



Company registration number: 03426251

Charity registration number: 1066927

ASDAN

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 1 September 2020 to 31 March 2021

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Strategic Report

1. Foreword

When taking on the role of chair of trustees for ASDAN in April 2020, at the beginning of the first lockdown, I did not envisage that, over a year later, the COVID-19 pandemic would still be having such a profound effect on us all. It has been a true test of personal and organisational resilience and I have been struck by how staff and trustees have stepped up over this period. ASDAN's work in developing educational pathways for young people in greatest need has never been more important.

You learn a lot about an organisation in how it responds to the most challenging of circumstances. For ASDAN, as a values-driven charitable organisation, the pandemic has helped to strengthen resolve and sharpen purpose. Young people have experienced, and are continuing to experience, interruptions to their education, challenges to their wellbeing and heightened anxieties about their future. Gaps in social and educational inequality are growing. ASDAN is evolving and adapting to the changing landscape, from a sound financial base, with a renewed focus on young people in greatest need. We are continuing to invest and innovate in order to make a distinctive impact on the lives of young people in a continually evolving educational and social landscape.

We know that young people need a strong sense of worth and an understanding of the relevance of their education to their future lives. There is strong evidence that communication, collaboration and personal resilience are key factors underpinning future success in further education and the workplace. ASDAN is therefore going through a process of review, development and innovation to ensure that its programmes and qualifications prepare young people with the competencies and personal qualities they need as they progress to adulthood.

We will remain optimistic, ambitious, disciplined and evidence-based in the coming year.

Rik Boxer
Chair of Trustees

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2. Introduction

I want to start by acknowledging the continued hard work of staff and trustees at ASDAN and the thousands of ASDAN teachers and educators in schools, colleges and voluntary and community organisations in this most unprecedented of times.

During the first seven months of the 2020/21 academic year it has been more important to us than ever to ensure our continued support for teachers working with young people facing educational and social inequality. By making only limited use of the Government's Job Retention Scheme, we were able to do this. We also chose to invest in rising strong from lockdown by laying the groundwork for updates to our Award and Certificate of Personal Effectiveness (which are available for first teaching from September 2021) and continued with our digital transformation programme. Forty per cent of our income comes from membership fees and we are enormously grateful for the continued support of centres during this seven-month financial period.

It became clear to us early on in the COVID-19 pandemic that educational and social gaps were being exacerbated by the pandemic. The emphasis on online learning highlighted the digital divide and the vital importance of teachers and schools to the wellbeing of young people in challenging circumstances. Public debates about social justice have reminded us how important learning is to help people establish the kinds of connections and solidarity - across classes, generations, ethnicities and other divides. We recognised the need for a more overtly pro-inclusion approach to our work - to empower young people and their teachers to create positive spaces to value diversity and inclusion when working with others.

This has all prompted a re-focusing of our purpose this year on young people in greatest need. We define this group broadly as those facing educational and social inequality - evidence suggests this is at least one third of young people aged between 11-25, though we are concerned that this number is rising as a result of the pandemic. It includes those young people living in poverty, those who have not been engaged or inspired by their educational experiences to date, young people with a need for special education, and those who have been further disadvantaged as a result of the pandemic.

Working with teachers and educators, our aim is to engage, elevate and empower these young people with our innovative and distinctive approach to curriculum, pedagogy and assessment.

Over the next five years we will secure public benefit by:

- Engaging more young people who are excluded or at risk of exclusion from school in learning that is relevant to them;
- Fostering the personal and social effectiveness of students to enable them to achieve their educational, personal and work goals;
- Inspiring young people who are suited to vocational learning and holding this route to success in high esteem;
- Empowering young people with SEND to achieve positive outcomes and make successful transitions to adulthood and independence; and
- Valuing and supporting teachers and other adults who work closely with young people in greatest need to raise the status of their professional practice.

We look forward to continuing to work with, and learn from, practicing teachers and educators as we pursue these shared goals.

Jenny Williams
Chief Executive Officer (CEO)

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3. Overview of Performance September 2020 to March 2021

This report covers a seven month period from 1 September 2020 to 31 March 2021. This is a transitional period as we moved our financial year end from 31 August to 31 March to align with more of our members' planning cycles. Year-on-year non-financial comparisons are based on a September to March period.

The COVID-19 pandemic continued to impact the number of learners who were able to benefit from ASDAN. Between 1 September 2020 and 31 March 2021 ASDAN recognised the achievements of 15,639 learners in total, a small increase of 78 from the same period in the previous year.

ASDAN's peak awarding season is summer, and this is reflected in the relatively low numbers of young people awarded ASDAN qualifications compared to those reported in previous strategic reports. During the seven-month period we awarded qualifications to 1,095 learners, down by 236 on the same period in 2019/20. This included 308 learners whose awards were deferred from summer 2020.

Growth was though attained in the number of learners achieving a programmes outcome, up 314 to 14,544 on the previous year. This was due to a significant uplift in the number of international learners achieving a programmes award, up from 6,600 to 8,938 year on year. Our UK programme awarding declined by around 2,000 learners during the period.

Significant growth was achieved in the number of education practitioners trained to deliver ASDAN programmes and qualifications on year, 1,491 compared to 952 in 2019/20. Attending preparatory training is a strong indicator that ASDAN's members are seeking to deliver programmes in subsequent terms and integrate qualifications into the curriculum.

As many young people continued to learn remotely, we saw a significant increase in the number of online learner registrations. Over two and half times more learners registered for Short Courses Online, and over 75% more learners were registered for Lifeskills Challenge compared to 2019/20.

We report on performance against three broad sets of measures:

- Membership, which represents around 40% of our annual income;
- Learners' achievements on both our regulated qualifications and non-regulated accredited programmes; and
- Sales of our courses and resources, as a key indicator of engagement by members, teachers and educators, and learners.

3.1 Membership

Early indications for membership growth are positive, with around 90% of the annual recruitment target achieved by the end of March 2021, with a strong pipeline in place to exceed the target in the rest of the academic year. While the proportion of new qualifications membership was slightly under the forecast based on previous trends, Programmes level memberships have proven popular. Of the approximate 300 new members achieved in the period, 10% were international centres.

Membership	Sep 20 - Mar 21	Sep 19 - Mar 20
Number of registered members	3,539	3,578
Number of delegates attending member webinars and workshops	1,491	952

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A continued focus on membership retention ensured this was also above the target for this period as considerable effort was made to engage and support members during a prolonged challenging period. New payment plans were introduced, including discounts for small centres and the concept of a payment holiday for those members unable to deliver courses during the pandemic.

It was not possible to retain all, however, with a number leaving due to factors beyond our control, such as not being able to operate or access funding and not having a cohort of learners for whom the previous programmes or qualifications delivered are appropriate. Understanding the reasons for those leaving will inform our efforts to re-recruit former members back into membership going forward where we can.

Despite the restrictions, the webinar platform for training has gone from strength to strength. Over 1,000 delegates have attended a webinar, with over 90% rating webinars as very good or excellent consistently. Demand is already being received for the summer term programme.

Remote working for the majority of staff continued as Government restrictions remained in place. Key staff responsible for maintaining our awarding and distribution services continued to access the premises to ensure members and their learners received resources and certification for their achievements.

The Extraordinary Regulatory Framework for qualifications awarding for summer 2020, was extended to enable adaptations to awarding between September 2020 and March 2021. We embedded the learning from summer 2020 to support our members and ensure no learners were disadvantaged by our processes.

3.2 Learners' Achievements

3.2.1 Qualifications

Awarding for Summer 2020 was carried out under the Extraordinary Regulatory Framework. This became the EERF (Extended Extraordinary Regulatory Framework) from September 2020 to March 2021, under which the qualifications awards reported in this report were made. At the end of March 2021 we published updated awarding guidance for summer 2021 (outside the scope of this report) against the new General Qualifications Alternative Awarding Framework and the Vocational Contingency Regulatory Framework.

Overall, the number of learners achieving qualifications with us was down by 8% on the same period in the previous year. There were though significant variations in this. The most significant decline was in the number of learners awarded a Level 1 qualification, which fell by 80%. The number of learners awarded a Level 2 or Level 3 qualification fell by 37% and 43%. However, the number of learners achieving Entry 1-3 qualifications more than doubled from 342 to 720. It is also of note that during the pandemic period we were asked to award individual units in 78% more cases than in the corresponding period pre-pandemic.

Learners' achievements: All	Sep 20 - Mar 21	Sep 19 - Mar 20
Learners achieving ASDAN regulated qualifications at Entry Level 1-3	720	342
Learners achieving ASDAN regulated qualifications at Level 1	122	632
Learners achieving ASDAN regulated qualifications at Level 2	75	120
Learners achieving ASDAN regulated qualifications at Level 3	109	190
Unit Only	317	178
Total	1,343	1,462

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The Extraordinary Regulatory Framework (summer 2020) encouraged centres to defer moderation, wherever possible. Fifty-four of our members chose to defer moderation, of which 32 took place in this period with a total of 308 learners awarded.

3.2.2 Accredited programmes

Accredited programmes remained popular with our international customers during the autumn and winter. Just over 300 more learners achieved an accredited programme in 2020/21 compared to 2019/20:

Learners' achievements: All	Sep 20 - Mar 21	Sep 19 - Mar 20
Learners achieving ASDAN accredited programmes	14,544	14,230

3.2.3 International

The vast majority of our qualifications awarding for international learners takes place outside of this reporting period. As such there have been very small variations in the number of learners achieving Entry Level 1 to Level 2 qualifications on year. Where we saw growth on year was in the number of learners achieving a Level 3 qualification, doubling from 53 to 107, as more students in China were able to complete their EPQ.

The most significant increase internationally has been the number of learners achieving an accredited programme outcome. This has grown by more than one third, up from 6,600 to 8,938 learners, in part due to our growing relationship with centres in Western Australia.

Learners' achievements: International	Sep 20 - Mar 21	Sep 19 - Mar 20
Learners achieving ASDAN accredited programmes	8,938	6,600
Learners achieving ASDAN regulated qualifications at Entry Level 1-3	10	9
Learners achieving ASDAN regulated qualifications at Level 1	7	6
Learners achieving ASDAN regulated qualifications at Level 2	41	1
Learners achieving ASDAN regulated qualifications at Level 3	107	53

3.3.1 Qualifications

CoPE (Certificate of Personal Effectiveness) at Level 1 and Level 2 is consistently our most popular qualification, the income from which represented just over a third of the total achieved from all qualifications.

The focus from September 2021 will be on the new Personal and Social Effectiveness qualifications, and we anticipate a gradual shift from CoPE to the new and improved qualifications.

The Personal and Social Development qualification remains a positive option for learners, as does the Personal Progress qualification.

The Extended Project Qualification (EPQ) has grown significantly over the period, with three and a half times more learners registered in the UK, compared to the previous year when it was introduced. Further growth is projected for this qualification in 2021/22.

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3.3.2 Programmes

Overall, our sales of accredited programme books and short course books fell by 7% and 10% respectively, indicative of the move to more online learning. This was evidenced by the large uptake in our online offer. Short Courses online learner registrations grew at a factor greater than two and a half times. Our other online offer, Lifeskills Challenge, saw almost twice as many registrations when compared to the same period in the previous year.

Sales of courses and resources	Sep 20 - Mar 21	Sep 19 - Mar 20
Sales of accredited programme books	6,713	7,210
Sales of short course books	16,335	18,069
Online sales		
Short Course learner registrations	1,699	640
Lifeskills Challenge learner registrations	1,518	859

Our range of Short Courses continue to be a popular option to engage learners. We saw a sharp increase in the number of sales of our top 10 most frequently purchased, up 28% on year. This was largely the result of a new centre, which purchased 5,000 Volunteering short courses.

PSHE remained one of the best sellers, with identical volumes purchased in 2019/20 and now in 2020/21. The Foodwise Short Course maintained its position in the top 10, although the number of courses sold dropped slightly, down by approximately 9%.

4. Strategic priorities

The five strategic priorities we established in September 2019 remained a focus:

Education: To continue our programme of updates to our existing courses, and the development of innovative new courses to meet the needs of learners;

Membership: To re-invigorate our support for and engagement with ASDAN's professional community;

Business: To become more business-like by strengthening our focus on performance and impact;

Digital: To roll out new digital systems to our staff and customers; and

Creative environment: How we organise ourselves to get the best from our people.

During spring 2021, trustees have begun work to refresh ASDAN's strategic priorities in order to respond to the needs of our members and learners as we move beyond the pandemic lockdown period. This will entail a greater emphasis on improving ASDAN's visibility and evidence of effectiveness; the redevelopment of professional learning communities to strengthen the quality and impact of our courses and deepen relationships with our members and partners; and a growing focus on developing blended teaching, learning and assessment methodologies. We have also begun to explore with staff how to implement hybrid ways of working for the future.

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4.1 Education

Qualifications and curriculum plan

Our three-year development plan for curriculum programmes and qualifications has given us clear direction for activity. We have had three development priorities over the period:

- The re-development of our Award and Certificate of Personal Effectiveness qualifications into an updated and integrated Personal and Social Effectiveness qualification at Level 1 and 2 for first teaching September 2021
- The submission to the DfE of proposals for new Technical Awards at Key Stage 4, the outcome of which is awaited
- The re-design of our popular Personal Development Programme

Meeting the needs of learners with SEND

September 2020 saw the launch of our updated Personal Progress qualification in England and Wales, aimed at learners working at Entry Level 1 and below. The updated qualification will be available in Northern Ireland from September 2021.

We also launched our new My Independence curriculum programme. Mapped against the four preparing for adulthood pathways and relevant for young people with moderate, severe and profound and multiple learning disabilities aged 11-25, My Independence was co-designed in partnership with NDTI and experienced SEND practitioners. It was piloted across the country by our members during 2019/20, ready for teaching from September 2020.

Our updated Lifeskills Challenge programmes have proved popular as an online offer between September 2020 and March 2021. Despite a slow start in 2019/20 when the updated programme was first launched, we have seen a 75% increase in take up during the reporting period.

4.2 Membership

We are midway through the deployment of the first academic year's activities within our membership strategy. We have established new metrics on which to review, analyse and report performance, have mapped our members and their history with us, and have begun reviewing and building our member journey. Retaining centres in membership has been a cross-organisational objective.

We took a break from our annual customer survey in 2019/20 in recognition of the disruption caused by the pandemic. This will resume later in 2021 as a mechanism for feedback from our members on our offering.

4.3 Business

The new Finance and Resources Director has been in place for a year and her team has undertaken a range of analytical work which has highlighted key trends and areas of performance requiring specific attention as well as providing grounds for optimism in our business performance as we head through 2021. It was resolved in August 2020 to change the year end of the organisation from 31 August to 31 March to better align the year end with the activities of the organisation and our members.

This latest financial period has therefore been 1 September 2020 to 31 March 2021 and the next financial period will be 1 April 2021 to 31 March 2022.

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4.4 Digital

Work continues apace on our digital strategy, with the new website a key product of this work due to launch in 2021.

4.5 Creative environment

We continue our work to review our accommodation needs to meet our future plans and to re-develop our working environment post-pandemic. Our staff are central to this process and are regularly consulted as we plan our roadmap for the future of work and to foster creativity within the organisation.

5. Going forward

ASDAN's mission is to engage, elevate and empower young people aged 11-25 in greatest need.

We define young people in greatest need as those living in poverty, without support for their emotional and social needs, those with a special educational need or disability, those not engaged or succeeding in their education, who miss an English and/or Maths pass at 16 or subsequently, and who are at risk of becoming NEET.

Our vision is that the achievements of these young people are held in high esteem, by themselves and others.

Our new developments will hold true to our vision and mission and we will strive to find new, creative ways to demonstrate our impact and celebrate the success of learners in greatest need with our members and our partners.

The lifting of lockdown restrictions coincides with the culmination of a significant period of internal transformation at ASDAN. With a re-focused purpose and new digital infrastructure in place, our attentions now turn to our engagement with members. Our focus in the coming year will be on ensuring we are well placed to understand and respond to the needs of our members and the young people with whom they work. We will begin to re-establish ASDAN's professional networks with teachers and educators, in order to value and support them in their work.

We are establishing a new suite of key performance indicators to help guide us in achieving our ambitions.

6. Risk statement

The trustees monitor the dynamics of the educational, political and international environment in which ASDAN operates, and continue to take steps to secure the organisation and to make plans to invest reserves to grow the business and extend impact. The impact of COVID-19 has added an additional dimension to risk in this period.

The trustees believe that they have identified the major risks to which the Charity is exposed. These include: the agility needed in response to its dynamic external environment; financial stability; maintaining good reputation in conducting our various charitable activities; and operational resilience. As an educational awarding body, ASDAN's risk registers are additionally mapped against the regulators' Conditions of Recognition.

Risks have been categorised both by the likelihood of their occurring and by their potential impact on the Charity.

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Trustees review the adequacy of protection against these risks and, where this appears insufficient, put in place appropriate procedures to mitigate them. In some instances, protection is provided by insurance cover; in others by monitoring, reporting, continually assessing the risks concerned and developing contingency plans.

The Performance, Audit Risk and Compliance Committee (PARC) of the Board of Trustees regularly reviews the identification and mitigation of both new and existing risks.

The Education Advisory Group additionally gathers organisational assurance in response to regulators' Conditions of Recognition.

7. Finance matters

ASDAN has remained financially resilient, despite the very difficult trading environment arising from disruption in schools during COVID-19. The majority of our international work takes place in countries outside of Europe and so ASDAN's sales revenues are not greatly affected by Brexit.

We have continued to drive the organisation's product and marketing strategy forward; produced and distributed lockdown education resources; continued to assess and award our learners' achievements (in a constantly changing awarding environment); and continued to provide constant customer service to the best of our ability, to all the schools, colleges and voluntary organisations that we serve, providing all the ASDAN resources and guidance they needed to adjust to their dynamic situations.

In the prior year, disrupted education patterns due to COVID-19 in the latter 6 months of the year meant that fewer candidates registered to have their achievements awarded; more registrations were deferred; fewer publications were sold.

In the 7 month period to 31 March 2021, we focused our efforts on retaining and engaging members to strengthen our membership base overall, despite the continuing pandemic. The surplus for the period was £223,690, which boosted reserves after the impact of COVID-19 on the prior year. Meanwhile, undaunted, we continued to forge ahead with our digital strategy and new product developments, striving ahead towards major product launches in September 2021. These developments were funded from reserves which had been set aside into designated funds.

The reserves position remains strong and financial plans have been put in place, with strong marketing and product presence, to secure ASDAN on a course towards stronger profitability in the coming years so that the charity can face the future with confidence.

The strategic report was approved by the trustees of the charity on 30 September 2021 and signed on its behalf by:



.....
R P Boxer (Chair of Trustees)
Trustee

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Trustees' Report (including Directors' Report)

The trustees (who are directors for the purposes of company law), present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 March 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102.

1. Objects

ASDAN's aim is the advancement of education, by providing opportunities for all learners to develop their personal and social attributes and levels of achievement through the use and attainment of ASDAN awards and qualifications and the relief of poverty, where poverty inhibits such opportunities for learners.

2. Structure, governance and management

ASDAN is a charitable company limited by guarantee, incorporated on 28 August 1997 and registered as a charity on 17 December 1997.

The charitable company was formed under a memorandum of association which established the objectives and powers of the charitable company and it is governed under its articles of association. These were revised in March 2004.

The charity's Board of Trustees has a minimum number of three individuals. Although not stated in the memorandum and articles of association, ordinarily the maximum number of individuals is set at twelve but trustees agreed to increase this to sixteen in 2018 to facilitate the recruitment and induction of a significant number of new trustees. The existing members of the board appoint new trustees.

The Chair and Vice Chairs review the mix of skills among the trustees, identify gaps and undertake recruitment where necessary, particularly in newer strategy areas. When filling vacancies, the board takes into account the experience needed to maintain the board's ability to effectively direct the full range of the charity's activities. The board arranges appropriate induction for any new trustee. Inductions involve tailored meetings with key trustees and staff, and review of key documentation. Trustees undertake an ongoing training programme covering current subjects, delivered by subject matter experts with opportunities for discussion.

The Board of Trustees meets at least four times a year.

3. Changes to Trustees

There were no changes to the composition of the Board of Trustees between 1 September 2019 and 31 March 2021. In the prior year, eight new trustees had been appointed to the ASDAN board. Recruitment had been targeted in response to a knowledge and skills audit. Trustees include education specialists with representation from across the sector, as well as representatives from a range of industries, with both commercial and charitable experience. Board diversity improved as a result of those appointments, leading to a wider representation of perspectives and opinions.

Our Chair of Trustees, Rik Boxer, is a former strategic education leader with considerable experience in Special Educational Needs and Disability (SEND) and alternative provision. He has a track record of improving outcomes for underachieving and vulnerable groups.

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Trustees' Report (including Directors' Report)

3.1 Board of Trustees

The charity's trustees at the date these financial statements were approved and those who served as a trustee in the financial period ended 31 March 2021 are as follows:

Rik Boxer (Chair)	Education consultant
Asher Craig***	Councilor, St George West and Deputy Mayor, City of Bristol
Marian Curran	Principal, St Brendan's Sixth Form College
Alison Delyth*	Former Director of Children's Services (resigned 20 May 2021)
Brian Doidge (Vice-Chair)*	Chair, South West Regional Board of Chartered Institute of Marketing, Lecturer, Yeovil College
Stephen Fahey*	Content Strategy Director, Oxford University Press
Jemma Hancock** / ****	Head of HR, Great Western Railway
Naeem Iqbal	Care Practitioner, Disabled Children and Specialist Services, Bristol City Council
Paul Jacobs** / ***	Education Consultant, former Service Director, Education and Skills, Bristol City Council
Linda Peck**	Education Consultant and Ofsted Inspector, former Headteacher and Senior School Improvement Officer for Bristol LA
Jack Price*	Managing Director, Computershare
Peter Scholey (Vice-Chair)***	Former secondary school Headteacher, Local Authority Officer and Education Consultant
Chris Smith*** / ****	Company Director, Tydi Ltd and Hobbs House Bakery. Chair of the Board, The British Corner Shop. South West Regional Council Member, CBI
Pauline Trapp**	Education Consultant, former SENCO and Assistant Headteacher
Victoria Fitzgerald*	Director, Briarsmead, and financial consultant. Trustee, Insane Root Theatre CEO and Bristol Museums Development Trust. Member, Trust in Learning (appointed 20 May 2021)

* Members of the Performance, Audit, Risk and Compliance Committee

** Members of the Education Advisory Group

*** Members of the Premises Working Group (ACE)

**** Members of the HR Policy Review Group

3.2 Key Management Personnel

The key management personnel (as defined by FRS 102) are the trustees and the senior management of the charity. The senior management of the charity (to whom the responsibility for the planning, directing and controlling of the activities of the charity has been delegated by trustees) have been as follows during the financial period: the Chief Executive Officer, Jenny Williams; Director of Education, Martina Veale; Director of Membership and Marketing, James Foyle; and Director of Finance and Resource, Gillian Palmer. The directors deputise for the Chief Executive Officer where appropriate. A scheme of delegation is in place to confirm the responsibilities devolved to the Chief Executive Officer and directors by the Board of Trustees. The pay and remuneration of key management personnel is set by the trustees, benchmarked against posts being recruited locally for similar roles.

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Trustees' Report (including Directors' Report)

Trustees regularly review their performance against the Charity Code of Governance (2017). Trustees engaged in a review of board arrangements in 2019-20 and an action plan was approved. Actions included:

- Establishment of the Education Advisory Group (established in September 2020)
- Review and development of trustee link functions to provide support and monitoring in key areas such as safeguarding. Two trustees were identified as safeguarding leads for the board, and offer support to directors in overseeing safeguarding of children, young people and vulnerable adults engaged in ASDAN's courses, and staff.
- Further analysis of training needs. Charity finance training took place in early 2021 and has enhanced existing financial scrutiny capabilities
- Development of the trustee role in external communications
- Establishment of new processes for reviewing board and trustee performance against the Charity Governance Code
- Development of a trustee library
- Consideration of a review of ASDAN's memorandum and articles

4. Delivering Public Benefit

Our objectives remain defined as follows: "ASDAN's aim is the advancement of education, by providing opportunities for all learners to develop their personal and social attributes and levels of achievement through the use and attainment of ASDAN awards and qualifications and the relief of poverty, where poverty inhibits such opportunities for learners." Trustees have referred to the guidance contained in the general guidance from the Charity Commission on public benefit when reviewing the charity's aims and objectives and in planning its future activities.

During 2019 and 2020 we have re-sharpened our focus on young people in greatest need, in response to the growing educational and social inequalities that have been further highlighted by the COVID-19 global pandemic. Evidence¹ suggests this is at least one third of young people aged between 11 and 25. It includes those young people living in poverty, those who have not been engaged or inspired by their educational experiences to date, young people with a need for special education, and those who have been further disadvantaged as a result of the COVID-19 pandemic.

Our vision is for young people in greatest need to have their talents, abilities and achievements held in high esteem. Our goal is to engage, elevate and empower them to enable this to be so.

We do this by developing motivating and relevant courses with an accessible and practical pedagogy for learners; and by working with our partner educators to foster and recognise the personal, social and work-related abilities of young people in greatest need.

We believe that young people in greatest need should have the opportunity to discover, develop and make use of their abilities to affirm their identities, contribute to society, and challenge educational and social inequalities.

¹ Association of School and College Leaders, The Forgotten Third full report:

https://www.ascl.org.uk/ASCL/media/ASCL/Our%20view/Campaigns/The-Forgotten-Third_full-report.pdf

Education Policy Institute, Preventing the disadvantage gap from increasing during and after the Covid-19 pandemic:

https://epi.org.uk/wp-content/uploads/2020/05/EPI-Policy-paper-Impact-of-Covid-19_docx.pdf

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Trustees' Report (including Directors' Report)

Our programmes and qualifications are delivered by over 3,000 secondary schools, special schools, colleges, alternative education providers and youth organisations across the UK and in more than 30 countries and territories overseas. As an awarding body, we offer 37 regulated qualifications in many areas of personal, social and work-related skills development.

ASDAN delivers public benefits in the following ways:

- by the design and provision of educational programmes and qualifications that are engaging, motivating and accessible, specifically to young people in greatest need aged 11-25, above and beyond those otherwise available;
- by designing in opportunities for young people to establish the kinds of connections and solidarity that hold the potential to reduce inequalities and achieve more equitable social outcomes, thereby not only benefitting young people in greatest need, but all young people;
- by the evidence from case studies and surveys of our centres that access to ASDAN programmes and qualifications has led to the re-engagement of many learners into education, leading in turn to them progressing to further qualifications, to further or higher education, work, or independent living;
- because our programmes and qualifications recognise achievements in individual personal and social development and in a range of work-related skills. We know the development and recognition of personal, social and work-related abilities is vital because:
 - strengthening these abilities supports academic and vocational learning;
 - they are particularly effective in re-engaging young people in greatest need;
 - they are important for accessing knowledge and skills at work;
 - they are especially important for entry level work;
 - they equip learners to live well and make full use of their abilities;
- by striving to be a values-led organisation that exemplifies a commitment to personal, social and work-related development in its relationships with staff and members. Annual customer and staff surveys monitor progress towards ambition.

5. Reserves Policy

In drawing up the reserves policy, trustees are mindful of the need to balance financial prudence with the potential to respond to new opportunities. The trustees have set a policy which reflects their wish to invest in the development of new and updated products in order to address the needs of those facing educational and social inequality.

Our prudent reserves policy is to maintain an accessible financial contingency reserve of £0.65m plus the level of costs which would be required in the unlikely event of a decision to voluntarily wind up the company, which as at 31 March 2021 we estimated to be £1m.

As at 31 March 2021, general (uncommitted) funds were £3.90m (2020 - £3.59m), designated funds were £0.11m (2020 - £0.20m).

The trustees are confident that the reserves level is sufficient for current and proposed levels of activity and intend to use these reserves to invest in future plans. In line with best practice guidance, the trustees review the reserves policy every year.

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Trustees' Report (including Directors' Report)

6. Investment Policy and Performance

A total of £0.75m (2020 - £0.75m) is held in business and charity deposit accounts earning between 0.01% and 0.1% interest within the period.

We invest in a managed fund utilising ethical screening. At the end of August 2020 our investment was £2.04m. This yielded £0.11m in this period and at 31 March 2021 we held £2.15m in this fund.

The charity's PARC committee monitors the performance of the invested assets using defined criteria, taking ethical considerations into account. The equity and cash asset allocations are counterbalanced by the sizeable investment property holdings.

7. Staff

We have a paid workforce of 51 full time equivalent staff (2020 - 51), who are based mainly in Bristol but also across the UK. The work of the charity relies on the admirable professionalism and commitment of these colleagues. The charity is strongly committed to a healthy staff relations climate and aims to promote equality of opportunity for all with the right skills, experience and potential.

ASDAN continues to strive to be an exemplary employer, providing the best possible working environment and a competitive reward and recognition package for our employees. Regular face to face staff briefings, annual staff development sessions, regular staff newsletters and wellbeing updates are all in place for staff to ensure we are communicating regularly and as widely as possible. There is also an annual staff survey and an elected staff forum in place to ensure the employee voice is heard.

8. Fundraising

ASDAN currently only fundraises for the charity through grant-making institutions, gifts, companies and commercial trading. ASDAN adheres to the fundraising code of practice. For the 7 months to 31 March 2021 ASDAN received no complaints in relation to its fundraising activities. Via written policies and training, staff receive guidance regarding Data Protection (including GDPR) and safeguarding.

9. Statement of Trustee Responsibilities

The trustees (who are also the directors of ASDAN for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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.

ASDAN

Trustees' Report (including Directors' Report)

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

10. Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

11. Reappointment of auditor

Milsted Langdon LLP have indicated their willingness to continue in office and, in accordance with the provisions of the Companies Act, it is proposed that they be reappointed auditors for the ensuing year.

The annual report was approved by the trustees of the charity on 30 September 2021 and signed on its behalf by:



.....
R P Boxer (Chair of Trustees)
Trustee

ASDAN
Reference and Administrative Details

Trustees	R P Boxer (Chair of Trustees)
	P A Scholey (Vice-Chair)
	B S Doidge (Vice-Chair)
	J M Craig
	L Peck
	P Jacobs
	C W K Smith
	J P Hancock
	J E Price
	S D Fahey
	N Iqbal
	M Curran
	P A Trapp
	V Fitzgerald
Senior Management Team	J Williams, Chief Executive Officer
	G Palmer, Director of Finance and Resources
	M Veale, Director of Education
	J Foyle, Director of Marketing
Principal Office/ Registered Office	Wainbrook House Hudds Vale Road St George, Bristol BS5 7HY
	Website: www.asdan.org.uk
Company Registration Number	03426251
Charity Registration Number	1066927
Solicitors	Harper James Solicitors Velocity Tower, 1 St Mary's Square Sheffield S1 4LP
Bankers	HSBC Bank 4th Floor, 3 Temple Quay Bristol BS1 6DZ
	Triodos Deanery Road, Bristol BS1 5AS

ASDAN**Reference and Administrative Details (continued)**

Auditor	Milsted Langdon LLP Freshford House Redcliffe Way Bristol BS1 6NL
Investment Manager	Investec Wealth & Investment Limited Midland House 2 Poole Road Bournemouth BH2 5QY

Independent Auditor's Report to the Members of ASDAN

Opinion

We have audited the financial statements of ASDAN (the 'charity') for the period from 1 September 2020 to 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its 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 original financial statements were 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of ASDAN

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 statement of trustees responsibilities (set out on pages 14-15), the trustees 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 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 these financial statements.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

Independent Auditor's Report to the Members of ASDAN

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks or irregularities, including known and actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www/frc/org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Milsted Langdon LLP

Andrew J Jordan (Senior Statutory Auditor)
For and on behalf of Milsted Langdon LLP, Statutory Auditor

Freshford House
Redcliffe Way
Bristol
BS1 6NL

Date: 20 - 12 - 2021

ASDAN
**Statement of Financial Activities for the Period from 1 September 2020 to 31 March 2021
(Including Income and Expenditure Account)**

	Note	Unrestricted £	Designated funds £	7 months ended 31 March 2021 £	12 months ended 31 August 2020 £
Income and Endowments from:					
Charitable activities	3	1,731,856	-	1,731,856	2,592,274
Investment income	4	36,629	-	36,629	65,583
Other income		7,300	-	7,300	6,141
Total income		1,775,785	-	1,775,785	2,663,998
Expenditure on:					
Charitable activities	5	(1,599,820)	(86,142)	(1,685,962)	(3,076,923)
Total expenditure		(1,599,820)	(86,142)	(1,685,962)	(3,076,923)
Gains on investment assets		133,867	-	133,867	16,652
Net income/(expenditure)		309,832	(86,142)	223,690	(396,273)
Net movement in funds		309,832	(86,142)	223,690	(396,273)
Reconciliation of funds					
Total funds brought forward		3,592,908	200,292	3,793,200	4,189,473
Total funds carried forward	17	3,902,740	114,150	4,016,890	3,793,200

There were no other gains or losses other than those stated above.

All of the charity's activities derive from continuing operations.

ASDAN

(Registration number: 03426251)

Balance Sheet as at 31 March 2021

		31 March 2021 £	31 August 2020 £
	Note		
Fixed assets			
Tangible assets	10	709,126	705,826
Investments	11	2,648,409	2,526,120
		<u>3,357,535</u>	<u>3,231,946</u>
Current assets			
Stocks		21,234	26,583
Debtors	12	248,582	275,708
Cash at bank and in hand	13	1,355,853	1,047,696
		<u>1,625,669</u>	<u>1,349,987</u>
Creditors: Amounts falling due within one year	14	<u>(966,314)</u>	<u>(788,733)</u>
Net current assets		<u>659,355</u>	<u>561,254</u>
Net assets		<u>4,016,890</u>	<u>3,793,200</u>
Funds of the charity:			
Unrestricted income funds			
General funds		3,902,740	3,592,908
Designated funds		<u>114,150</u>	<u>200,292</u>
Total funds	17	<u>4,016,890</u>	<u>3,793,200</u>

The financial statements on pages 21 to 43 were approved by the trustees, and authorised for issue on 30 September 2021 and signed on their behalf by:



 R P Boxer (Chair of Trustees)
 Trustee

ASDAN
Statement of Cash Flows for the Period from 1 September 2020 to 31 March 2021

		7 months ended 31 March 2021 £	12 months ended 31 August 2020 £
	Note		
Cash flows from operating activities			
Net income/(expenditure)		223,690	(396,273)
Adjustments to cash flows from non-cash items			
Depreciation	7	21,282	36,002
Investment income	4	(36,629)	(65,583)
Revaluation of investments	11	(102,300)	(16,652)
		<u>106,043</u>	<u>(442,506)</u>
Working capital adjustments			
Decrease/(increase) in stocks		5,349	(4,269)
Decrease in debtors	12	27,126	235,136
Increase in creditors	14	177,581	55,984
		<u>316,099</u>	<u>(155,655)</u>
Net cash flows from operating activities			
Cash flows from investing activities			
Interest receivable and similar income	4	36,629	65,583
Purchase of tangible fixed assets	10	(24,582)	(19,266)
Purchase of investments	11	(301,582)	(297,358)
Sale of investments	11	281,593	305,672
		<u>(7,942)</u>	<u>54,631</u>
Net cash flows from investing activities			
Net increase/(decrease) in cash and cash equivalents		<u>308,157</u>	<u>(101,024)</u>
Cash and cash equivalents at 1 September		1,047,696	1,148,720
Cash and cash equivalents at 31 March		<u>1,355,853</u>	<u>1,047,696</u>

All of the cash flows are derived from continuing operations during the above two periods.

ASDAN**Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021****1 Charity status**

The charity is incorporated in England and Wales as a company limited by guarantee, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Wainbrook House
Hudds Vale Road
St George
Bristol
BS5 7HY

2 Accounting policies**Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

ASDAN meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value as modified for certain fixed assets as well as certain financial assets and liabilities as stated in the relevant accounting policy notes.

Going concern

In light of the rapid global spread of the Coronavirus "COVID-19" in early 2020, the trustees continue to review and stress test projections and budgets for future periods. Based on this work, the trustees consider there to be little impact on the charity's ability to act as a going concern.

The trustees have reviewed supply chains, key customers and the capital resources available and consider that the charity has adequate resources in place to continue to operate for the next twelve months.

Disclosure of long or short period

Following the period, the company shortened its accounting reference date to 31 March 2021. As a result, the comparative figures relating to the year ended 31 August 2020 are not comparable to these results for the 7 month period ended 31 March 2021.

ASDAN

Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021

Income and endowments

All income is included in the statement of financial activities when the charity is entitled to the income, the receipt is probable and the amount can be measured with sufficient reliability.

Monies received from training organisations are accounted for by the charity when receivable.

Where income is received specifically for expenditure in a future accounting period, that amount is deferred.

Investment income is accounted for on an accrual basis.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on a percentage of income.

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories based on a percentage of income.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses. These have been allocated to charitable activities.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The charity is exempt from corporation tax to the extent that any other income or gains are applied in furtherance of the charitable objectives.

Tangible fixed assets

Tangible fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

ASDAN**Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021****Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	2% straight line
Fixtures and fittings	20% straight line
Computer equipment	20-33% straight line

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined when deemed necessary by the trustees, who appoint external valuers accordingly. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised through the Statement of Financial Activities. Where the change in market value is assessed by the trustees to be insignificant to the carrying value, no changes are made.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the period and are credited or charged to the Statement of Financial Activities based on the market value at the period end.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell (NRV), after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out basis (FIFO).

Trade debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flow have been affected. The impairment loss is recognised in the Statement of Financial Activities.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

ASDAN**Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021****Trade creditors**

Trade creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. These are normally recognised at their settlement amount after allowing for any discount due.

Financial liabilities are only derecognised when, and only when, the charity's obligations are discharged, cancelled or expire.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Pensions and other post retirement obligations

The charity contributes towards a defined contribution scheme for certain employees and the costs charged in the financial statements represent the contributions payable by the charity during the period. The scheme assets are separately administered from the charity.

Certain staff employed by the charity are eligible for membership with the Teachers' Pension Scheme (TPS), which is now closed to new entrants. This is a multi-employer defined benefit scheme for which insufficient information is available to enable the charity to identify its share of scheme assets and liabilities. Consequently contributions to the scheme are treated as if they were made to a defined contribution plan.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Redundancy pay

Redundancy pay is recognised immediately as an expense when the charity can demonstrate its commitment to terminate the employment of an employee or to provide termination benefits in accordance with contractual arrangements. Payments are calculated in accordance with statutory redundancy guidelines published by HM Government.

Other employee benefits

The cost of any unused holiday entitlement is recognised as an expense in the period in which the employees service is received.

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
3 Income from charitable activities

	7 months ended 31 March 2021 £	12 months ended 31 August 2020 £
External projects	3,154	18,474
Customer support	772,859	1,233,405
Accreditation	411,207	562,307
Publishing & development	373,035	557,249
Promotional activities	171,601	220,839
	<u>1,731,856</u>	<u>2,592,274</u>

All income recognised within this classification in the current and preceding financial period is accounted for in unrestricted funds.

4 Investment income

	7 months ended 31 March 2021 £	12 months ended 31 August 2020 £
Interest receivable and similar income	9,148	20,097
Income from rents	27,481	45,486
	<u>36,629</u>	<u>65,583</u>

All income recognised within this classification in the current and preceding financial period is accounted for in unrestricted funds.

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
5 Expenditure on charitable activities

	Unrestricted funds		7 months ended 31 March 2021
	Designated	General	
	£	£	£
External projects	-	11,526	11,526
Customer support	-	417,465	417,465
Accreditation	-	393,498	393,498
Publishing & development	-	493,386	493,386
Promotional activities	-	283,945	283,945
Digital strategy	66,792	-	66,792
Research and development	5,750	-	5,750
PSE qualification	13,600	-	13,600
	86,142	1,599,820	1,685,962

	Unrestricted funds		12 months ended 31 August 2020
	Designated	General	
	£	£	£
External projects	-	31,531	31,531
Customer support	-	751,752	751,752
Accreditation	-	745,639	745,639
Publishing & development	-	822,235	822,235
Promotional activities	-	471,773	471,773
Digital strategy	161,850	-	161,850
Financial assistance	1,644	-	1,644
Property development and maintenance	25,062	-	25,062
Research and development	65,437	-	65,437
	253,993	2,822,930	3,076,923

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
6 Analysis of expenditure

	Unrestricted funds		7 months ended 31 March 2021	12 months ended 31 August 2020
	General £	Designated £	£	£
Staff costs	-	-	-	25,241
Printing	143,121	-	143,121	243,277
Travel and other costs	32	-	32	865
Training	-	-	-	71
Other direct costs	74,862	-	74,862	94,268
Digital strategy	-	66,792	66,792	161,850
Financial assistance	-	-	-	1,644
Property development and maintenance	-	-	-	25,062
Research and development	-	5,750	5,750	65,437
PSE qualification	-	13,600	13,600	-
Allocated support costs	1,381,805	-	1,381,805	2,459,208
	1,599,820	86,142	1,685,962	3,076,923

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
Support costs allocated to charitable activities

		Governance costs	Support costs	7 months ended 31 March 2021	12 months ended 31 August 2020
	Basis	£	£	£	£
Staff costs	A	-	1,112,683	1,112,683	1,909,518
Depreciation	A	-	21,282	21,282	36,003
Travel and other costs	B	-	-	-	35,211
Training	B	-	3,263	3,263	8,674
Computer and IT costs	B	-	21,728	21,728	23,534
Communications	B	-	19,531	19,531	34,879
Premises	B	-	30,103	30,103	61,160
Legal & professional	B	730	16,191	16,921	32,045
Insurance	B	-	13,327	13,327	20,431
Other management and admin	B	-	78,296	78,296	168,865
Post, stationery and admin	B	-	54,296	54,296	80,074
Audit and accounting	A	10,375	-	10,375	13,311
Other costs	B	-	-	-	35,503
		11,105	1,370,700	1,381,805	2,459,208

Basis of allocation

Reference	Method of allocation
A	% of income
B	Directly attributable

ASDAN

Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021

7 Net incoming resources

Net incoming resources for the period include:

	7 months ended 31 March 2021 £	12 months ended 31 August 2020 £
Fees payable to the charitable company's auditor - Audit	10,375	10,375
Fees payable to the charitable company's auditor - Other	654	2,936
Depreciation of fixed assets	21,282	36,002
Rentals payable under operating leases	79,749	136,712

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the current or preceding period.

No trustees were reimbursed travelling expenses in the period (2020 - 3 were reimbursed £738 for travelling expenses).

9 Staff costs

The aggregate payroll costs were as follows:

	7 months ended 31 March 2021 £	12 months ended 31 August 2020 £
Staff costs during the period were:		
Wages and salaries	915,315	1,598,717
Social security costs	94,552	158,456
Pension costs	102,816	177,585
	<u>1,112,683</u>	<u>1,934,758</u>

During the period, no members of staff (2020 - 2) received termination payments (2020 - £44,464) in compensation for loss of office. Included within this amount was £Nil (2020 - £34,266), representing ex-gratia payments.

ASDAN

Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021

The monthly average number of persons (including senior management team) employed by the charity during the period expressed as full time equivalents was as follows:

	Period ended 31 March 2021 No	Year ended 31 August 2020 No
Customer and centre support	9	9
Accreditation	8	8
Publishing and product development	9	8
Promotional activities	7	7
Head office	18	19
	<u>51</u>	<u>51</u>

The number of employees whose annualised emoluments fell within the following bands was:

	Period ended 31 March 2021 No	Year ended 31 August 2020 No
£60,001 - £70,000	1	2
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
£100,001 - £110,000	1	-

During the year, remuneration to key management personnel amounted to £189,078 (2020 - £338,604). The trustees consider that key management personnel comprise of:

- Chief Executive Officer
- Director of Finance and Resources
- Director of Education
- Director of Membership and Marketing

The remuneration in 2020 reported includes the remuneration of the former Chief Operating Officer and Director of Regions and Partnerships, both of whom retired from office during the year.

Contributions totaling £14,020 (2020 - £18,420) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2020	862,608	132,971	407,078	1,402,657
Additions	-	-	24,582	24,582
At 31 March 2021	862,608	132,971	431,660	1,427,239
Depreciation				
At 1 September 2020	188,868	119,821	388,142	696,831
Charge for the period	10,064	3,005	8,213	21,282
At 31 March 2021	198,932	122,826	396,355	718,113
Net book value				
At 31 March 2021	663,676	10,145	35,305	709,126
At 31 August 2020	673,740	13,150	18,936	705,826

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
11 Fixed asset investments

	31 March 2021 £	31 August 2020 £
Investment properties	490,000	490,000
Listed investments	2,158,409	2,036,120
	<u>2,648,409</u>	<u>2,526,120</u>

Investment properties

	Investment properties £
Cost or Valuation	
At 1 September 2020 and 31 March 2021	<u>490,000</u>
Net book value	
At 31 August 2020 and 31 March 2021	<u>490,000</u>

The investment property is included in the balance sheet at the fair value as at 31 March 2021. The fair value was previously arrived at on the basis of a valuation carried out in May 2015 by ETP Property Consultants, who were not connected to the charity. The basis of this valuation was the market value of similar properties in the area.

The trustees do not consider any difference between fair value and previously determined market value to be material to the financial statements and accordingly no adjustment has been made.

Listed investments

	Total £
Cost or Valuation	
At 1 September 2020	2,036,120
Revaluation	102,300
Additions	301,582
Disposals	<u>(281,593)</u>
At 31 March 2021	<u>2,158,409</u>
Net book value	
At 31 March 2021	<u>2,158,409</u>
At 31 August 2020	<u>2,036,120</u>

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021

The historic cost of investments at 31 March 2021 amounted to £1,813,459 (31 August 2020 - £1,663,557).

The fair value of the investment portfolio was determined using quoted market prices. Included within the valuation of the portfolio was a cash balance of £75,104 at the year end (31 August 2020 - £156,194).

Investments held, exceeding 5% of the portfolio value at 31 March 2021, comprise of: - Valu-trac

Investment Protean Capital Elder A at 5.29% (2020 - 5.44%).

12 Debtors

	31 March 2021	31 August 2020
	£	£
Trade debtors	205,052	245,695
Prepayments and accrued income	43,530	28,810
Other debtors	-	1,203
	<u>248,582</u>	<u>275,708</u>

Trade debtors are stated after provision for impairment of £49,292 (2020 - £20,931).

13 Cash and cash equivalents

	31 March 2021	31 August 2020
	£	£
Cash on hand	502	502
Cash at bank	1,355,351	1,047,194
	<u>1,355,853</u>	<u>1,047,696</u>

14 Creditors: amounts falling due within one year

	31 March 2021	31 August 2020
	£	£
Trade creditors	93,019	161,364
Other taxation and social security	49,899	44,300
Other creditors	38,947	131,321
Accruals	73,242	64,620
Deferred income	711,207	387,128
	<u>966,314</u>	<u>788,733</u>

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021

	31 March 2021	31 August 2020
	£	£
Opening deferred income	387,128	416,518
Resources deferred in the period	711,207	348,588
Amounts released from previous periods	(387,128)	(377,978)
Deferred income at period end	<u>711,207</u>	<u>387,128</u>

Deferred income represents registration fees received in advance of courses being delivered in future financial periods.

15 Pension obligations

The employees of the charity belong to two principle pension schemes: The Teachers' Pension Scheme, a multi-employer defined benefit scheme, for academic and related staff; and an independently administered defined contributory pension scheme.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial period in respect of the independently administered defined contributory pension scheme.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), the Teachers' Pension Scheme Regulations 2014 (as amended) and the Teachers' Pensions Regulations 2019. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The TPS scheme is an unfunded scheme and members contribute on a 'pay-as-you-go' basis. These contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Acts. Retirement and other pension benefits are credited with a real rate of return as determined by the Government actuary.

ASDAN

Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out to 31 March 2016, the effective date. The key elements of the valuation and subsequent consultation, now effective were:

- Employer contribution rates increased to 23.68% of pensionable pay from September 2019 having been previously 16.48% since taking effect in September 2015;
- An administration levy of 0.08% is included within the revised rate effective from September 2019;
- Notional assets (estimated future contributions together with notional investments held at the valuation date) were £196.1bn;
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date were £218.1bn;
- The scheme has a notional past service deficit of £22bn;
- An employer cost cap of 7.3% of pensionable pay will be applied to future valuations from 1 April 2019 until 31 March 2023;
- The assumed real rate of return is 2.8% in excess of prices;
- The rate of real earnings growth is assumed to be 4.2%, at 2.2% pa in excess of assumed CPI of 2%; and
- The assumed nominal rate of return is 4.45%

The next valuation of the TPS is scheduled to be based on data to 31 March 2020, whereupon the impact on scheme costs is expected to be implemented from April 2023. The results of the expected valuation have not been made public at the date the financial statements were approved.

The employers pension costs paid to TPS in the period amounted to £25,622 (2020 - £43,922).

16 Operating lease commitments

Operating lease commitments

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

	31 March 2021	31 August 2020
	£	£
Other		
Within one year	136,712	136,712
Between one and five years	54,611	122,967
	<u>191,323</u>	<u>259,679</u>

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
17 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains £	Balance at 31 March 2021 £
Unrestricted funds						
General						
General funds	3,592,908	1,775,785	(1,599,820)	-	133,867	3,902,740
Designated						
Digital strategy fund	96,850	-	(66,792)	-	-	30,058
Financial assistance fund	42,450	-	-	-	-	42,450
Property development and maintenance fund	938	-	-	-	-	938
Research and development fund	60,054	-	(5,750)	(30,000)	-	24,304
PSE qualification fund	-	-	(13,600)	30,000	-	16,400
	200,292	-	(86,142)	-	-	114,150
Total funds	3,793,200	1,775,785	(1,685,962)	-	133,867	4,016,890

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains £	Balance at 31 August 2020 £
Unrestricted funds						
<i>General</i>						
General funds	3,788,481	2,663,998	(2,822,930)	(53,293)	16,652	3,592,908
<i>Designated</i>						
Digital strategy fund	182,100	-	(161,850)	76,600	-	96,850
Financial assistance fund	44,094	-	(1,644)	-	-	42,450
Property development and maintenance fund	79,307	-	(25,062)	(53,307)	-	938
Research and development fund	95,491	-	(65,437)	30,000	-	60,054
	400,992	-	(253,993)	53,293	-	200,292
Total funds	4,189,473	2,663,998	(3,076,923)	-	16,652	3,793,200

ASDAN**Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021****Unrestricted funds**

Unrestricted funds include all funds received and expended in the furtherance of the charity's objects.

Designated funds

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes. All designated funds, with the exception of the financial assistance fund, are expected to be expended within the next 12 months.

Digital strategy fund

Designated for the development of online resources and to increase capacity in order to remain current with new technologies.

Financial assistance fund

Designated to enhance provision for students following ASDAN programs and qualifications.

Property development and maintenance fund

Designated to provide a fund for major repairs as and when necessary to Wainbrook House (formerly known as the property improvement fund).

Research and development fund

Designated to fund major development of ASDAN products and services (formerly known as the development fund).

PSE qualification development fund

Designated for the development of a new qualification expected to be launched in September 2021.

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
18 Analysis of net assets between funds
31 March 2021

	General £	Unrestricted Designated £	Total funds £
Tangible fixed assets	709,126	-	709,126
Fixed asset investments	2,648,409	-	2,648,409
Current assets	1,511,519	114,150	1,625,669
Current liabilities	(966,314)	-	(966,314)
Total net assets	3,902,740	114,150	4,016,890

31 August 2020

	General £	Unrestricted Designated £	Total funds £
Tangible fixed assets	705,826	-	705,826
Fixed asset investments	2,526,120	-	2,526,120
Current assets	1,149,695	200,292	1,349,987
Current liabilities	(788,733)	-	(788,733)
Total net assets	3,592,908	200,292	3,793,200

19 Analysis of net funds

	At 1 September 2020 £	Cashflow £	At 31 March 2021 £
Cash at bank and in hand	1,047,696	308,157	1,355,853
Net funds	1,047,696	308,157	1,355,853

	At 1 September 2019 £	Cashflow £	At 31 August 2020 £
Cash at bank and in hand	1,148,720	(101,024)	1,047,696
Net funds	1,148,720	(101,024)	1,047,696

ASDAN
Notes to the Financial Statements for the Period from 1 September 2020 to 31 March 2021
20 Related party transactions

The charity received income from charitable activities of £2,333 (2020 - £1,834) from entities connected to the trustees through employment or similar governance roles.

None of the trustees concerned were in a position to personally benefit from the transactions, which arose under a normal business relationship.

The charity incurred expenditure on charitable activities of £4,207 (2020 - £8,233) from activities connected to the trustees through employment or similar governance roles. Related parties were connected to trustees of the charity through employment or similar governance roles. Of these amounts, included within trade creditors at the period end was £Nil (2020 - £Nil).

None of the trustees concerned were in a position to personally benefit from the transactions, which arose under a normal business relationship.

The charity also made approved expenditure on charitable activities of £Nil (2020 - £240) in respect of consultancy services from P A Trapp, a trustee. At the period end, £Nil (2020 - £Nil) was included within trade creditors.

21 Financial instruments
Categorisation of financial instruments

	7 months ended 31 March 2021 £	12 months ended 31 August 2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	205,052	245,695
Listed investments measured at fair value	2,158,409	2,036,120
Carrying amount of financial liabilities		
Liabilities measured at amortised cost	181,865	336,985