM, with an additional 34 currently on breaks in learning. Approximately 461 have completed commercial training programmes.

We continue to push local engagement, delivering apprenticeship presentations at local schools.

We have continued to support a wide variety of employers, training providers, awarding organisations and professional bodies with the development of learners and skills for the future.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

Skills Projects

We delivered the following projects through our Standards and Framework contract on time and on budget:

- Scoping reports for Apprenticeship Development for Management in Scotland
- Three Apprenticeship development projects for Property Services in Wales
- Welsh NOS translations for Marketing
- Welsh NOS translations for Cleaning
- Welsh NOS translations for Business Enterprise
- Welsh NOS translations for IT User
- Review of SVQ in learning & Development at SCQF level 8
- Review of SVQ in Learning and Development at SCQF level 9
- Review of SVQ in Digital Marketing at SCQF level 6
- Review of Housing Apprenticeship Framework in Northern Ireland
- UK wide NOS Cleansing review for Learning & Development NOS
- UK wide NOS Cleansing review for Sales NOS
- UK wide NOS Cleansing review for Business & Administration NOS
- UK wide NOS Cleansing review for Marketing & Leadership NOS

We have been successfully reappointed to provide services in all four lots of the Standards & Frameworks Contract. Contract period is two years with a further two-year option.

Charity and Social Impact

The Charitable object of Instructus is *“to advance education for the public benefit by promoting qualifications, training and skills”*.

As an organisation all our activity is focused on delivering this charitable object. We have a simple theory that developing people transforms lives. We believe that that our activities cultivate a positive economic and social impact for those we serve. This can be as simple as official certification of the hard work that has gone into an Apprenticeship, through to the delivery of an Apprenticeship, building the skills to forge careers and deliver commercial returns for the UK economy. This can be the delivery of Personal Development programmes that help promote inclusion and close gender pay gaps, through to life changing decisions from our participants that benefit businesses, communities, and individuals alike.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

Our work can be broken down into 3 key areas

Qualifications	Training	Skills
Certification of English Apprenticeship Frameworks	Apprenticeships across a wide range of Standards	National Occupational Standards Review Projects
Certification of Apprenticeships in Scotland , Wales & Northern Ireland	Lean Six Sigma Programmes	Qualification structure reviews
Certification of Yellow, Green, Black and Master Black Belt practitioners	Management Programmes	Apprenticeship framework review, across the devolved nations
	Springboard Personal Development Programmes	
	Licensing Programmes to grow Springboard trainer base	

These activities have driven significant public benefit and social value in a wide variety of areas, including.

- New apprentices delivering the skills required by UK PLC
- Individual growth which in turn impacts societal growth.
- Improved business ROI as new skills are deployed to bring commercial benefit.
- Improved productivity
- Improved equality
- Simplification and development of the skills systems across the devolved nations

In addition to our core activity, in 23/24 we are planning on exploring how we can support less advantaged individuals increase access to our core products and services. This will include exploring funding options for Springboard Programmes to offering subsidised places on Springboard Open cohorts.

The following case studies give a flavour of the impact we are making.



CHERYL BUCK

**PRINCIPAL LECTURER IN LAW
ASSOCIATE HEAD ACADEMIC
SPRINGBOARD PROGRAMME**



**PROGRAMME
SPRINGBOARD
ORANISATION
UNIVERSITY OF
PORTSMOUTH**

What was your expectation of the programme?

I knew it was for women, it was nice to know that I was going into this with like-minded people. I was aware that it was to build confidence and that it was going to be a reflective process of self-discovery.

I was apprehensive at first. I wondered if I would like it, if I would fit in and if I would find it difficult to open up. I was nervous, but the first session was remote, and this allowed me to meet people and break the ice before meeting in person.

What did you want to get out of Springboard?

I wanted to learn about myself and how I was viewed by other people, so I went in with a blank canvas and wanted to see how people perceived me. I also wanted to gain confidence in myself and my approaches.

I also wanted to reflect on myself and see how I could improve and allow myself to absorb other people's reactions to what I was saying.

What were your key takeaways?

The positivity - it was nice to know that what I was doing was well received. I learned to challenge my own practices, for example, I used to apologise a lot, but now I say thank you instead. I've become a lot clearer in my communication and learned that I had my own 'Cheryl issues' that I needed to work on, so the techniques I learned to use to deal with this have been a game changer!

A big thing was for me to stop taking things personally and that people would be mad at the situation, not me, so I have learned to stop and reflect on this which is liberating!

Everyone went in with a view of improving themselves and it really helped to change my mindset, and having the group there with me made me feel supported and empowered. I came away learning things about myself that I wasn't aware of before. It was good for many, many reasons!

What were your thoughts on the trainer?

Chris was great! She challenged me in a way that wasn't intrusive and got me to really look deep inside when I was reflecting on myself.

“I benefitted from it being a woman-only group. It was lovely to be able to be open and upfront and feel supported in it.

I was open to being challenged, but knowing that we all have the same understanding of life challenges and work-life balance was great because we could all relate to each other. It did make me aware of things that I'd never noticed before!”



nationalgrid

KELLY LARKIN & KATY CAMPBELL

**SPRINGBOARD AND SPRING FORWARD
DEVELOPMENT PROGRAMMES**



PROGRAMME
**SPRINGBOARD &
SPRING FORWARD**

ORANISATION
NATIONAL GRID

National Grid is working to empower their women in a male-dominated industry. By partnering with Springboard Consultancy, they plan to grow and develop their female employees to reach new heights in the organisation.

We caught up with Kelly Larkin (ESO), and Katy Campbell, who co-lead the training and development initiative within the Employee Resource Group - WiNG (Women in National Grid to find out why running the Springboard and Spring Forward development programmes has been so successful in achieving their goals.

Why did you choose Springboard Consultancy to support National Grid?

We wanted to make sure that the development would be interesting for our women, and ensure they would find value in it, as well as it being enjoyable for them.

Springboard Consultancy programmes are different to other courses we've seen because of the networking and safe spaces, but also there's a lot covered that resonates with women across National Grid. We know they want to gain the confidence to grow their careers and/or themselves, so Springboard and Spring Forward seemed a great fit for us as an organisation, as it focuses on the individual as well as upskilling them, explained Kelly.

What issues did you want to approach regarding women in National Grid?

We set out to support issues, scenarios, environments and situations that specifically happen to women. I think the Springboard and Spring Forward courses are perfect because they're specifically designed for women, and in having a safe space to deal with them, our women have really progressed across the business, says Katy.

We wanted to support women by covering things that all women will experience; particularly in male-dominated environments, and National Grid statistically has a lot more males than it has females, so we wanted to ensure that they feel equally important and valued by National Grid, commented Kelly.

As we're in a male-dominated environment, our WiNG employee resource group have an ambition to promote equal opportunities for female professional development, and personal success within National Grid. We want to ensure we are providing support for women by opening doors to a wide variety of courses and professional qualifications, explains Katy.

For the full case study – view [here](#).



Working with: Oxfordshire County Council - Caroline French



We caught up with Caroline French, Business Improvement Team Leader for Oxfordshire County Council at its latest Improvement Practitioner Graduation Event in February 2023.

Caroline, please introduce yourself and your aims

I was recruited by Oxfordshire County Council in 2020 to come on board and create a strategy as to how can we as an organisation embed continuous improvement and incorporate lean methodology within the whole organisation and workforce.

Why has OCC invested in CI/lean apprenticeships?

I am passionate about and qualified in lean methodology, so I wanted to have the opportunity to spread that throughout the organisation. The benefits of lean and having the apprenticeship model that we have here allows us to embed both the lean methodology and also the process improvements, efficiencies and naturally savings that come through.

It's a win-win for an organisation like us as not only do we promote personal development for our workforce, allowing us to attract, retain and develop talent, but we get the support in terms of the apprenticeship funding that enables us to access effective training for our employees.



**OXFORDSHIRE
COUNTY COUNCIL**

In addition, the new ways of working are really important because that's where then going back to the vision and the aims, we see change, how those changes were made and the difference they make, to then living those changes. So why lean in a nutshell?

Lean is the apprenticeship that actually allows us to spread the right messages, spread that learning and embed that culture for the future of our organisation.

How has CQM supported you to implement CI/lean?

We're so lucky as an organisation to be able to have found a partner in CQM Training & Consultancy and especially with our Development Coach, Alan.

Our mindsets really match between our organisations, and I think that's one of the important reasons for the successes that we've had is because we're in sync.

We both know what we're looking to deliver for our organisation and what we're trying to accomplish, to support our learners develop, our organisation to adopt that continuous improvement culture, realising the benefits of lean and ultimately adding value for our end users.

We're grateful to have been able to have this opportunity and look forward to many more years to keep this going.

Contact us today for more information

T: 0114 281 3747

E: enquiries@cqmltd.co.uk

W: cqmltd.co.uk

Follow us on:





AB Agri - Adam Grimwood



Following the completion of the latest Improvement Apprenticeship cohort at AB Agri, we caught up with Adam Grimwood, Head of Performance Improvement, Manufacturing and Supply Chain. Adam kindly gave us an insight into the changes he noticed in the apprentices, the support they received from CQM and what they can expect going forward at AB Agri.

Adam, what has been the biggest behavioural change you have seen in the group from doing these apprenticeships?

I would say taking more time to understand the problem/opportunity at the beginning and not working from a basic requirement statement. This has helped ensure that they implement sustainable solutions not just the obvious ones that quite often only meet the short to medium term improvements.

How has Ian and the wider CQM team supported the group in achieving their distinctions?

The supportive coaching element of the apprenticeship is key to the success of the cohort. The tailored approach that the CQM applied for each individual was key to empowering the individuals to get the highest grade possible.

What can the group of learners expect now they've completed their apprenticeships, in terms of using the tools and techniques learned going forward?

We see this group of individuals as role models in demonstrating the value of these tools and techniques in driving improvement across AB Agri. Taking their experience and learnings onto other teams and individuals as part of our journey to create an improvement culture.

Post the apprenticeship each cohort member has access to coaches, mentors & necessary tools, with full engagement from their line managers in continuing the application of the tools and techniques. They will be encouraged to not only apply these tools within their department, but also to support broader improvement activity across AB Agri with the benefit of broadening their networks and demonstrating the value of continuous improvement.



Contact us today for more information

T: 0114 281 3747

E: enquiries@cqmltd.co.uk

W: cqmltd.co.uk

Follow us on:



For the full case study – view [here](#).

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

Quality Assurance

Instructus has continued its role as both an Issuing Authority and Certification Body for apprenticeships in the UK, meeting all statutory and regulatory obligations. We were successful in passing all Federation audits and have maintained our grade 1 quality mark which is the highest possible. Instructus prides itself of continuous improvement of internal and external processes. Our certification team continue to significantly overachieve the targets set in our Service Level Agreements with the Federation.

We have various accreditations, including:

- Cyber Essentials (Cyber Essentials Plus due in 2023/24)
- IASME Governance
- Matrix Accreditation
- Living Wage Employer

Quality remains a key focus for CQM, with a review of the Quality Improvement Plan being a standing agenda item on all board meetings. Significant focus has been applied to learners beyond planned end date, which has seen a reduction from a high of 35% to 22.2% at the end of the year. We are aiming to get this down to 15% at the end of 23/24. Significant focus has also been applied to completion rates which ended the year at 57.7%. Whilst this is above last year's national average for standards of 51.4%, we continue to work hard to achieve our target of 65% at the end of 23/24.

ESFA have reviewed our Quality Improvement Plan and support the actions being taken.

We regularly review our provision in line with OFSTED requirements to ensure continuous improvement and readiness in the event of inspection.

We are currently reviewing all Springboard evaluations, introducing an updated evaluation process to allow us to measure quality of delivery across the freelance network. Any deficiencies will be addressed through retraining or licence removal. We are also planning to update materials and content to ensure relevancy remains.

Restructuring

The removal of EPA provision and challenging financial climate led to a several restructuring phases throughout the period, including the creation of a cross organisation Sales and Marketing team under Jenny Humphreys.

We made three redundancies, with cost to CQM being £64K and cost to Instructus being £18K.

2 Staff did not meet their probation requirements.

12 staff left due to career progression, retirement, or lack of fit with the new organisational structure.

We recruited 6 people.

Net staff movements for the 16-month period were a reduction of 11 FTE's.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

The CQM Executive team have reviewed staffing levels against the revenue budget for 2023/24 and believe them to be appropriate.

Springboard have invested in admin and development resource to tighten controls on current arrangements and develop new course content. Given activity is delivered by freelance trainers, there are no requirements for additional resource to deliver the revenues agreed in the budgets for 2023/24.

Risks

There are 3 key risks:

Economy

The economic position remains fragile, with inflation running at 8%. Despite the rate of inflation, the Government has not increased apprenticeship funding bands since 2017 – AELP are lobbying for a 10% increase which would have significant bottom line impact.

Traditionally economic uncertainty has led organisations to consider investments in training and development. However, the high employment rates are seeing organisations investing in this area to prompt retention of talent and minimise recruitment needs. If the employment rates drop significantly, we could see this position destabilise.

The increase in cost of living is having an impact on all our employees. We have awarded a 3% pay increase but must recognise the additional risk of key staff leaving for better paid positions.

Completions & apprenticeship changes

An unnecessary side effect of the new Apprenticeship Standards combined with impact of COVID has been a significant drop off in people completing apprenticeships. We are working hard to mitigate and increase completions to over 60%.

A new Government may look at current completion rates and decide that significant changes are required to the skills and apprenticeship environment which could impact our organisation. As over 50% of our revenues come from work linked to apprenticeships, and large changes could have an impact, however there is some reassurance in the fact that those on current programmes would be allowed to complete, meaning any changes would have a long tail. Our small size affords us the ability to be nimble rather than facing some of the issues experienced by large providers who are totally reliant on funded activity.

Achieving growth whilst managing cash flow

Whilst cash remains positive, and the organisation is a going concern, there is no doubt that investment funds to fuel growth are limited. In addition, the restructuring has meant that staff are focusing on delivering against the core plan rather than making time to explore inorganic growth. We must stabilise our position and grow in areas that can be flexibly resourced with associates – notably Springboard and CQM Commercial.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

Reserves Review

Pre Covid minimum cash reserve levels for the group had been set at £300K, which was based on analysis of the potential shut down liabilities should the organisation cease trading.

With board consent, a proportion of these reserves were utilised to counter the financial implications associated with the COVID Pandemic, with a revised minimum figure of £200K being agreed. This £200K cash balance across group has been agreed for the financial year 2023-24. The board have agreed to undertake a total review of required reserves as several scenarios have changed, including CQM returning to rolling quarterly surplus with strong EBITDA and a 40% reduction in workforce.

Group year-end cash position was £253K and is forecast to be in excess of £300K at the end of 2023/24. All CBiLs loan commitments have been met to date, and repayments are factored into forward budgets.

Future Strategic Plans

The board have reviewed our strategy over the year. Our core purpose continues as being 'Developing People; Transforming lives'. In addition to delivering this remit in all our activity, we are aiming to show that sustainable growth can be achieved. We also aim to access funding to increase access to our programmes for the less advantaged. The board have agreed 3 strategic pillars to underpin our strategy and performance is measured against these areas. These pillars are Inclusive Culture, Outstanding Quality, and Smart Growth.

Key strategic priorities for the year ahead:

- Promoting our core values of Authenticity; Inclusivity; Integrity.
- Focusing on cash including downscaling offices because of restructuring and hybrid working.
- Focusing on quality.
- Continuing delivery of high-quality certification of apprenticeships.
- Delivering key skills development projects, working closely with the devolved nations.
- Growing Springboard programme reach, both directly and through supported network of trainers.
- Delivering high quality apprenticeships and training, and improving completion rates
- Developing our staff and supporting with increased options for virtual and digital delivery/learner management.
- Expanding our product portfolio through targeted NPD, particularly Springboard and EDI
- Building on our specialism in continuous improvement.
- Returning to surplus in 2024 and maintaining sustainable surplus position thereafter.
- Investigating Funding sources to support delivery of core programmes to less advantaged.

The board would like to thank the team for ensuring we maintained our activity through the continuing impact of the pandemic and established a platform for growth which we look build on over the coming years.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

Trustees' Responsibilities

The Trustees, who are also Directors of Instructus for the purposes of company law, are responsible for preparing the Report of the Trustees and the incorporated Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Instructus website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report and Strategic Report) FOR THE PERIOD ENDED 31 JULY 2023

Auditor

Each of the person who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report was approved and signed on behalf of the board of trustees by:

NIGEL HOPKINS
NIGEL HOPKINS (Dec 21, 2023 11:20 GMT)

.....
Mr N P Hopkins

Trustee

Date: Dec 21, 2023

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE PERIOD ENDED 31 JULY 2023

Opinion

We have audited the financial statements of Instructus ('the parent charity') and its subsidiaries ('the group') for the period ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Statements of Financial Position, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2023 and of the group's income and expenditure for the period 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 charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE PERIOD ENDED 31 JULY 2023

Other information

The other information comprises the information included in the Trustees Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, 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 included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE PERIOD ENDED 31 JULY 2023

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' 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 and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the parent charity for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE PERIOD ENDED 31 JULY 2023

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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006 and the Charities Statement of Recommended Practice.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition (which we pinpointed to the cut off assertion subject to your revenue recognition significant fraud risk) and significant one-off or unusual transactions.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE PERIOD ENDED 31 JULY 2023

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the Audit Report

This report is made solely to the charity'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.


David Hoose (Dec 21, 2023 14:42 GMT)

David Hoose

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Meridian Business Park

6 Dominus Way

Leicester

LE19 1RP

Date: Dec 21, 2023

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT of FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE PERIOD ENDED 31 JULY 2023

		16 Month ended Unrestricted Funds 2023 £	16 Month ended Total Funds 2023 £	Year ended Total Funds 2022 £
	Note			
Income and endowments:				
Charitable activities	3	1,086,142	1,086,142	1,057,474
Other trading activities	4	1,993,277	1,993,277	1,527,002
Investments	5	160	160	76
Total incoming		3,079,579	3,079,579	2,584,552
Expenditure on:				
Raising Funds	6	2,119,434	2,119,434	1,550,731
Charitable Activities	7,8	1,296,621	1,296,621	1,183,790
Total expenditure		3,416,055	3,416,055	2,734,521
Net movement in funds		(336,476)	(336,476)	(149,969)
Reconciliation of funds				
Total funds brought forward		633,309	633,309	783,278
Total funds carried forward		296,833	296,833	633,309

The Statement of Financial Activities includes all gains and losses recognised in the period.

All funds relate to unrestricted funds in both periods.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31 JULY 2023

	Note	31 July 2023 £	31 March 2022 £
Fixed assets			
Intangible fixed assets	13	87,975	157,563
Tangible fixed assets	14	14,070	29,458
		<u>102,045</u>	<u>187,021</u>
Current assets			
Stocks	16	2,706	3,785
Debtors	17	323,984	479,320
Cash at bank and in hand		252,954	448,908
		<u>579,644</u>	<u>932,013</u>
Creditors: amounts falling due within one year	18	(316,056)	(374,259)
		<u>263,588</u>	<u>557,754</u>
Net current assets			
		<u>365,633</u>	<u>744,775</u>
Total assets less current liabilities			
		<u>365,633</u>	<u>744,775</u>
Creditors: amounts falling due after one year	18	(66,667)	(109,333)
Provisions			
Other provisions	19	(2,133)	(2,133)
		<u>296,833</u>	<u>633,309</u>
Net assets			
		<u>296,833</u>	<u>633,309</u>
Funds of the charity			
Unrestricted funds		296,833	633,309
Total charity funds	25	<u>296,833</u>	<u>633,309</u>

Approved by the Board of Trustees and signed on its behalf by:

NIGEL HOPKINS
NIGEL HOPKINS (Dec 21, 2023 11:20 GMT)

.....
Mr N P Hopkins
Trustee

Date: Dec 21, 2023

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

COMPANY STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 31 JULY 2023

		31 July 2023 £	31 March 2022 £
	Note		
Fixed assets			
Intangible fixed assets	13	-	-
Tangible fixed assets	14	2,413	6,778
Investments	15	650,000	650,000
		<u>652,413</u>	<u>656,778</u>
Current assets			
Stocks	16	2,706	3,785
Debtors	17	160,266	299,929
Cash at bank and in hand		132,149	216,105
		<u>295,121</u>	<u>519,819</u>
Creditors: amounts falling due within one year	18	(148,031)	(191,342)
Net current assets		<u>147,090</u>	<u>328,477</u>
Net assets		<u>799,503</u>	<u>985,255</u>
Funds			
Unrestricted funds		<u>799,503</u>	<u>985,255</u>
Total funds		<u>799,503</u>	<u>985,255</u>

The deficit for the financial period of the parent company was £185,752 (year ended 31 March 2022: £111,344 deficit).

These financial statements were approved by the board of trustees and authorised for issue on behalf of the board by:

NIGEL HOPKINS
NIGEL HOPKINS (Dec 21, 2023 11:20 GMT)

Mr N P Hopkins

Trustee

Date: Dec 21, 2023

Company registration number: 07066687

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 JULY 2023

	16 Month ended 2023 £	Year ended 2022 £
Cash flows from operating activities		
Deficit for the financial period	(336,476)	(149,969)
<i>Adjustments for:</i>		
Tax charge	-	(7,983)
Depreciation of tangible assets	17,978	22,126
Amortisation of intangible assets	69,588	67,589
Profit on disposal of tangible fixed assets	(958)	-
Other interest receivable and similar income	(160)	(76)
Tax received	-	7,983
Decrease in stock	1,079	2,526
Interest paid	10,837	3,739
Decrease/(increase) in debtors	155,336	(128,514)
(Decrease)/increase in creditors	(58,203)	2,978
Net cash used in operating activities	<u>(140,979)</u>	<u>(179,601)</u>
Cash flows from investing activities		
Interest received	160	76
Purchase of tangible assets	(2,829)	(17,595)
Purchase of intangible assets	-	(10,000)
Proceeds on the sale of fixed assets	1,197	89
Net cash used in investing activities	<u>(1,472)</u>	<u>(27,430)</u>
Cash flows from financing activities		
Repayment of bank loans including interest paid	<u>(53,503)</u>	<u>(22,406)</u>
Net decrease in cash and cash equivalents	(195,954)	(229,437)
Cash and cash equivalents at beginning of period/year	448,908	678,345
Cash and cash equivalents at end of period/year	<u>252,954</u>	<u>448,908</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

1 General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 3, Cherry Hall Road, North Kettering Business Park, Kettering, NN14 1UE. The financial statements are prepared in Sterling, which is the functional currency of the company.

Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The board received detailed forecasts as part of the budget setting exercise for 2023/24. These have been reviewed in August 2023, alongside an updated forecast with no material changes. The board is also assured that performance in P1 & P2 is tracking in line with the forecast position. Budgets have also been stress tested looking at worst case scenarios. Based on the analysis, the board concluded that Instructus remains a going concern well beyond the next 12 months.

Consolidation

The financial statements consolidate the financial statements of Instructus and all its subsidiary undertakings.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of management, there are no key areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements;

The following principal accounting policies have been applied:

Taxation

The charity is exempt from tax on income and gains, falling within part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects. No tax charges have arisen.

Funds

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are funds earmarked by the trustees for specific purposes.

Restricted funds, which have been given for a specific purpose and can only be used for that purpose without the consent of the donor.

There were no Designated or Restricted funds during the period ended 31 July 2023 or during the year ended 31 March 2022.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income from grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

Accounting policies (continued)

Resources expended

All expenditure is recognised on an accruals basis inclusive of VAT which cannot be fully recovered, and is classified under the headings of the Statement of Financial activities to which it relates:

Expenditure on charitable activities include:

- a. Expenditure on the charity's primary charitable purposes as described in the trustees' report.
- b. Governance costs associated with the governance of the charity and its assets. Included within this category are costs associated with the strategic, as opposed to day to day, management of the charity's activities.

Expenditure on other activities are directly attributable to specific activities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at a cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

Accounting policies (continued)

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows;

Goodwill	10 years
Course development costs	3 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings, office and computer equipment	20% - 25% straight line
---	-------------------------

Investments

Investments, including investments in subsidiaries, are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

Accounting policies (continued)

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Stocks

Stocks of study guides and training course materials are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the Statement of Financial Position and the amount of the provision as an expense.

Provisions are initially measured as the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required in income or expenditure unless the provision was originally recognised as part of the cost of an asset.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

There are no key areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements.

2. Limited by guarantee

The charity is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

3. Charitable activities income

	Period ended 31 July 2023 Unrestricted Funds £	Period ended 31 July 2023 Total Funds £	Year ended 31 March 2022 Unrestricted Funds £	Year ended 31 March 2022 Total Funds £
Grants and contracts	-	-	48,469	48,469
Registration, certification and training income	477,507	477,507	1,007,410	1,007,410
Other income	608,635	608,635	1,595	1,595
	<u>1,086,142</u>	<u>1,086,142</u>	<u>1,057,474</u>	<u>1,057,474</u>

4. Other trading activities income

	Period ended 31 July 2023 Unrestricted Funds £	Period ended 31 July 2023 Total Funds £	Year ended 31 March 2022 Unrestricted Funds £	Year ended 31 March 2022 Total Funds £
Training and consultancy	<u>1,993,277</u>	<u>1,993,277</u>	<u>1,527,002</u>	<u>1,527,002</u>

5. Investment income

	Period ended 31 July 2023 Unrestricted Funds	Period ended 31 July 2023 Total Funds	Year ended 31 March 2022 Unrestricted Funds	Year ended 31 March 2022 Total Funds
Bank interest receivable	<u>160</u>	<u>160</u>	<u>76</u>	<u>76</u>
	<u>160</u>	<u>160</u>	<u>76</u>	<u>76</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

6. Costs of other trading activities

	Period ended 31 July 2023 Unrestricted Funds £	Period ended 31 July 2023 Total Funds £	Year ended 31 March 2022 Unrestricted Funds £	Year ended 31 March 2022 Total Funds £
Total costs	2,119,434	2,119,434	1,550,731	1,550,731
	<u>2,119,434</u>	<u>2,119,434</u>	<u>1,550,731</u>	<u>1,550,731</u>

	Period ended 31 July 2023 £	Year ended 31 March 2022 £
Training and consultancy materials	235,414	236,915
Staff costs	1,481,455	1,047,095
Staff training and recruitment	3,124	21,485
Travel and sustenance	94,471	25,036
Premises costs	51,577	31,844
Legal and professional fees	1,920	43,502
Other expenditure	177,240	73,261
Amortisation of goodwill	60,220	60,220
Depreciation	14,013	11,373
	<u>2,119,434</u>	<u>1,550,731</u>

7. Expenditure on charitable activities by fund type

	Period ended 31 July 2023 Unrestricted Funds £	Period ended 31 July 2023 Total Funds £	Year ended 31 March 2022 Unrestricted Funds £	Year ended 31 March 2022 Total Funds £
Instructus – training and skills	1,270,800	1,270,800	1,161,177	1,161,177
Support costs	25,821	25,821	22,614	22,614
	<u>1,296,621</u>	<u>1,296,621</u>	<u>1,183,791</u>	<u>1,183,791</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Period ended 31 July 2023 £	Total Year ended 31 March 2022 £
Instructus Training and skills	1,270,800	-	1,270,800	1,161,177
Governance costs	-	25,821	25,821	22,614
	1,270,800	25,821	1,296,621	1,183,791

	Total Period ended 31 July 2023 £	Total Year ended 31 March 2022 £
Instructus, parent company – Training and skills activities costs.		
Contract, project, registration, training and certification costs	205,131	194,389
Staff costs	852,464	757,939
Staff expenses, training and recruitment	25,160	19,861
Premises costs	67,997	40,687
Legal and professional fees	13	17,323
Other expenditure	107,687	112,861
Depreciation and amortisation	12,348	18,117
	1,270,800	1,161,177

Governance costs:

	Total Period ended 31 July 2023 £	Total Year ended 31 March 2022 £
Auditor fees	23,585	21,685
Costs of trustees' meetings	2,236	929
	25,821	22,614

9. Net expenditure

Net expenditure is stated after charging:

	Period ended 31 July 2023 £	Year ended 31 March 2022 £
Amortisation and impairment of intangible assets	69,588	67,589
Depreciation of tangible fixed assets	17,978	22,126
Operating lease cost	47,171	36,481

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

10. Auditor's remuneration

	Period ended 31 July 2023	Year ended 31 March 2022
	£	£
Auditor's remuneration	18,735	18,320
Auditor's remuneration – non audit services	6,983	3,365
	<u>25,718</u>	<u>21,685</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Period ended 31 July 2023	Year ended 31 March 2022
	£	£
Wages and salaries	1,952,447	1,527,901
Social security costs	217,116	165,962
Other post retirement benefit costs	173,191	113,444
	<u>2,342,754</u>	<u>1,807,307</u>

The average head count of employees during the period ended 31 July 2023 was 36 (year ended 31 March 2022: 40).

The number of employees whose remuneration for the period fell within the following bands, were:

	Period ended 31 July 2023	Year ended 31 March 2022
	£	£
£60,000 to £69,999	1	2
£70,000 to £79,999	0	1
£100,000 to £109,999	1	0
£120,000 to £129,999	1	1
	<u>3</u>	<u>4</u>

The key management personnel of the group comprise those of Instructus being the Chief Executive Officer and Managing Director and the key management personnel of its two wholly owned subsidiaries, CQM Training and Consultancy Limited and The Springboard Consultancy Limited. The total for the group key management personnel was £442,469 (year ended 31 March 2022: £330,859).

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

12. Trustee remuneration and expenses

No trustees received remuneration for their services as trustees during the period ended 31 July 2023 (year ended 31 March 2022: None).

Trustees' travel and subsistence expenses of £1,541 (year ended 31 March 2022: £746) were reimbursed by the charity to 6 (year ended 31 March 2022: 2) trustees during the period ended 31 July 2023.

The charity has insurance to indemnify the trustees, other officers and the charity against the consequences of any neglect or default on the part of the trustees, employees and agents.

13. Intangible assets

Group and company

	Goodwill	Course development costs	Asset under construction Software	Total
	£	£	£	£
Cost				
At 1 April 2022	954,758	4,058	10,000	968,816
Additions	-	-	-	-
At 31 July 2023	954,758	4,058	10,000	968,816
Amortisation/impairment				
At 1 April 2022	807,195	4,058	-	811,253
Charge for the period	67,588	-	2,000	69,588
At 31 July 2023	874,783	4,058	2,000	880,841
Carrying amount				
At 31 July 2023	79,975	-	8,000	87,975
At 31 March 2022	147,563	-	10,000	157,563

The course development costs are company intangible assets.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

14. Tangible assets

Group	Equipment £	Total £
Cost		
At 1 April 2022	224,796	224,796
Additions	2,829	2,829
Disposals	(5,190)	(5,190)
At 31 July 2023	222,435	222,435
Depreciation		
At 1 April 2022	195,338	195,338
Charge for the period	17,978	17,978
Eliminated on disposals	(4,951)	(4,951)
At 31 July 2023	208,365	208,365
Carrying amount		
At 31 July 2023	14,070	14,070
At 31 March 2022	29,458	29,458
Company		
Cost		
At 1 April 2022	107,147	107,147
Additions	733	733
Disposals	(585)	(585)
At 31 July 2023	107,295	107,295
Depreciation		
At 1 April 2022	100,369	100,369
Charge for the period	5,089	5,089
Eliminated on disposals	(576)	(576)
At 31 July 2023	104,882	104,882
Carrying amount		
At 31 July 2023	2,413	2,413
At 31 March 2022	6,778	6,778

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

15. Investments

The group has no investments

Company	Shares in group undertakings £
Cost	
At 1 April 2022 and 31 July 2023	<u>1,285,336</u>
Impairment	
At 1 April 2022	635,336
Provision for impairment	-
At 1 April 2022 and 31 July 2023	<u>635,336</u>
Carrying amount	
At 1 April 2022 and 31 July 2023	<u>650,000</u>

Company investments comprise:

The company has two wholly owned subsidiaries, CQM Training and Consultancy Limited (Company No: 02782477) and The Springboard Consultancy Limited (Company No: 04729410). Both companies were registered in England and Wales, with registered offices as Instructus, 100% ordinary share capital owned and both are included within the consolidated accounts. The main activities of the subsidiary CQM Training and Consultancy Limited is training, coaching and consultancy. On 31 March 2021 the activity of The Springboard Consultancy Limited was hived up into Instructus and the company is now dormant.

A summary of their results is shown below:

CQM Training and Consultancy Limited

	Period ended 31 July 2023 £	Year ended 31 March 2022 £
Income	1,993,437	1,527,003
Expenditure	(2,076,576)	(1,498,041)
Net (loss)/profit	<u>(83,139)</u>	<u>28,962</u>
Assets	351,266	517,151
Liabilities	(283,917)	(366,663)
Net assets	<u>67,349</u>	<u>150,488</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

15. Investments (continued)

The Springboard Consultancy Limited

	Period ended 31 July 2023	Year ended 31 March 2022
	£	£
Income	-	-
Expenditure	-	-
Net loss	-	-
Assets	2	2
Liabilities	-	-
Net assets	2	2

16. Stocks

	Group		Company	
	Period ended 31 July 2023	Year ended 31 March 2022	Period ended 31 July 2023	Year ended 31 March 2022
	£	£	£	£
Raw materials and consumables	2,706	3,785	2,706	3,785

Stock comprises study guides and training course materials.

17. Debtors

	Group		Company	
	Period 31 July 2023	Year ended 31 March 2022	Period ended 31 July 2023	Year ended 31 March 2022
	£	£	£	£
Trade debtors	114,676	203,267	84,485	124,130
Amounts owed by group undertakings	-	-	36,407	72,279
Prepayments and accrued income	193,515	259,575	23,656	88,012
Other debtors	15,793	16,478	15,718	15,508
	323,984	479,320	160,266	299,929

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

18. Creditors: amounts falling due within one year

	Group		Company	
	Period ended 31 July 2023	Year ended 31 March 2022	Period ended 31 July 2023	Year ended 31 March 2022
	£	£	£	£
Trade creditors	71,885	75,019	17,658	22,423
Accruals and deferred income	135,041	193,410	90,216	141,567
Bank loans	32,000	32,000	-	-
Social security and other taxes	65,514	60,744	36,857	20,937
Other creditors	11,616	13,086	3,300	6,415
	<u>316,056</u>	<u>374,259</u>	<u>148,031</u>	<u>191,342</u>

Accruals and deferred income includes £93,028 (year ended 31 March 2022: £148,751) of deferred income in relation to income received in advance for training and consultancy services.

Creditors: amounts falling due over one year

	Group		Company	
	Period ended 31 July 2023	Year ended 31 March 2022	Period ended 31 July 2023	Year ended 31 March 2022
	£	£	£	£
Bank loans	66,667	109,333	-	-
	<u>66,667</u>	<u>109,333</u>	<u>-</u>	<u>-</u>

The bank loans are secured by a debenture comprising fixed and floating charges over all the assets of CQM Training and Consultancy Limited. The loan attracts interests of £3.99% above the base rate. There is no balance due over 5 years.

19. Provisions

Group	Deferred tax £
At 1 April 2022	2,133
Additions	-
Disposals	-
At 31 July 2023	<u>2,133</u>

The company does not have any other provisions.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

20. Deferred tax

The deferred tax included in the Statement of Financial Position is as follows:

	Group		Company	
	Period ended 31 July 2023	Year ended 31 March	Period ended 31 July 2023	Year ended 31 March 2022
	£	£	£	£
Included in provisions	2,133	2,133	-	-
	<u>2,133</u>	<u>2,133</u>	<u>-</u>	<u>-</u>

The deferred tax relates to accelerated capital allowances.

21. Net debt analysis

Group

	At 1 April 2022 £	Net cash flows £	At 31 July 2023 £
Cash	448,908	(195,954)	252,954
Borrowings	(141,333)	42,666	(98,667)
	<u>307,575</u>	<u>(153,288)</u>	<u>154,287</u>

22. Employee benefits

Defined contribution plans

The amount recognised in the Statement of Financial Activities as an expense in relation to defined contribution plans was £173,191 (year ended 31 March 2022: £113,444). Creditors include a balance of £10,305 (year ended 31 March 2022: £11,672) due in respect of pension commitments.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 JULY 2023

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	Period ended 31 July 2023	Year ended 31 March 2022	Period ended 31 July 2023	Year ended 31 March 2022
	£	£	£	£
Not late than 1 year	40,188	34,338	31,638	34,338
Later than 1 year and not later than 5 years	110,552	120,000	92,667	120,000
Larger than 5 years	-	10,000	-	10,000
	<u>150,740</u>	<u>164,338</u>	<u>124,305</u>	<u>164,338</u>

24. Related party transactions

Charity

During the period the charity received recharge income of £104,468 (year ended 31 March 2022: £28,951) from CQM Training and Consultancy Limited. Period end debtors include a balance of £36,407 (year ended 31 March 2022: £72,279) due from CQM Training and Consultancy Limited.

25. Analysis of charitable funds

	At 1 April 2022	Income	Expenditure	At 31 July 2023
	£	£	£	£
General funds	633,309	3,079,579	3,416,055	296,833
	<u>633,309</u>	<u>3,079,579</u>	<u>3,416,055</u>	<u>296,833</u>

INSTRUCTUS

England & Wales - Charity number 1144894

Accounts

Company Number: 07066687
Charity Number: 1144894

Instructus
(A company limited by guarantee)

Consolidated Financial Statements
For the year ended 31 March 2022

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONTENTS

Officers and professional advisors	1
Trustees' Annual Report (incorporating the directors' report)	2 - 12
Independent Auditor's Report to the members of Instructus	13-17
Consolidated statement of financial activities (including income and expenditure account)	18
Consolidated statement of financial position	19
Company statement of financial position	20
Consolidated statement of cash flows	21
Notes to the Financial Statements	22 - 38

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the financial statements.

The Trustees

The trustees who served the charity during the year were as follows:

Mr N P Hopkins	Chair
Ms J A Norrington	
Ms E J Rush	
Mr R Traish	
Ms R Allen	
Ms A Cooper	
Ms J Seymour	

Structure, governance, and management

Constitution

Instructus is a registered charity (Charity No: 1144894) and a company limited by guarantee (Company No: 07066687), which is incorporated in England and Wales.

Governing document

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustee appointment and management

Trustees are appointed by the board of trustees.

The charity has robust recruitment, induction, appraisal, and training processes in place for all trustees. Trustees receive frequent reports on operations, human resources, risks, and finance. Financial governance is a top priority for trustees: the CEO holds regular finance meetings and holds regular audit meetings with the executive team, where at least one trustee is present, and where performance is reviewed, targets are agreed, and financial governance is scrutinised to minimise risks and maximise income potential. Trustees meet every three months for board meetings and once a year to agree the strategic direction of the charity over the ensuing three-year period. The Risk & Audit Committee meets formally four times per year, plus additional meetings to review budgets as required. The Quality Committee has two Trustee members and meets four times per year. Trustees act as Chairs of both Risk & Audit and Quality Committees.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

The trustees delegate operational powers to the Chief Executive Officer, who is responsible for implementing the strategies and operating the charity.

Arrangements for setting the remuneration of the charity's key management personnel lie with the Chief Executive (for his direct reports) and with the Chairman of the board for the Chief Executive. The performance and development review documents are used to assess the performance of the key personnel and the financial performance of the charity, and its subsidiaries are used as benchmarks to agree any pay amendments.

Our trustees understand the key challenges facing Instructus and as well as their detailed induction training, receive regular updates on the performance of the charity.

Introduction

Instructus is a charity whose objects are *"to advance education for the public benefit by promoting qualifications, training and skills"*.

Instructus is the sole owner of **CQM Training & Consultancy Ltd.**

Instructus is the UK's pan-sector standard setting body for business skills at work across the UK. It is responsible for setting standards, developing vocational business qualifications and apprenticeship frameworks, registering, and issuing pan-sector apprenticeship frameworks.

As part of our commitment to maintaining the UK Skills system, we are a strategic partner with Skills Development Scotland who operate the nations Standards and Framework agreement.

In 2021/22 Instructus was a registered End Point Assessment Organisation (EPAO) in England for conducting End Point Assessments (EPA) on apprentices. Instructus currently covers 4 standards in the UK: Retailer (Level 2), Business Administrator (Level 3), Retail Team Leader (Level 3) and Team Leader (Level 3). See risks section below.

In 2021/2022 Instructus certified just over 24% of all the apprenticeships certified by non-governmental organisations in the UK.

	2020/2021	2021/22
England	34.0%	25.6%
Wales	21.2%	30.2%
Scotland	28.7%	18.5%
All	31.3%	24.5%

The Springboard Consultancy is an international training and development consultancy that contributes to achieving greater equality in the world by helping attendees be the best they can be and realising their full potential. Springboard sits as a brand within Instructus.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

Springboard programmes make a significant difference to people's lives and are delivered by employees and a network of licenced freelance trainers. As of March 2022, we had 149 licenced trainers delivering programmes, and delivered programmes to 2480 individuals over the year.

CQM Training and Consultancy Ltd delivers training across the UK. CQM offer development programmes in the areas of leadership and management, continuous improvement, and vocational skills. As a lead provider on the Register of Apprenticeship Training Providers (ROATP), CQM deliver a range of apprenticeships in many different market sectors, with a notable coverage in the food and drink sector. We were recently re-appointed to the ROATP following an extensive formal renewal process.

All activity conducted by Instructus, The Springboard Consultancy and CQM Training & Consultancy Ltd has a direct and positive public benefit. Our work in qualifications, training and skills always focuses on individual learners at the heart of our offering. The more people we can develop, the more lives will be transformed.

Coronavirus

There is no doubt that the Coronavirus continued to have a significant impact in 2021/22 with the full lifting of UK restrictions only happening on 24th February 2022.

We have continued to deliver our programmes using a mixed blend of virtual and face to face learning where possible. The balance is something we aim to continue as we look to the future.

Apprenticeship starts continue to be lower than pre covid levels, and completions have also been impacted by multiple factors such as redundancies, breaks in learning, recruitment, and changing employers. We have balanced this with a focus on open cohorts to ensure our provision remains accessible to as wide an employer base as possible. We are expecting some stabilisation now that a return to restrictions is unlikely

We have seen an increased interest in personal development training, as organisations prioritise investment in people. This has seen strong growth in Springboard programmes and our suite of Management development activity.

Charity and Social Impact

The Charity has had regard to the Charity Commission guidance on public benefit. The Charitable object of Instructus is *"to advance education for the public benefit by promoting qualifications, training and skills"*. Given the financial impact of the pandemic we have had to focus on our core offering in each component area. Principally this is as follows:

Qualifications

- Certification of English Apprenticeships
- Certification on Apprenticeships in the devolved nations
- Certification of Yellow, Green, Black and Master Black Belt practitioners
- End Point Assessment

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

Training

- Springboard Programmes
- Springboard licencing programmes
- Licensed trainer support
- CQM Apprenticeship programmes
- CQM bespoke training
- Authentic Leader programmes

Skills

- National Occupational Standards Review Projects
- Qualification structure reviews
- Apprenticeship framework review, across the devolved nations
- Labour market analysis and apprenticeship take up rates in Scotland

These activities have driven significant public benefit in a wide variety of areas, including.

- New apprentices
- Individual growth/Societal growth
- Improved business ROI
- Improved productivity
- Improved equality
- Simplification of the skills systems across the devolved nations
-

In addition to our core activity, the board of Trustees have supported the development of a self-funded pilot programme to build Mentoring Skills in those working with less advantaged individuals or groups. This programme has been developed to pilot stage for delivery in 2022 and will form a core part of our offering moving forwards.

Quality Assurance

Instructus has continued its role as both an Issuing Authority and Certification Body for apprenticeships in the UK, meeting all statutory and regulatory obligations. We were successful in passing all Federation audits and have maintained our grade 1 quality mark which is the highest possible. Instructus prides itself of continuous improvement of internal and external processes. Our certification team continue to significantly overachieve the targets set in our Service Level Agreements with the Federation.

We have passed all audit requirements of the new External Quality Assurance process which ensures that our End Point Assessment service is fit for purpose.

We have various accreditations, including:

- Cyber Essentials
- Cyber Essentials Plus
- IASME Governance
- Matrix Accreditation
- Living Wage Employer

In addition, we have seen improvement in our apprenticeship achievement rating, exiting the year in line with the target of 55% (higher than the national completion rate). Quality remains a key focus of the CQM board, with all Directors undertaking additional training around Ofqual assessments.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and Performance

The year continued to be defined by Coronavirus restrictions (until February 2022). Our investment in virtual delivery ensured that we have seen year on year growth in both CQM and Springboard Programmes. We have also grown our share of skills-based projects. Certification performed in line with expectations, with the reduction in volume being due to the planned removal of apprenticeship frameworks in England. We remain committed to ensuring the 'tail' of frameworks will all be certified to the same standards we have held throughout. EPA has not performed in line with expectations, largely due to a change in regulator and a difficult sales market with a reluctance to change provider during pandemic. This has led the board to consider the strategic viability of continuing EPA activity (See Risks).

The apprenticeship market continues to be challenged. After 2010, the number of apprenticeship starts rose to approx. 400,000 per annum, but have dropped off to approx. 250,000 per year since the introduction of the apprenticeship levy in 2017. Workforce pressures have also impacted completion rates and access to learners, with increased levels in 'breaks in learning' at employer request and increased movement of employees to new employers. That said, our completion rates remain slightly ahead of the national average.

Our introduction of 'open cohort' apprenticeships has been successful, encouraging multiple employers to come together to fill an apprenticeship cohort. We are starting to see the first EPA results from these groups with a high level of merits and distinctions.

Financial

Group cash position at year end was £448,908. This was above the reserve level agreed by the board.

CQM returned to surplus in the year, generating a net profit of £28,963 which represents a year on year growth of £84,862.

Instructus returned a loss of £111,344. This was largely in line with forecast, and shows a year on year growth of £164,864. Springboard improved from income of £197,956 in 2020/21 to £418,621 in 21/22, which represents a growth rate of 111%.

We are anticipating that the growth in core areas continues in 2022/23, which combined with a rationalisation of resource will see the organisation return to group surplus.

Customer

We track several customer related scores across our activity, which are summarised below:

- EPA Learner satisfaction score was 96%
- Instructus recommendation score was 95% (based on 1062 responses)
- Certification Quality year end scores were 0.3% and 0.5% against a target of <5%
- Springboard satisfaction with the online experience was 85%
- CQM Learner recommendation rate was 95%
- CQM customer recommendation rate was 100%

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

People

We saw an increase in staff sickness rates from 0.2% to 1% in the year, which was largely due to Coronavirus. This rate is below the UK average sickness rate for 2021 of 2.2%

We regularly measure staff satisfaction through a quarterly 'pulse' survey, which identifies key areas for us to work on. We have achieved an 80% staff engagement rate as measured by the anonymous survey.

We continue to focus on employee training and development, accessing training courses, ongoing CPD, apprenticeships and coaching, regularly reviewed through line manager development 'touchpoints'.

We have a suite of mandatory training courses covering all statutory requirements, including safeguarding, health and safety, GDPR and anti-bribery. Compliance with this training is monitored and reviewed on a regular basis.

Impact

We have onboarded 15 new Springboard clients in the year (30 in total). We have had 2480 people through Springboard Programmes (in house & freelance) over the year.

Virgin Atlantic have also now licensed 7 trainers looking to deliver Springboard to over 220 women in the organisation. In addition, we are just completing a licensing programme with 6 participants for Leonardo.

We onboarded 2 new EPA clients, building on the 57 assessments conducted in the year.

We have successfully certified 21,045 people across the UK.

We have significantly increased the number of learners on Improvement Standards programmes which helps build the skills levels across organisations, with some significant business improvements being achieved.

Indeed, we have seen apprentices on our improvement standards apprenticeship programmes deliver over £3m in savings for their organisations even during a tough time for many, plus of course gaining a skillset to be able to continue to deliver that year on year.

We are proud to have worked closely with two visually impaired learners from Bedfordshire County Council, helping them achieve their qualifications.

We have successfully led 107 CQM learners through EPA, and a further 60 through framework completion.

We currently have 465 learners on apprenticeship programmes with CQM, and approximately 115 on commercial training programmes.

We continue to push local engagement, delivering apprenticeship presentations at local schools.

We have continued to support a wide variety of employers, training providers, awarding organisations and professional bodies with the development of learners and skills for the future.

We look forward to launching our mentoring scheme to help those working with less advantaged people.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

Skills Projects

We increased the number of skills projects significantly in 2021/2022. Through our Standards and Framework contracts we delivered the following projects on time and on budget:

- Review of all Business Administration National Occupational Standards (NOS) and all Management & Leadership NOS. This project reviewed the utilisation of pan-sector NOS across all other sectors and where there were opportunities to rationalise the number of NOS in use and how cross-sector NOS could be better developed. Further work will be conducted in the new financial year as we consult with the devolved nations, regulators and Skills Development Scotland.
- Review and update of Business Administration Modern Apprenticeships at SCQF level 5 and 6.
- Review and update of Business Administration qualification structures at SCQF level 5 and 6.
- Review and update of the Business Enterprise NOS and rationalisation into a single suite of Business and Enterprise Support, Business Link Broker, Business Link Gateway, Business Information & Enterprising Skills.
- Review and update of Cleaning and Support Services NOS
- Translation of recently updated NOS into Welsh for: Learning and Development, Digital Marketing, Business Administration, Contact Centre, Management & Leadership, Housing and Customer Service

Risks

There are 4 key risks:

Pandemic

Whilst all restrictions have been lifted, and all indicators are that we will not return to nationwide 'lockdowns', the impact of a significant wave would be material. We have worked hard to mitigate with blended delivery options, but we would be unlikely to be able to mitigate against a sustained lockdown period as experienced in 2020 without government support.

Economy

The economic position is fragile, with the UK in negative growth. A combination of Brexit, COVID and the war in Ukraine has created an uncertain market position. Traditionally economic uncertainty has led organisations to consider investments in training and development. However, the high employment rates are seeing organisations investing in this area to prompt retention of talent and minimise recruitment needs. If the employment rates drop significantly, we could see this position destabilise.

The increase in cost of living is having an impact on all our employees. We have awarded a 2.5% pay increase but must recognise the additional risk of key staff leaving for better paid positions.

Despite the rise in inflation, government funding bands for apprenticeships remain unchanged, meaning that additional costs will result in lower margins. We are working hard to mitigate with cost reduction where appropriate.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

Apprenticeship Completion Rates

The pandemic has had a significant impact on apprenticeship completion rates due to a combination of furlough and learner availability. In addition, there has been a significant decline in completion rates across the apprenticeship market with the introduction of apprenticeship standards. We continue to focus on completions as a high priority and remain on target to deliver our targets agreed with the board.

End Point Assessment (EPA)

Regulation for EPA is being moved from the existing EQA organisations to be centrally run by Ofqual. This change in regulation requires significant additional investment in specific roles to meet the requirements more suited to large or solus providers of EPA. The board have reviewed in detail and in April 2022 took the decision not to continue with EPA in the short to medium term, as the investment required was considered too speculative against the revenue return. All our customers have been informed and we will conclude our last EPA's in June 2022. Whilst the decision has been tough, removing the principle financial risk from our forward view allows us to concentrate on more established activity, with a proven growth rate shown over the last 12 months.

The budgets for 2022/23 were produced before the decision to withdraw from EPA was made. These budgets were scrutinised by the Risk and Audit Committee under delegated authority from the board. This review also included a review of worst-case position allowing for over 20% reduction in planned activity to ensure we remained a going concern beyond 12 months. The budgets were approved by the board.

Since the decision to withdraw from EPA was made, we have undertaken detailed re-planning. We have removed associated costs and have a clear plan to fully mitigate the financial impact within a 12 month period, largely by concentrating our efforts on growth in Springboard and CQM products offset with cost reductions. Plans will be regularly reviewed by the board and further mitigations have been drawn up should the revised plans not be achieved.

The group financial position is forecast to return to surplus in 2022/23, and the board are satisfied that we remain a going concern for a period beyond 12 months.

Whilst Instructus has reduced its reliance on apprenticeships, there is still approx. 50% of group revenues linked to apprenticeships. The Government response to the pandemic has largely been to put apprenticeships and skills development as a core focus for recovery, which should be seen as a positive, although reducing our strategic reliance on apprenticeships has also been a key consideration.

Instructus and CQM have detailed risk registers which are monitored at board level and are reviewed quarterly by the audit and risk committee and individual subsidiary boards.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

Invasion of Ukraine and Russian sanctions

The Group does not operate in either Ukraine or Russia and no key suppliers are located in either country.

The Board's assessment of this highly tragic geopolitical situation is that the business is not impacted at present, and the situation will remain under review.

Reserves Review

Pre Covid minimum cash reserve levels for the group had been set at £300K, which was based on analysis of the potential shut down liabilities should the organisation cease trading.

With board consent, a proportion of these reserves were utilised to counter the financial implications associated with the COVID Pandemic, with a revised minimum figure of £200K being agreed. This £200K free cash reserve across group has been agreed for the financial year 2022-23. The board have agreed to undertake a total review of required reserves as we recover from the impact of the COVID pandemic, which will propose the required reserve levels post 2023.

Group year-end cash position was £449K. After allowing for £32K CBiLs loan repayment due in 2022/23, working capital requirements of £200K to cover phasing of revenue weighted toward H2, and any unforeseen debtor risks, the year-end cash reserve stood at £217K.

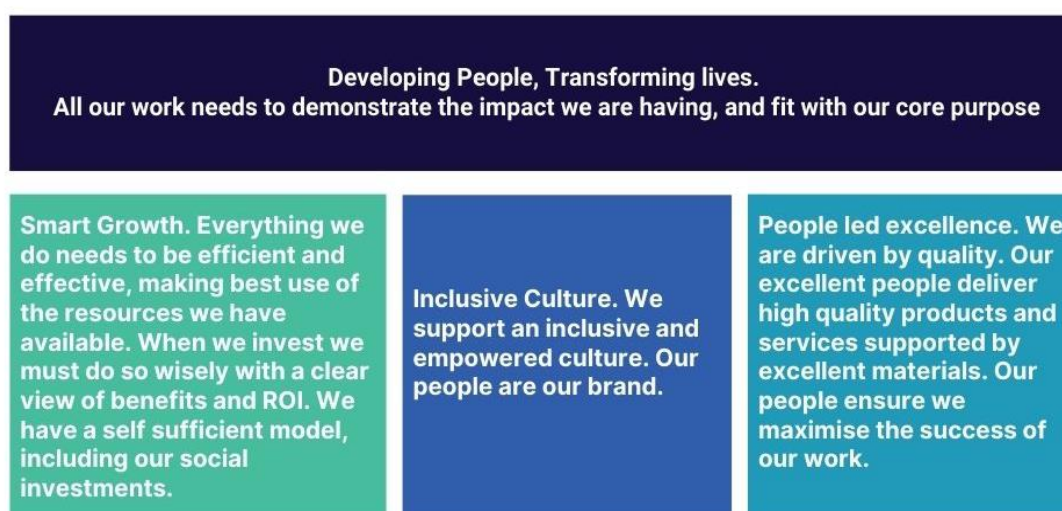
**TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report)
FOR THE YEAR ENDED 31 MARCH 2022**

Future Strategic Plans

The board have reviewed our strategy over the year. Our core purpose has been agreed as 'Developing People; Transforming lives'. In addition to delivering this remit in all our activity, we are aiming to deliver a surplus from our commercial activities to invest in related programmes to support less advantaged. The more successful we can be, the more significant we can be. The board have agreed 3 strategic pillars to underpin our strategy and will be measuring performance against these areas.

Strategic pillars

- everything we do should be in line with these key elements



Key strategic priorities for the year ahead:

- Introducing key initiatives to promote an inclusive culture.
- Focusing on cash
- Focusing on quality.
- Continuing delivery of high-quality certification of apprenticeships.
- Delivering key skills development projects, working closely with the devolved nations.
- Growing Springboard programme reach, both directly and through supported network of trainers.
- Delivering high quality apprenticeships and training, and improving completion rates
- Developing our staff and supporting with increased options for virtual and digital delivery/learner management.
- Expanding our product portfolio through targeted NPD.
- Building on our specialism in continuous improvement.
- Returning to surplus in 2023 and maintaining sustainable surplus position thereafter.
- Delivering our Pilot Mentoring scheme and adapting for wider roll out.
- Delivering targeted restructuring to ensure cost optimisation.

The board would like to thank the team for ensuring we maintained our activity through the challenge of the pandemic and established a platform for growth which we look build on over the coming years.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2022

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the person who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved signed on behalf of the board of trustees by:


NIGEL HOPKINS (Jul 29, 2022 11:30 GMT+1)

Mr N P Hopkins

Trustee

Date: Jul 29, 2022

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Instructus ('the parent charity') and its subsidiaries ('the group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2022 and of the group's income and expenditure 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 charity 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our audit procedures to evaluate the trustees' assessment of the Group and parent charity's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the Group and parent charity's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls relating to the trustees' going concern assessment;
- Evaluating the trustees' method to assess the Group and parent company's ability to continue as a going concern; and
- Reviewing the appropriateness of the trustees' disclosures in the financial statements.

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 group's or the parent charity'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 trustees with respect to going concern are described in the relevant sections of this report.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 MARCH 2022

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, 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 included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 MARCH 2022

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Report of the Trustees.

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 and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charity for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 MARCH 2022

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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006 and the Charities Statement of Recommended Practice.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 MARCH 2022

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the Audit 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.


David Hoose (Aug 1, 2022 15:16 GMT+1)

David Hoose

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Meridian Business Park
6 Dominus Way
Leicester
LE19 1RP

Date: Aug 1, 2022

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT of FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted Funds 2022 £	Total Funds 2022 £	Restated Total Funds 2021 £
	Note			
Income and endowments:				
Charitable activities	3	1,057,474	1,057,474	996,982
Other trading activities	4	1,527,002	1,527,002	1,205,848
Investments	5	76	76	69
Total incoming		2,584,552	2,584,552	2,202,899
Expenditure on:				
Raising Funds	6	1,550,731	1,550,731	1,350,562
Charitable Activities	7,8	1,183,791	1,183,791	1,280,191
Total expenditure		2,734,521	2,734,521	2,630,753
Net movement in funds		(149,969)	(149,969)	(427,854)
Reconciliation of funds				
Total funds brought forward		783,278	783,278	1,211,132
Total funds carried forward		633,309	633,309	783,278

The statement of financial activities includes all gains and losses recognised in the year.

All funds relate to unrestricted funds in both years.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	Restated 2021 £
Fixed assets			
Intangible fixed assets	13	157,574	215,152
Tangible fixed assets	14	29,456	34,075
		<u>187,030</u>	<u>249,227</u>
Current assets			
Stocks	16	3,785	6,311
Debtors	17	479,320	350,806
Cash at bank and in hand		448,908	678,345
		<u>932,013</u>	<u>1,035,462</u>
Creditors: amounts falling due within one year	18	(374,259)	(360,611)
		<u>557,745</u>	<u>674,851</u>
Net current assets			
		<u>744,775</u>	<u>924,078</u>
Total assets less current liabilities			
		<u>744,775</u>	<u>924,078</u>
Creditors: amounts falling due after one year	18	(109,333)	(138,667)
Provisions			
Other provisions	19	(2,133)	(2,133)
		<u>633,309</u>	<u>783,278</u>
Net assets			
		<u>633,309</u>	<u>783,278</u>
Funds of the charity			
Unrestricted funds		633,309	783,278
Total charity funds	25	<u>633,309</u>	<u>783,278</u>

Approved by the Board of Trustees and signed on its behalf by:


NIGEL HOPKINS (Jul 29, 2022 11:30 GMT+1)

.....
Mr N P Hopkins
Trustee

Date: Jul 29, 2022

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible fixed assets	13	-	-
Tangible fixed assets	14	6,776	15,093
Investments	15	650,000	650,000
		<u>656,776</u>	<u>665,093</u>
Current assets			
Stocks	16	3,785	6,311
Debtors	17	299,931	218,804
Cash at bank and in hand		216,105	408,105
		<u>519,821</u>	<u>633,220</u>
Creditors: amounts falling due within one year	18	(191,342)	(201,715)
Net current assets		<u>328,478</u>	<u>431,505</u>
Net assets		<u>985,255</u>	<u>1,096,598</u>
Funds			
Unrestricted funds		<u>985,255</u>	<u>1,096,598</u>
Total funds		<u>985,255</u>	<u>1,096,598</u>

The deficit for the financial year of the parent company was £111,344 (2021: £276,208 deficit)

These financial statements were approved by the board of trustees and authorised for issue on behalf of the board by:


NIGEL HOPKINS (Jul 29, 2022 11:30 GMT+1)

Mr N P Hopkins

Trustee

Date: Jul 29, 2022

Company registration number: 07066687

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
(Deficit) for the financial year	(149,969)	(427,854)
<i>Adjustments for:</i>		
Tax charge	(7,983)	8,062
Depreciation of tangible assets	22,126	27,662
Amortisation of intangible assets	67,589	96,873
Other interest receivable and similar income	(76)	(69)
Tax received/(paid)	7,983	(8,062)
Decrease in stock	2,526	537
Interest paid	3,739	-
(increase)/Decrease in debtors	(128,514)	9,503
Increase in creditors	2,978	17,977
Net cash used in operating activities	<u>(179,601)</u>	<u>(275,371)</u>
Cash flows from investing activities		
Interest received	76	69
Purchase of tangible assets	(17,595)	(5,603)
Purchase of intangible assets	(10,000)	-
Proceeds on the sale of fixed assets	89	667
Net cash (used in)/from investing activities	<u>(27,430)</u>	<u>(4,866)</u>
Cash flows from financing activities		
(Repayment of)/Cash receipt from bank loans including interest paid	<u>(22,406)</u>	<u>160,000</u>
Net (decrease) in cash and cash equivalents	(229,437)	(120,237)
Cash and cash equivalents at beginning of year	678,345	798,583
Cash and cash equivalents at end of year	<u>448,908</u>	<u>678,345</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

1 General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 3, Cherry Hall Road, North Kettering Business Park, Kettering, NN14 1UE. The financial statements are prepared in Sterling, which is the functional currency of the company.

Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The Instructus board have constantly monitored the impact of the Coronavirus pandemic on commercial activity. Significant adjustments to working practices have allowed us to move activities online resulting in improved performance from Q4 20/21. The impact of restrictions due to COVID has now stabilised, and we have a strong pipeline growing on a weekly basis. Throughout 2021/22 performance tracked closely to forecast, giving the board confidence in the Executives forward view of performance.

The board received detailed forecasts as part of the budget setting exercise for 2022/23. These have been reviewed in July 2022, alongside an updated forecast with no material changes. The board is also assured that performance in P1 & P2 is tracking in line with the forecast position. Budgets have also been stress tested looking at worst case scenarios. Based on the analysis, the board concluded that Instructus remains a going concern well beyond the next 12 months.

Consolidation

The financial statements consolidate the financial statements of Instructus and all its subsidiary undertakings.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of management, there are no key areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements;

The following principal accounting policies have been applied:

Taxation

The charity is exempt from tax on income and gains, falling within part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects. No tax charges have arisen.

Funds

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are funds earmarked by the trustees for specific purposes.

Restricted funds, which have been given for a specific purpose and can only be used for that purpose without the consent of the donor.

There were no Designated or Restricted funds during the year ended 31 March 2022 or during the year ended 31 March 2021.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income from grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies (continued)

Resources expended

All expenditure is recognised on an accruals basis inclusive of VAT which cannot be fully recovered, and is classified under the headings of the statement of financial activities to which it relates:

Expenditure on charitable activities include:

- a. Expenditure on the charity's primary charitable purposes as described in the trustees' report.
- b. Governance costs associated with the governance of the charity and its assets. Included within this category are costs associated with the strategic, as opposed to day to day, management of the charity's activities.

Expenditure on other activities are directly attributable to specific activities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at a cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies (continued)

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows;

Goodwill	10 years
Course development costs	3 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings, office and computer equipment	20% or 25% straight line
---	--------------------------

Investments

Investments, including investments in subsidiaries, are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

Accounting policies (continued)

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Stocks

Stocks of study guides and training course materials are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured as the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required in income or expenditure unless the provision was originally recognised as part of the cost of an asset.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Limited by guarantee

The charity is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

3. Charitable activities income

	2022	2022	2021	2021
	Unrestricted	Total	Unrestricted	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Grants and contracts	48,470	48,470	111,492	111,492
Registration, certification and	1,007,410	1,007,410	718,142	718,142
Training income				
Other income	1,595	1,595	167,348	167,348
	1,057,474	1,057,474	996,982	996,982

4. Other trading activities income

	2022	2022	Restated	Restated
	Unrestricted	Total	2021	2021
	Funds	Funds	Unrestricted	Total
	£	£	Funds	Funds
Training and consultancy	1,527,002	1,527,002	1,205,848	1,205,848

5. Investment income

	2022	2022	2021	2021
	Unrestricted	Total	Unrestricted	Total
	Funds	Funds	Funds	Funds
Bank interest receivable	76	76	69	69
	76	76	69	69

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

6. Costs of other trading activities

	2022	2022	Restated	Restated
	Unrestricted	Total	Unrestricted	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Total costs	1,550,731	1,550,731	1,350,562	1,350,562
	<u>1,550,731</u>	<u>1,550,731</u>	<u>1,350,562</u>	<u>1,350,562</u>

	2022	2021
	£	£
Training and consultancy materials	236,915	197,184
Staff costs	1,047,095	917,736
Staff training and recruitment	21,485	26,789
Travel and sustenance	25,037	4,219
Premises costs	31,844	36,906
Legal and professional fees	43,502	46,928
Other expenditure	73,262	48,764
Amortisation of goodwill	60,220	60,220
Depreciation	11,373	11,816
	<u>1,550,731</u>	<u>1,350,562</u>

7. Expenditure on charitable activities by fund type

	2022	2022	2021	2021
	Unrestricted	Total	Unrestricted	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Instructus – training and skills	1,161,177	1,161,177	1,258,409	1,258,409
Support costs	22,614	22,614	21,782	21,782
	<u>1,183,791</u>	<u>1,183,791</u>	<u>1,280,191</u>	<u>1,280,191</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total 2022 £	Total 2021 £
Instructus Training and skills activities	1,161,177	-	1,161,177	1,258,409
Governance costs	-	22,614	22,614	21,782
	<u>1,161,177</u>	<u>22,614</u>	<u>1,183,791</u>	<u>1,280,191</u>

	Total 2022 £	Total 2021 £
Instructus, parent company – Training and skills activities costs.		
Contract, project, registration, training and certification costs	194,389	176,451
Staff costs	757,939	815,141
Staff expenses, training and recruitment	19,861	29,724
Promotion and publicity	-	24,141
Premises costs	40,687	34,436
Legal and professional fees	17,323	24,919
Other expenditure	112,861	101,097
Depreciation and amortisation	18,117	52,500
	<u>1,161,177</u>	<u>1,258,409</u>

Governance costs:	Total 2022 £	Total 2021 £
Auditor fees	21,685	21,700
Costs of trustees' meetings	929	82
	<u>22,614</u>	<u>21,782</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

9. Net expenditure

Net expenditure is stated after charging:

	2022	2021
	£	£
Amortisation and impairment of intangible assets	67,589	96,873
Depreciation of tangible fixed assets	22,126	27,662
Operating lease cost	36,481	43,519

10. Auditor's remuneration

	2022	2021
	£	£
Auditor's remuneration	18,320	18,320
Auditor's remuneration – non audit services	3,365	3,380
	21,685	21,700

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	1,527,901	1,475,868
Social Security costs	165,962	147,337
Other post retirement benefit costs	113,444	109,672
	1,807,307	1,732,877

The average head count of employees during the year was 40 (2021: 41)

The number of employees whose remuneration for the year fell within the following bands, were:

	2022	2021
	£	£
£60,000 to £69,999	2	2
£70,000 to £79,999	1	1
£110,000 to £119,999	0	1
£120,000 to £129,999	1	-
	4	4

The key management personnel of the group comprise those of Instructus being the Chief Executive Officer and Managing Director and the key management personnel of its two wholly owned subsidiaries, CQM Training and Consultancy Limited and The Springboard Consultancy Limited. The total for the group key management personnel was £330,859 (2021: £383,452).

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

12. Trustee remuneration and expenses

No trustees received remuneration for their services as trustees during the year (2021: None).

Trustees' travel and subsistence expenses of £746 (2021: £70) were reimbursed by the charity to 2 (2021: 1) trustee during the year.

The charity has insurance to indemnify the trustees, other officers and the charity against the consequences of any neglect or default on the part of the trustees, employees and agents.

13. Intangible assets

Group and company

	Goodwill £	Course development costs £	Asset under construction Software £	Total £
Cost				
At 1 April 2021	954,758	4,058	-	958,816
Additions	-	-	10,000	10,000
At 31 March 2022	954,758	4,058	10,000	968,816
Amortisation/impairment				
At 1 April 2021	739,606	4,058	-	743,664
Charge for the year	67,589	-	-	67,589
At 31 March 2022	807,195	4,058	-	811,253
Carrying amount				
At 31 March 2022	147,574	-	10,000	157,574
At 31 March 2021	215,152	-	-	215,152

The course development costs are company intangible assets.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

14. Tangible assets

Group	Equipment £	Total £
Cost		
At 1 April 2021	207,484	207,484
Additions	17,595	17,595
Disposals	(282)	(282)
At 31 March 2022	224,795	224,795
Depreciation		
At 1 April 2021	173,409	173,409
Charge for the year	22,126	22,126
Eliminated on disposals	(195)	(195)
At 31 March 2022	195,341	195,341
Carrying amount		
At 31 March 2022	29,456	29,456
At 31 March 2021	34,075	34,075
Company		
Cost		
At 1 April 2021	104,714	104,714
Additions	2,433	2,433
At 31 March 2022	107,147	107,147
Depreciation		
At 1 April 2021	89,621	89,621
Charge for the year	10,748	10,748
At 31 March 2022	100,369	100,369
Carrying amount		
At 31 March 2022	6,776	6,776
At 31 March 2021	15,093	15,093

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

15. Investments

The group has no investments

Company	Shares in group undertakings £
Cost	
At 1 April 2021 and 31 March 2022	<u>1,285,336</u>
Impairment	
At 1 April 2021	635,336
Provision for impairment	-
At 1 April 2021 and 31 March 2022	<u>635,336</u>
Carrying amount	
At 1 April 2021 and 31 March 2022	<u>650,000</u>

Company investments comprise:

The company has two wholly owned subsidiaries, CQM Training and Consultancy Limited (Company No: 02782477) and The Springboard Consultancy Limited (Company No: 04729410). Both companies were registered in England and Wales, with registered offices as Instructus, 100% ordinary share capital owned and both are included within the consolidated accounts. The main activities of the subsidiary CQM Training and Consultancy Limited is training, coaching and consultancy. On 31 March 2021 the activity of The Springboard Consultancy Limited was hived up into Instructus and the company is now dormant.

A summary of their results is shown below:

CQM Training and Consultancy Limited

	2022	Restated 2021
	£	£
Income	1,527,002	1,205,848
Expenditure	(1,498,040)	(1,261,747)
Net (loss)/profit	<u>28,962</u>	<u>(55,899)</u>
Assets	515,796	465,273
Liabilities	(365,307)	(343,747)
Net Assets	<u>150,489</u>	<u>121,526</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

15. Investments (continued)

The Springboard Consultancy Limited

	2022	2021
	£	£
Income	-	-
Expenditure	-	-
Net loss	-	-
Assets	2	2
Liabilities	-	-
Net Assets	2	2

16. Stocks

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Raw materials and consumables	3,785	6,311	3,785	6,311

Stock comprises study guides and training course materials

17. Debtors

	Group		Company	
	2022	Restated 2021	2022	2021
	£	£	£	£
Trade debtors	203,267	130,783	124,130	111,010
Amounts owed by group undertakings	-	-	72,279	44,048
Prepayments and accrued income	259,575	203,987	88,012	47,786
Other debtors	16,478	16,036	15,510	15,960
	479,320	350,806	299,931	218,804

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

18. Creditors: amounts falling due within one year

	Group		Company	
	2022	Restated 2021	2022	2021
	£	£	£	£
Trade creditors	75,019	66,531	22,423	7,321
Accruals and deferred income	193,410	184,919	141,567	137,505
Bank loans	32,000	21,333	-	-
Social security and other taxes	60,744	77,033	20,937	50,814
Other creditors	13,086	10,795	6,415	6,075
	<u>374,259</u>	<u>360,611</u>	<u>191,342</u>	<u>201,715</u>

Accruals and deferred income includes £148,751 (2021: £142,604) of deferred income in relation to income received in advance for training and consultancy services.

Creditors: amounts falling due over one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	109,333	138,667	-	-
	<u>109,333</u>	<u>138,667</u>	<u>-</u>	<u>-</u>

The bank loans are secured by a debenture comprising fixed and floating charges over all the assets of CQM Training and Consultancy Limited. The loan attracts interests of £3.99% above the base rate. There is no balance due over 5 years

19. Provisions

Group	Deferred tax £
At 1 April 2021	2,133
Additions	-
At 31 March 2022	<u><u>2,133</u></u>

The company does not have any other provisions

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

20. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Included in provisions	2,133	2,133	-	-
	<u>21,33</u>	<u>2,133</u>	<u>-</u>	<u>-</u>

The deferred tax relates to accelerated capital allowances.

21. Net debt analysis

Group

	At 1 April 2021	Net cash flows	At 31 March 2022
	£	£	£
Cash	678,345	(229,437)	448,908
Borrowings	(160,000)	18,667	(141,333)
	<u>518,345</u>	<u>(210,770)</u>	<u>307,575</u>

22. Employee benefits

Defined contribution plans

The amount recognised in the statement of financial activities as an expense in relation to defined contribution plans was £113,444 (2021: £109,072). Creditors include a balance of £11,672 (2021: £10,637) due in respect of pension commitments.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Not late than 1 year	34,338	36,481	34,338	36,481
Later than 1 year and not later than 5 years	120,000	124,287	120,000	124,287
Larger than 5 years	10,000	40,000	10,000	40,000
	164,338	200,768	164,338	200,768

24. Related party transactions

Charity

During the year the charity received recharge income of £28,951 (2021: £36,887) from CQM Training and Consultancy Limited. Year end debtors include a balance of £72,279 (2021: £44,084) due from CQM Training and Consultancy Limited.

25. Analysis of charitable funds

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	783,278	2,584,552	2,734,521	633,309
	783,278	2,584,552	2,734,521	633,309

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2022

26. Prior year adjustment

Group

The directors have chosen to amend the company's accounting policy in respect of the recognition of income and associated costs relating to one element of the provision of apprenticeship training, as they believe the amended policy better reflects the contractual position.

In respect of the previously reported financial information for the year ended 31st March 2021, this has lead to the following amendments:-

- A reduction in turnover and cost of sales of £43,000
- A reduction in net assets and reserves of £59,000
- A reduction in debtors of £265,000
- A reduction in creditors due within one year of £206,000

27. Post Balance Sheet Events

Folliwng the year end, Instructus as a company, has decided to withdraw from EPA as a service offering. Further details are provided within the Trustees Report.

INSTRUCTUS

England & Wales - Charity number 1144894

Accounts

Company Number: 07066687
Charity Number: 1144894

Instructus
(A company limited by guarantee)

Consolidated Financial Statements
For the year ended 31 March 2021

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONTENTS

Officers and professional advisors	1
Trustees' Annual Report (incorporating the directors' report)	2 - 12
Independent Auditor's Report to the members of Instructus	13-17
Consolidated statement of financial activities (including income and expenditure account)	18
Consolidated statement of financial position	19
Company statement of financial position	20
Consolidated statement of cash flows	21
Notes to the Financial Statements	22 - 37

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the financial statements.

The Trustees

The trustees who served the charity during the year were as follows:

Mr N P Hopkins, Chair
Ms J A Norrington
Ms E J Rush
Mr R Traish
Ms R Allen
Ms A S Cooper
Ms J Seymour (appointed 29th April 2020), Vice Chair

Structure, governance, and management

Constitution

Instructus is a registered charity (Charity No: 1144894) and a company limited by guarantee (Company No: 07066687), which is incorporated in England and Wales.

Governing document

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustee appointment and management

Trustees are appointed by the board of trustees.

The charity has robust recruitment, induction, appraisal, and training processes in place for all trustees. Trustees receive frequent reports on operations, human resources, risks, and finance. Financial governance is a top priority for trustees: the CEO holds regular finance meetings and holds regular audit meetings with the executive team, where at least one trustee is present, and where performance is reviewed, targets are agreed, and financial governance is scrutinised to minimise risks and maximise income potential. Trustees meet every three months for board meetings and once a year to agree the strategic direction of the charity over the ensuing three-year period. The Risk & Audit Committee meets formally four times per year, plus additional meetings to review budgets as required. In 2021 we formerly established a Quality Committee with two Trustee members, which will also meet four times per year. Trustees act as Chairs of both Risk & Audit and Quality Committees.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

The trustees delegate operational powers to the Chief Executive Officer, who is responsible for implementing the strategies and operating the charity.

Arrangements for setting the remuneration of the charity's key management personnel lie with the Chief Executive (for his direct reports) and with the Chairman of the board for the Chief Executive. The performance and development review documents are used to assess the performance of the key personnel and the financial performance of the charity, and its subsidiaries are used as benchmarks to agree any pay amendments.

All board and committee meetings during 2020/2021 were held via Microsoft Teams, due to Coronavirus restrictions.

Our trustees understand the key challenges facing Instructus and as well as their detailed induction training, receive regular updates on the performance of the charity.

Introduction

Instructus is a charity whose objects are "to advance education for the public benefit by promoting qualifications, training and skills".

Instructus is the sole owner of **CQM Training & Consultancy Ltd**. At the end of the last financial year, Instructus merged the trade of the wholly owned subsidiary, **The Springboard Consultancy Ltd**, into the charity, as all activity was considered primary purpose to the Charity. Springboard programmes and branding have been maintained.

Instructus is the UK's pan-sector standard setting body for business skills at work across the UK. It is responsible for setting standards, developing vocational business qualifications and apprenticeship frameworks, registering, and issuing pan-sector apprenticeship frameworks.

As part of our commitment to maintaining the UK Skills system, we are a strategic partner with Skills Development Scotland who operate the nations Standards and Framework agreement.

Instructus is a registered End Point Assessment Organisation (EPAO) in England for conducting End Point Assessments (EPA) on apprentices. Instructus currently covers 4 standards in the UK: Retailer (Level 2), Business Administrator (Level 3), Retail Team Leader (Level 3) and Team Leader (Level 3).

In 2020/2021 Instructus certified just over 30% of all the apprenticeships certified by non-governmental organisations in the UK.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

	2020/2021	2019/20
England	34.0%	30.8%
Wales	21.2%	28.4%
Scotland	28.7%	21.5%
All	31.3%	28.9%

The Springboard Consultancy is an international training and development consultancy that contributes to achieving greater equality in the world by helping attendees be the best they can be and realising their full potential.

Springboard programmes have a high success rate with a high 98% recommendation rating and 90% of participants saying they are more confident about their personal development since completing a programme. Significantly, since the move to remote learning due to Covid, 98% found the technology easy to use and 96% were satisfied with a remote learning experience.

Springboard programmes make a significant difference to people's lives and are delivered by employees and a network of licenced freelance trainers. As of March 2021, we had 179 licenced trainers delivering programmes.

CQM Training and Consultancy Ltd delivers training across the UK. CQM offer development programmes in the areas of leadership and management, continuous improvement, and vocational skills. As a lead provider on the Register of Apprenticeship Training Providers (ROATP), CQM deliver a range of apprenticeships in many different market sectors, with a notable coverage in the food and drink sector.

As of March 2020, CQM delivered programmes across a diverse client group, including XPO logistics, BAE, Ceva Logistics, Network Rail, Serco, Premier Foods and Bakkavor and had 511 learners on programme.

All activity conducted by Instructus, The Springboard Consultancy and CQM Training & Consultancy Ltd has a direct and positive public benefit. Our work in qualifications, training and skills always focuses on individual learners at the heart of our offering. The more people we can develop, the more lives will be transformed. The trustees are aware of and give due consideration, when setting objects and planning activities, to the Charity Commission's guidance on public benefit

Coronavirus

There is no doubt that the Coronavirus has had a significant impact on all our activity. The majority of all our output relied heavily on face-to-face training, which came to a dramatic halt in March 2020, and has not fully recovered yet.

Over the course of the year, we have worked hard to ensure formats and training programmes have been updated to accommodate virtual delivery. Our staff have showed tremendous versatility in delivery methods and learner support to ensure that our participants have the best possible experience, and best chance of positive outcomes.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

Apprenticeship starts have reduced by up to 50% over the year, which in turn has meant our certification levels and EPA levels have been significantly impacted. However, there is a great deal of political support for apprenticeships and skills development which we anticipate will lead to a recovery in numbers as lockdowns ease.

As income was significantly impacted, we took some significant cost saving decisions in the year. We accessed the Government backed Furlough Scheme across the organisation at various periods across the year, and we undertook a restructure which resulted in redundancies in the organisation. Some Exec staff also undertook voluntary targeted reductions in salary at key points.

Our efforts to reduce costs and be flexible with our training provision has meant that the negative impact has largely been contained within the financial year. Our efforts throughout the year have led to a final quarter surplus in all parts of the organisation, albeit not in any way significant enough to counter initial losses.

The board have met regularly via MS Teams to support the ongoing decision making and the restructure exercise. They have paid particular attention to cash management, receiving, and reviewing updated forecasts throughout the year.

Looking forward we anticipate a period of consolidation in H1 as the economy strengthens and employees return to work, followed by an increase in activity from H2 onwards. We have invested in a strengthened marketing position to ensure we are able to take advantage of the dramatic changing landscape and opportunities as lockdowns end. As we enter 2021/22 we have launched our new 'Authentic Leader' programme in Q1, increased our Open Cohort Apprenticeship Programmes and are delivering increased non-apprenticeship activity in line with our strategy.

Charity and Social Impact

The Charitable object of Instructus is "to advance education for the public benefit by promoting qualifications, training and skills".

Given the pandemic we have had to focus on our core offering in each component area. Principally this is as follows:

Qualifications

- Certification of English Apprenticeships
- Certification on Apprenticeships in the devolved nations
- Certification of Yellow, Green, Black and Master Black Belt practitioners
- End Point Assessment

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

Training

- Springboard Programmes
- Springboard licencing programmes
- Licensed trainer support
- CQM Apprenticeship programmes
- CQM bespoke training

Skills

- 6 National Occupational Standards Review Projects
- Erasmus+ Project: Enhancing mentor skills in the construction project, working with 5 European partners.

These activities have driven significant public benefit in a wide variety of areas, including.

- New apprentices
- Individual growth/Societal growth
- Improved business ROI
- Improved productivity
- Improved equality

In addition to our core activity, Instructus has developed and funded a 10 day 'whole person' training pilot for mixed gender 14–16-year-old disadvantaged students in conjunction with Moulton School and Science College. The first pilot was completed in April 2019 with the purpose of closing the achievement gap between the disadvantaged group and their peers. As the pandemic hit the UK, we were in the process of rolling out the programme to the first of four planned cohorts of students. Understandably the programme was put on hold, and schools remain in a period of consolidation following the significant upheaval in the year.

The trustees have agreed that the strategic direction of this programme will be reconsidered in October 2021, along with other potential projects, finances allowing.

Quality Assurance

Instructus has continued its role as both an Issuing Authority and Certification Body for apprenticeships in the UK, meeting all statutory and regulatory obligations. We were successful in passing all Federation audits and have maintained our grade 1 quality mark which is the highest possible. Instructus prides itself of continuous improvement of internal and external processes. Our certification team continue to significantly overachieve the targets set in our Service Level Agreements with the Federation.

We have passed all requirement audit requirements of the new External Quality Assurance process which ensures that our End Point Assessment service is fit for purpose.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

We have various accreditations, including:

- Cyber Essentials
- Cyber Essentials Plus (to be completed in May 2021)
- IASME Governance
- Matrix Accreditation
- Living Wage Employer

Achievements and Performance

The year has largely been defined by the Coronavirus. All efforts have been invested in ensuring that the organisation has survived the pandemic and is able to rebuild from a strong base as things return to a sense of normality. The first lockdown in March led to most planned courses being cancelled and a steep drop off in apprenticeship-based activity.

Working with our customers we have developed online solutions for all our training and development interventions, which we aim to continue as part of a blended approach to future delivery. Our collective efforts have seen a strong final quarter, with the organisation returning to surplus for the period, despite the third national lockdown.

We have developed a new programme, Authentic Leader, which we are currently launching. This programme combines elements of our Springboard Programme with Management Development and an ILM qualification.

Alongside trying to ensure client programmes continued through the year, we have focused on improving the internal support infrastructure. We have embedded a new CRM system, improved our course tracking and resource allocation, and introduced an account management approach for key customers.

Much of our activity is reliant on the return of apprenticeship numbers. Numbers of new apprentices in Scotland and Wales are at 50% of normal levels. Given the Government focus on skills and apprenticeships we are expecting a recovery to the previous levels around September of 2022. In addition, the lockdown restrictions and furlough have had an impact on our ability to bring many learners to completion of their apprenticeship – we now have a concerted programme of activity to support completions as restrictions ease.

That said we remain in a confident position against the core KPI's by which we measure our success;
Financial Performance: Sales and Operations: Customer: People.

Financial Performance	Despite significant losses in year, group cash position was above forecast at year end. COVID 19 has set our plans back by a full year, but final quarter performance and forward pipeline give confidence that recovery to surplus will be achieved in 21/22.
Sales and Operations	We have invested in Marketing resource to ensure we capitalise on market opportunity as restrictions lift. We are already seeing a significantly improved

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

pipeline for EPA and Development courses. Effective CRMs in place across all the Group and tight operational management of our processes and customers.

Customer	Our latest recommendation ratings from customers remain above 90% across all areas.
People	We had a staff sickness rate of 0.2% for the year, and no staff left other than because of redundancy. We have ensured regular communication throughout the pandemic, with an enhanced focus on mental health. Staff feedback is very positive regarding the support offered over the year.
Impact	In 2020/21 we certified 26,227 apprenticeships, conducted 47 EPA's, delivered Springboard courses to 1969 people, and had 511 learners on programme with CQM. When we compare to 19/20 the impact of the Coronavirus is clear – in 2019/20 we certified 48,470 apprenticeships, delivered Springboard courses to 5085 people, and had 800 learners on programme with CQM.

We have continued to support a wide variety of employers, training providers, awarding organisations and professional bodies with the development of learners and skills for the future.

The skills projects we were commissioned to deliver have been completed on time and on budget. Five National Occupational Standards (NOS) suites' reviews: Business and Administration, Marketing, Contact Centre, Management and Leadership, Customer Service. These were reviewed to ensure the National Occupational Standards are up-to-date and all job functions are unique and sector specific.

National Occupational Standards (NOS) are statements of performance standards individuals must achieve when carrying out functions in the workplace, together with specifications of the underpinning knowledge and understanding. The NOS are developed by Standard Setting Organisations (SSO) who consult with employers and other stakeholders across each of the UK nations, (Scotland, Wales, Northern Ireland and England). This consultation process allows any specific requirements to be considered by each nation and the result is a set of NOS that are suitable for use across the UK. The NOS, which are set out in a common format, are approved on a four-nation basis and content is scrutinised by SQA Accreditation.

The review cycle involves the following stages of submission on the NOS database management system:

Part A - Evidence of Employer and Stakeholder Engagement

The information detailed in the Part A informs about the employer and stakeholder engagement and consultation activities. We outline the methodology for stakeholder engagement including nation representatives. For each nation we created a UK-wide and nation specific lists of organisations and upload these onto the system. For consultations in Wales, we also measure a demand to have the NOS translated into Welsh language during the consultation stage.

Draft NOS

We run a second, wider consultation with employers and stakeholders on the original NOS and Occupational map, gaining their input into a range of areas including the required updates, and what is missing. We gather the feedback from this consultation, clarifying specific points from stakeholders. Amendments are made to the NOS to produce the draft NOS, including updating them in line with the NOS guidance. The NOS drafts are sent to SQA Accreditation Manager. The Draft NOS are accompanied by the Status of Update,

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

which is uploaded onto the system. The nation representatives provide feedback on the draft NOS and sign these off. The Draft NOS and the nation representatives' feedback is then be shared with the Project Steering Group and any further amendments are made, agreed, and captured.
Part B - Evidence of employer and stakeholder engagement

This identifies any changes that took place in relation to addressing methods of engagement in Part A. Nation representatives would be aware of this through the ongoing communication. The final project report is provided as part of the evidence, including a list of employers and stakeholders that were consulted in each nation and all feedback. Nation representatives sign off the Part Bs once they are happy.

Final NOS

The Steering Group is asked to agree the final draft NOS to be submitted for approval to the nation representatives via the NOS Database. Status of NOS document along with the final Occupational Map is uploaded onto the system. Nation representatives sign off the final NOS once they are happy. We then request that SDS publish the final NOS and move any obsolete/old NOS to Legacy, or Archive.

One new NOS suite: Digital Marketing. This suite was requested as a priority to underpin the current SVQ in Digital Marketing that also forms Modern Apprenticeship framework in Scotland.

All NOS have been standardised with consistent terminology across Performance Criteria, Knowledge and Understanding to ensure both parts are closely aligned and reflect on each other.

We also oversaw the translation into Welsh of five NOS suites – Cleaning and Support Services, Confined Spaces, Regulatory Compliance Life Science, Social Marketing and Sporting Excellence. All these NOS have undergone quality approval by Welsh Government.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

Risks

The single biggest risk is the impact of Coronavirus, especially financially.

The position in 20/21 was very hard to forecast as no-one knew what impact the pandemic would have. Given a period of increased stability in quarter 4, combined with the mitigations taken, the Executive team have put in place a realistic budget for the year ahead targeting a return to surplus.

The Risk & Audit Committee, under delegated authority of the board scrutinised these budgets and assumptions before recommending approval by the board. In addition, the Risk & Audit Committee oversaw a 'worst case' scenario planning exercise, where impacts were investigated with up to a 20% reduction in revenue.

The Board have reviewed budgets and scenario plans and are satisfied that Instructus remains a 'going concern' beyond 12 months, even if the worst-case position manifests. The board accept that significant mitigations may need to be actioned at the end of quarter 1 if the planned budget is not being achieved and have scheduled a full financial review for the July board.

For assurance, current performance for P1 and P2 is running in line with budget.

Whilst Instructus remains largely reliant on the performance of the apprenticeship sector, the Government response has largely been to put apprenticeships and skills development as a core focus for recovery.

Out of funding learners who have not yet completed apprenticeships present a significant risk. Many apprentices have been furloughed, or restrictions have meant that core projects have not been completed as part of the apprenticeship. Improving the completion rate as the lockdown ends is a significant priority in H1.

Certification volumes continue to decline in England as the reform measures move apprenticeship certification into the DfE with most final certificates expected to be issued by Instructus around Aug 2021, although some longer duration programmes will take until 2022/2023.

We are switching our resources and investments to End Point Assessment. We have high levels of satisfaction with our existing customers, and as lockdown ends are developing a healthy pipeline of customers and prospects.

Instructus has detailed risk register which is monitored at individual board level and is reviewed quarterly by the audit and risk committee and individual subsidiary boards.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

Reserves Review

Instructus has traditionally maintained a strong cash balance and enough reserves to maintain operations for between 24 – 30 months under normal market conditions. This cautious approach has meant that Instructus remained cash positive throughout the pandemic.

The board fully accept that the reserves have been needed to maintain operations throughout the pandemic. They therefore have agreed to set a minimum group reserve for 21/22 of £200,000 (down from £300,000). This was deemed sufficient to allow for mitigations to be actioned in any of the possible eventualities considered.

The Trustees have agreed to review this limit in April 2022, with the intention to increase and consider a split between allocated and non-allocated reserves.

Future Strategic Plans

We have undertaken a full strategic review over the course of the year, taking a focused view on key priorities and looking forwards to the impact we can make through to 2025. There is increasing optimism that, as lockdown pressures ease, the need for apprenticeships, personal development training and skills development will increase. Government has openly acknowledged the need to drive apprenticeships and skills development as a core foundation of future plans. In addition, the changing working environment will mean employees will benefit from our whole person interventions and equality enhancing programmes.

In summary our focus areas are:

- Continued high quality certification of apprenticeships.
- Delivery of key skills development projects, working closely with the devolved nations.
- Growth of EPA sales and standards assessed.
- Growth of Springboard programme reach directly and through supported network of trainers.
- Delivering high quality apprenticeships and training, with 75% completion rates.
- Developing our staff and supporting with increased options for virtual and digital delivery/learner management.
- Expanding our product portfolio through targeted New Product Development (NPD).
- Becoming renowned specialists in continuous improvement.
- Returning to surplus in 2022 and maintaining sustainable surplus position thereafter.

The board of Trustees see H1 as an opportunity for recovery and consolidation. If budget plans are being met, and in addition to our annual strategic review, a full review of strategic priorities will be held in October, including a review of charitable initiatives for the future, including the re-establishment of our programme for schools.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (Incorporating the Directors' Report) FOR THE YEAR ENDED 31 MARCH 2021

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the person who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved signed on behalf of the board of trustees by:

NIGEL HOPKINS

NIGEL HOPKINS (Jul 23, 2021 16:31 GMT+1)

.....
Mr N P Hopkins

Trustee

Date: Jul 23, 2021

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Instructus ('the parent charity') and its subsidiaries ('the group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2021 and of the group's income and expenditure 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 charity 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 trustees' 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 group's or the parent charity'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 trustees with respect to going concern are described in the relevant sections of this report.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 MARCH 2021

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, 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 included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 MARCH 2021

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Report of the Trustees.

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 and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charity for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 MARCH 2021

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 the 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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTRUCTUS (continued) FOR THE YEAR ENDED 31 MARCH 2021

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the Audit 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.


David Hoose (Jul 27, 2021 12:05 GMT+1)

David Hoose

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Meridian Business Park
6 Dominus Way
Leicester
LE19 1RP

Date: Jul 27, 2021

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT of FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income and endowments:	Note			
Charitable activities	3	996,982	996,982	831,527
Other trading activities	4	1,249,244	1,249,244	2,377,816
Investments	5	69	69	221
Total incoming		2,246,295	2,246,295	3,209,564
Expenditure on:				
Raising Funds	6	1,393,958	1,393,958	2,606,202
Charitable Activities	7,8	1,280,191	1,280,191	997,857
Total expenditure		2,674,149	2,674,149	3,604,058
Net movement in funds		(427,854)	(427,854)	(394,494)
Reconciliation of funds				
Total funds brought forward		1,270,519	1,270,519	1,665,013
Total funds carried forward		842,665	842,665	1,270,519

The statement of financial activities includes all gains and losses recognised in the year.

All funds relate to unrestricted funds in both years.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible fixed assets	13	215,152	312,025
Tangible fixed assets	14	34,075	56,800
		<u>249,227</u>	<u>368,825</u>
Current assets			
Stocks	16	6,311	6,848
Debtors	17	616,209	625,532
Cash at bank and in hand		678,345	798,583
		<u>1,300,685</u>	<u>1,430,963</u>
Creditors: amounts falling due within one year	18	(566,446)	(527,136)
		<u>734,239</u>	<u>903,828</u>
Net current assets			
		<u>983,466</u>	<u>1,272,652</u>
Total assets less current liabilities			
		<u>983,466</u>	<u>1,272,652</u>
Creditors: amounts falling due after one year	18	(138,667)	-
Provisions			
Other provisions	19	(2,133)	(2,133)
		<u>842,665</u>	<u>1,270,519</u>
Net assets			
		<u>842,665</u>	<u>1,270,519</u>
Funds of the charity			
Unrestricted funds		842,665	1,270,519
Total charity funds	25	<u>842,665</u>	<u>1,270,519</u>

Approved by the Board of Trustees and signed on its behalf by:

NIGEL HOPKINS
NIGEL HOPKINS (Jul 23, 2021 16:31 GMT+1)

Mr N P Hopkins
Trustee

Date: Jul 23, 2021

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible fixed assets	13	-	1,127
Tangible fixed assets	14	15,093	30,021
Investments	15	650,000	650,000
		<u>665,093</u>	<u>681,148</u>
Current assets			
Stocks	16	6,311	6,848
Debtors	17	218,804	209,474
Cash at bank and in hand		408,105	631,787
		<u>633,220</u>	<u>848,109</u>
Creditors: amounts falling due within one year	18	(201,715)	(156,451)
Net current assets		<u>431,505</u>	<u>691,658</u>
Net assets		<u>1,096,598</u>	<u>1,372,806</u>
Funds			
Unrestricted funds		<u>1,096,598</u>	<u>1,372,806</u>
Total funds		<u>1,096,598</u>	<u>1,372,806</u>

The deficit for the financial year of the parent company was £276,208 (2020: £757,071 deficit)

These financial statements were approved by the board of trustees and authorised for issue on behalf of the board by:

NIGEL HOPKINS
NIGEL_HOPKINS (Jul 23, 2021 16:31 GMT+1)

Mr N P Hopkins

Trustee

Date: Jul 23, 2021

Company registration number: 07066687

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
(Deficit) for the financial year	(427,854)	(394,494)
<i>Adjustments for:</i>		
Tax charge	8,062	-
Depreciation of tangible assets	27,662	27,988
Amortisation of intangible assets	96,873	231,612
Other interest receivable and similar income	(69)	(221)
Tax paid	(8,062)	-
Decrease/(increase) in stock	537	(30)
Decrease in debtors	9,503	86,671
Increase/(decrease) in creditors	17,977	(75,637)
Net cash used in operating activities	<u>(275,371)</u>	<u>(124,111)</u>
Cash flows from investing activities		
Interest received	69	221
Purchase of tangible assets	(5,603)	(16,729)
Proceeds on the sale of fixed assets	667	-
Net cash (used in)/from investing activities	<u>(4,866)</u>	<u>(16,508)</u>
Cash flows from financing activities		
Cash receipt from bank loans	<u>160,000</u>	<u>-</u>
Net (decrease) in cash and cash equivalents	(120,237)	(140,618)
Cash and cash equivalents at beginning of year	798,583	939,201
Cash and cash equivalents at end of year	<u>678,345</u>	<u>798,583</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

1 General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 3, Cherry Hall Road, North Kettering Business Park, Kettering, NN14 1UE. The financial statements are prepared in Sterling, which is the functional currency of the company.

Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The Instructus board have constantly monitored the impact of the Coronavirus pandemic on commercial activity. Significant adjustments to working practices have allowed us to move activities online resulting in improved performance from Q4 20/21. The impact of restrictions due to COVID has now stabilised, and we have a strong pipeline growing on a weekly basis. Throughout 2020/21 performance tracked closely to forecast, giving the board confidence in the Executives forward view of performance.

The board received detailed forecasts as part of the budget setting exercise for 2021/22. These have been reviewed in July 2022, alongside an updated forecast with no material changes. The board is also assured that performance in P1 & P2 is tracking in line with the forecast position. Budgets have also been stress tested looking at worst case scenarios. Based on the analysis, the board concluded that Instructus remains a going concern well beyond the next 12 months.

Consolidation

The financial statements consolidate the financial statements of Instructus and all its subsidiary undertakings.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of management, the following are key areas of judgement or key sources of estimation Uncertainty that have a significant effect on the financial statements;

In estimating income relating to completion payments on apprenticeship programmes and associated end point assessment costs management at CQM use an estimate of an overall drop-off rate of apprenticeship learners from inception to completion of training. This rate is comparable with industry averages and actual experience delivering apprenticeship training programmes

The following principal accounting policies have been applied:

Taxation

The charity is exempt from tax on income and gains, falling within part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects. No tax charges have arisen.

Funds

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds are funds earmarked by the trustees for specific purposes.

Restricted funds, which have been given for a specific purpose and can only be used for that purpose without the consent of the donor.

There were no Designated or Restricted funds during the year ended 31 March 2021 or during the year ended 31 March 2020.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income from grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

Accounting policies (continued)

Resources expended

All expenditure is recognised on an accruals basis inclusive of VAT which cannot be fully recovered, and is classified under the headings of the statement of financial activities to which it relates:

Expenditure on charitable activities include:

- a. Expenditure on the charity's primary charitable purposes as described in the trustees' report.
- b. Governance costs associated with the governance of the charity and its assets. Included within this category are costs associated with the strategic, as opposed to day to day, management of the charity's activities.

Expenditure on other activities are directly attributable to specific activities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at a cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

Accounting policies (continued)

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows;

Goodwill	10 years
Course development costs	3 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings, office and computer equipment	20% or 25% straight line
---	--------------------------

Investments

Investments, including investments in subsidiaries, are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

Accounting policies (continued)

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Stocks

Stocks of study guides and training course materials are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured as the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required in income or expenditure unless the provision was originally recognised as part of the cost of an asset.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Limited by guarantee

The charity is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

3. Charitable activities income

	2021 Unrestricted Funds £	2021 Total Funds £	2020 Unrestricted Funds £	2020 Total Funds £
Grants and contracts	111,492	111,492	26,551	26,551
Registration, certification and Training income	718,142	718,142	801,349	801,349
Other income	167,348	167,348	3,627	3,627
	996,982	996,982	831,527	831,527

4. Other trading activities income

	2021 Unrestricted Funds £	2021 Total Funds £	2020 Unrestricted Funds £	2020 Total Funds £
Training and consultancy	1,249,244	1,249,244	2,377,816	2,377,816

5. Investment income

Bank interest receivable	69	69	221	221
	69	69	221	221

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

6. Costs of other trading activities

	2021	2021	2020	2020
	Unrestricted	Total	Unrestricted	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Total costs	1,393,958	1,393,958	2,606,202	2,606,202
	<u>1,393,958</u>	<u>1,393,958</u>	<u>2,606,202</u>	<u>2,606,202</u>

	2021	2020
	£	£
Training and consultancy materials	240,580	639,710
Staff costs	917,736	1,411,507
Staff training and recruitment	26,789	19,942
Travel and sustenance	4,219	112,891
Premises costs	36,906	30,828
Legal and professional fees	46,928	53,271
Other expenditure	48,764	92,076
Amortisation of goodwill	60,220	95,476
Impairment of goodwill	-	134,783
Depreciation	11,816	15,718
	<u>1,393,958</u>	<u>2,606,202</u>

7. Expenditure on charitable activities by fund type

	2021	2021	2020	2020
	Unrestricted	Total	Unrestricted	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Instructus – training and skills	1,258,409	1,258,409	970,124	970,124
Support costs	21,782	21,782	27,733	27,733
	<u>1,280,191</u>	<u>1,280,191</u>	<u>997,857</u>	<u>997,857</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total 2021 £	Total 2020 £
Instructus Training and skills activities	1,258,409	-	1,258,409	970,124
Governance costs	-	21,782	21,782	27,733
	1,258,409	21,782	1,280,191	997,857

	Total 2021 £	Total 2020 £
Instructus, parent company – Training and skills activities costs.		
Contract, project, registration, training and certification costs	176,451	30,395
Staff costs	815,141	651,235
Staff expenses, training and recruitment	29,724	56,354
Promotion and publicity	24,141	14,295
Premises costs	34,436	44,205
Legal and professional fees	24,919	22,725
Other expenditure	101,097	137,292
Depreciation and amortisation	52,500	13,623
	1,258,409	970,124

Governance costs:	Total	Total
Auditor fees	21,700	24,450
Costs of trustees' meetings	82	3,283
	21,782	27,733

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

9. Net expenditure

Net expenditure is stated after charging:

	2021	2020
	£	£
Amortisation and impairment of intangible assets	96,873	231,612
Depreciation of tangible fixed assets	27,662	27,988
Operating lease cost	43,519	44,127

10. Auditor's remuneration

	2021	2020
	£	£
Auditor's remuneration	20,570	21,000
Auditor's remuneration – non audit services	1,130	3,450
	21,700	24,450

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	1,541,114	1,764,092
Social Security costs	109,226	175,454
Other post retirement benefit costs	82,537	123,196
	1,732,877	2,062,742

The average head count of employees during the year was 41 (2020: 49)

The number of employees whose remuneration for the year fell within the following bands, were:

	2021	2020
	£	£
£60,000 to £69,999	2	-
£70,000 to £79,999	1	-
£80,000 to £89,000	-	3
£110,000 to £119,999	1	-
£140,000 to £149,999	-	1
	4	4

The key management personnel of the group comprise those of Instructus being the Chief Executive Officer and Managing Director and the key management personnel of its two wholly owned subsidiaries, CQM Training and Consultancy Limited and The Springboard Consultancy Limited. The total for the group key management personnel was £383,452 (2020: £491,174).

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

12. Trustee remuneration and expenses

No trustees received remuneration for their services as trustees during the year (2020: None).

Trustees' travel and subsistence expenses of £70 (2020: £3,282) were reimbursed by the charity to 1 (2020: 6) trustee during the year.

The charity has insurance to indemnify the trustees, other officers and the charity against the consequences of any neglect or default on the part of the trustees, employees and agents.

13. Intangible assets

Group and company

	Goodwill	Course development costs	Total
	£	£	£
Cost			
At 1 April 2020 and 31 March 2021	<u>954,758</u>	<u>4,058</u>	<u>958,816</u>
Amortisation/impairment			
At 1 April 2020	643,860	2,931	646,791
Charge for the year	95,746	1,127	96,873
At 31 March 2021	<u>739,606</u>	<u>4,058</u>	<u>743,664</u>
Carrying amount			
At 31 March 2021	<u>215,152</u>	<u>-</u>	<u>215,152</u>
At 31 March 2020	<u>310,898</u>	<u>1,127</u>	<u>312,025</u>

The course development costs are company intangible assets.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

14. Tangible assets

Group	Equipment £	Total £
Cost		
At 1 April 2020	203,215	203,215
Additions	5,603	5,603
Disposals	(1,334)	(1,334)
At 31 March 2021	207,484	207,484
Depreciation		
At 1 April 2020	146,414	146,414
Charge for the year	27,662	27,662
Eliminated on disposals	(667)	(667)
At 31 March 2021	173,409	173,409
Carrying amount		
At 31 March 2021	34,075	34,075
At 31 March 2020	56,800	56,800
Company		
Cost		
At 1 April 2020	103,797	103,797
Additions	917	917
At 31 March 2021	104,714	104,714
Depreciation		
At 1 April 2020	73,775	73,775
Charge for the year	15,846	15,846
At 31 March 2021	89,621	89,621
Carrying amount		
At 31 March 2021	15,093	15,093
At 31 March 2020	30,021	30,021

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

15. Investments

The group has no investments

Company	Shares in group undertakings £
Cost	
At 1 April 2020 and 31 March 2021	<u>1,285,336</u>
Impairment	
At 1 April 2020	635,336
Provision for impairment	-
At 1 April 2020 and 31 March 2021	<u>635,336</u>
Carrying amount	
At 1 April 2020 and 31 March 2021	<u>650,000</u>

Company investments comprise:

The company has two wholly owned subsidiaries, CQM Training and Consultancy Limited (Company No: 02782477) and The Springboard Consultancy Limited (Company No: 04729410). Both companies were registered in England and Wales, with registered offices as Instructus, 100% ordinary share capital owned and both are included within the consolidated accounts. The main activities of the subsidiary CQM Training and Consultancy Limited is training, coaching and consultancy. On 31 March 2020 the activity of The Springboard Consultancy Limited was hived up into Instructus and the company is now dormant.

A summary of their results is shown below:

CQM Training and Consultancy Limited

	2021 £	2020 £
Income	1,249,244	1,961,827
Expenditure	(1,305,143)	(1,918,686)
Net (loss)/profit	<u>(55,899)</u>	<u>43,141</u>
Assets	730,496	631,625
Liabilities	(549,582)	(394,812)
Net Assets	<u>180,914</u>	<u>236,813</u>

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

15. Investments (continued)

The Springboard Consultancy Limited

	2021	2020
	£	£
Income	-	415,989
Expenditure	-	(495,658)
Net loss	-	(79,669)
Assets	2	2
Liabilities	-	-
Net Assets	2	2

16. Stocks

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Raw materials and consumables	6,311	6,848	6,311	6,848

Stock comprises study guides and training course materials

17. Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	130,783	109,659	111,010	98,267
Amounts owed by group undertakings	-	-	44,048	19,219
Prepayments and accrued income	469,210	458,005	47,786	75,808
Other debtors	16,036	57,868	15,960	16,180
	616,029	625,532	218,804	209,474

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

18. Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	66,531	76,018	7,321	20,251
Accruals and deferred income	390,754	386,768	137,505	106,453
Bank loans	21,333	-	-	-
Social security and other taxes	77,033	19,901	50,814	18,032
Other creditors	10,795	44,449	6,075	11,715
	<u>566,446</u>	<u>527,136</u>	<u>201,715</u>	<u>156,451</u>

Accruals and deferred income includes £142,604 (2020: £173,247) of deferred income in relation to income received in advance for training and consultancy services.

Creditors: amounts falling due over one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	138,667	-	-	-
	<u>138,667</u>	<u>-</u>	<u>-</u>	<u>-</u>

The bank loans are secured by a debenture comprising fixed and floating charges over all the assets of CQM Training and Consultancy Limited. The loan attracts interests of £3.99% above the base rate. £10,600 of the loan balance is due after more than 5 years.

19. Provisions

Group	Deferred tax £
At 1 April 2020	2,133
Additions	-
At 31 March 2021	<u><u>2,133</u></u>

The company does not have any other provisions

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

20. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Included in provisions	2,133	2,133	-	-
	<u>2,133</u>	<u>2,133</u>	<u>-</u>	<u>-</u>

The deferred tax relates to accelerated capital allowances.

21. Net debt analysis

Group

	At 1 April 2020	Net cash flows	At 31 March 2021
	£	£	£
Cash	798,583	(120,238)	678,345
Borrowings	-	(160,000)	(160,000)
	<u>798,583</u>	<u>(280,238)</u>	<u>518,345</u>

22. Employee benefits

Defined contribution plans

The amount recognised in the statement of financial activities as an expense in relation to defined contribution plans was £82,537 (2020: £123,196). Creditors include a balance of £10,637 (2020: £6,543) due in respect of pension commitments.

INSTRUCTUS

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2021

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Not late than 1 year	36,481	43,519	36,481	36,481
Later than 1 year and not later than 5 years	124,287	130,716	124,287	130,716
Larger than 5 years	40,000	70,000	40,000	70,000
	200,768	244,235	200,768	237,197

24. Related party transactions

Charity

During the year the charity received gift aid donations of £Nil (2020: £5,972) from The Springboard Consultancy Limited.

During the year the charity received recharge income of £36,887 (2020: £21,188) from CQM Training and Consultancy Limited and £Nil (2020: £17,434) from The Springboard Consultancy Limited. Year end debtors include a balance of £44,084 (2020: £19,219) due from CQM Training and Consultancy Limited.

25. Analysis of charitable funds

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
General funds	1,270,519	2,246,295	(2,674,148)	842,665
	1,270,519	2,246,295	(2,674,148)	842,665