

Company registration No. 06799564 (England & Wales)

Charity No. 1129180

Ascentis

Company Limited by Guarantee

Trustees' Report and Consolidated Financial Statements

For The Year Ended
31 July 2020



ASCENTIS (COMPANY LIMITED BY GUARANTEE)

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ASCENTIS (COMPANY LIMITED BY GUARANTEE)

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 JULY 2020

Registered charity name	Ascentis
Charity registration number	1129180
Company registration number	06799564
Principal office	Office 4 Lancaster Business Park Mannin Way Caton Road Lancaster Lancashire LA1 3SW
The Trustees	S Carlisle A J Turjansky P C Wilkinson A Bolton R Davies R H Newton-Syms P Rowe A Rushton
Chief executive officer	P C Wilkinson
Secretary	F Lugiano
Auditor	MHA Moore and Smalley Chartered Accountants & Statutory Auditor Priory Close St Mary's Gate Lancaster Lancashire LA1 1XB

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 JULY 2020

The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 July 2020. This report includes the requirements of a directors' report as required by company law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Reference and administrative details

Reference and administrative details are shown on page 2 of these financial statements.

The trustees

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

S Carlisle
A J Turjansky
P C Wilkinson
A Bolton
R Davies
R Tomlinson (resigned 28 August 2019)
R H Newton-Syms
P Rowe
A Rushton (appointed 30 October 2019)

Structure, governance and management

Ascentis is a charitable company limited by guarantee (06799564) incorporated on 23 January 2009 and registered with the charity commission (1129180) on 19 April 2009. The company was established under a memorandum of association which defines the objects and powers of the charitable company and is governed under its articles of association. In the event of the company being wound up, the members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The Board of Trustees appoints new trustees up to a maximum of 13 individuals. The Search and Governance Committee recommends candidates with appropriate skills for consideration to the Board.

One third of the trustees (or the number nearest one third) must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. The retiring trustees shall be eligible for re-election. The trustees determine the remuneration of key management personnel.

Induction and training of new trustees

New trustees meet the Chief Executive Officer (CEO) and Company Secretary and are introduced to the staff. The services provided by Ascentis and its objectives and strategy are discussed in detail. The new trustee is issued with an information pack containing the following:

- Responsibilities of Charity trustees
- Memorandum and Articles of Association
- Annual report and accounts
- Minutes of the last board meeting
- Year to date financial information
- Schedule of Board meetings
- Biographies of other trustees

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

Organisational structure

Every trustee must sign a Declaration of Willingness to act as a 'Trustee of the Charity' before they are eligible to vote at any meeting of the trustees.

The trustees must hold at least 2 meetings a year and they are responsible for making strategic decisions. All trustees who have signed the 'Trustee of the Charity' declaration have one vote on each issue at these meetings. Each issue may be determined by a simple majority of votes cast, with the Chairman having a second or casting a vote if necessary.

The day to day running of the charity is delegated to the CEO, who meets formally with his executive team on a regular basis.

Related parties

All related party transactions entered into in the year are disclosed in the notes to the accounts. There are no significant relationships with any other charities or organisations, save in respect to its own subsidiaries.

Aims, objectives and activities

The objects of Ascentis are to promote and advance education and training of young persons and adults.

To achieve these objects, we aim to maintain and improve our portfolio of educational qualifications and make them accessible to a wider range of client groups. In this way, we can help young people and adults develop knowledge, acquire new skills and have this formally recognised in the form of nationally or internationally recognised qualifications. We also support pupils in primary and secondary schools through our dyslexia and dyscalculia intervention software.

We review our aims and activities each year. This review looks at: what has been achieved, the outcomes of our work in the previous 12 months, and the success of our activities in delivering benefits to those we were set up to help. This review also helps to ensure that our aims and activities remain focused on our stated objectives and purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and in planning our future activities. In particular, we, the trustees, have considered how the planned activities will contribute to the aims that we have set.

All our charitable activities focus on the promotion and advancement of education and training and are undertaken to further our charitable purposes for the public benefit.

The main objectives and activities for the year were: to rationalise the qualification product portfolio so as to focus on our areas of strength and to make those products accessible to a wider client group across the UK and overseas; to expand our dyslexia & dyscalculia software provision to schools across UK and overseas; to provide the optimal level of support to our clients; to strengthen our staffing and infrastructure; to maintain excellent financial health.

Ascentis ensures that every opportunity is taken to promote its work by maintaining a website, hosting events in locations across the UK and diverse advertising, such as through e-mail campaigns.

The Trustees are pleased with the charity's progress against the objectives and in particular, recognise the strong financial performance despite the impact of Covid-19. Group income decreased by only 3% to £5.1m in the year and the surplus target was still achieved.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

STRATEGIC REPORT

Achievements and performance

This is Ascentis' eleventh year of operation since the transfer of activities and assets from the Open College of the North West on 1 August 2009.

We further reviewed the product portfolio and revised it to provide a clear focus on our areas of strength during the year. As part of this, we expanded the markets for the key Ascentis qualification products and our dyslexia and dyscalculia intervention software services across the UK and overseas. In order to improve effectiveness, we invested appropriately in our staffing base and IT infrastructure. The office accommodation has proved to be very functional and a suitable location for the staffing base but in looking to the future we implemented a plan for the eventual relocation to larger premises. This sound infrastructure has enabled us to deliver our stated objectives effectively.

All of these actions increased the organisation's ability to continue to prosper within an exceptionally challenging business environment for the charity and education sectors.

Financial review

Reserves policy

We have examined the requirements for reserves in light of the main risks to the organisation and have established a policy whereby the free reserves (not including those in use funding the tangible fixed assets held by the charity or those designated for other purposes) should be between 4 and 9 months of normal charitable expenditure. The budgeted charitable expenditure in 2020/2021 is £5.3m and therefore, the target reserves are between £1.8m and £4.0m. The reserves function as an important potential financial buffer during this period against turbulence in the planning environment. This turbulence represents a constant challenge to the charity and the trustees, therefore, believe that it is important to maintain reserves at a reasonable level.

Total consolidated funds held at 31 July 2020 were £5.2m. After allowing for funds that can only be realised on disposal of a fixed asset (£319K) and the designated reserve (£127k), remaining free reserves are £4.8m, which is in excess of the above policy, allowing the Charity funds for future investment. The charity has no restricted funds.

We continue to maintain a designated fund to meet the costs of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance designated represents the maximum estimated potential liability, which will be recalculated annually and should reduce over time.

Principal funding sources

The principal source of income is from the registration and certification of candidates on qualifications developed and accredited by the charity and the sale of associated learning materials and also dyslexia and dyscalculia intervention software support service. The expenditure of the charity on qualification and intervention software development, moderation and quality control and centre recognition all ensure that the qualifications and services offered provide the required benefits to those accessing them.

Plans for future periods

The period since the inception of the charity has been extremely successful with significant overall growth, as we have reached out to a broader client base. Changes in Government policy in recent years relating to the funding available for educational qualifications represent a significant challenge for the charity, but as a result of an effective plan skilfully implemented by committed staff, the charity achieved a good surplus in the year despite the negative impact of Covid-19. The Government policy changes will continue to represent a challenge to the charity and in the medium term, the target will be to maintain stability and continue to support our clients while achieving further steady growth.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

The charity has approved a realistic but challenging set of targets in its strategic plan. This commits the charity to an aspiration for achieving steady growth and to improving all aspects of its activity over the 2-year period to 2022. Progress towards this vision will be achieved by developing and maintaining a high-quality portfolio of externally regulated qualifications and associated learning materials, expanding the client base across the UK and overseas and providing schools, colleges and employers with the optimum level of customer support. Simultaneously, the Dyslexia and Dyscalculia Intervention Support service, delivered through the wholly owned subsidiary company IDLS Ltd, will be expanded to all regions of the UK and to specific overseas markets. Where appropriate, Ascentis will seek to achieve growth through the acquisition of smaller companies where such acquisitions are judged to represent a sound investment for the charity.

Any surpluses generated will be reinvested in staffing and the organisation's infrastructure so that the level of resourcing is always sufficient to deliver a good service.

The corporate objectives for the 2020-21 year are as follows:

1. Financial Health: achievement of modest growth in income and a minimum break-even position.
2. Product Development: development and maintenance of a qualifications portfolio and supporting learning materials which are aligned with Government policy, focused on our proven strengths and which meets the needs of individual customers through engagement with relevant stakeholders.
3. Intervention Software support service: expansion of dyslexia and dyscalculia service across the UK and overseas, delivered through the subsidiary, IDLS Ltd.
4. Training: Provision of on-line training delivered through the subsidiary Virtual Academy Ltd (formerly Premier Training Services (Midlands) Limited).
5. Governance: compliance with Companies House and Charity Commission requirements.
6. Regulatory Compliance and Quality Assurance: maintenance of regulatory approval by Ofqual, Qualification Wales, CCEA and the Quality Assurance Agency for Higher Education.
7. Human Resources: effective Human Resources structure supported by rigorous performance management and targeted staff development.
8. Systems and Physical Infrastructure: effective maintenance and development of systems, IT and accommodation.

Principal risks and uncertainties

Risk management

The major risks to which the charity is exposed are reviewed and set out in the Business Continuity Plan, together with the systems established to mitigate those risks. Currently, one of the most significant risks is considered to be the impact of changing government policy in relation to the funding of qualifications. Brexit also represents a potential risk in terms of the impact on immigration policy. Covid 19 remains a risk in relation to the possible closure of colleges and schools.

Responsibilities of the trustees

The trustees (who are also the directors of Ascentis for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the 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 the group and 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 Statement of Recommended Practice (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 group will continue in operation

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

MHA Moore and Smalley are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons 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 group's auditor is unaware; and
- each trustee has 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 group's auditor is aware of that information.

Approval

By approving the trustees report the trustees are also approving the strategic report in their capacity as company directors.

Signed on behalf of the trustees

Phil Wilkinson

Mr P C Wilkinson
Trustee

21/12/2020

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2020

Opinion

We have audited the financial statements of Ascentis (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise Consolidated Statement of Financial Activity, Charity Statement of Financial Activity, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated and Charity Cash Flow Statements 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 July 2020, and of the group's incoming resources and application of resources, including its 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 and the Charities Act 2011.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2020

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 group and parent charitable 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 in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6-7, the trustees (who are also the directors of the charitable company 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2020

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jenny McCabe (Senior Statutory Auditor)
For and on behalf of
MHA Moore and Smalley
Chartered Accountants and Statutory Auditor

Priory Close
St Mary's Gate
Lancaster
LA1 1XB

Date: 21/12/2020

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2020

		Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Income from:					
Charitable activities	3	4,997,154	-	4,997,154	5,221,282
Investments	4	13,673	-	13,673	16,098
Other	5	82,340	-	82,340	-
Total		5,093,167	-	5,093,167	5,237,380
Expenditure on:					
Charitable activities	6	4,560,189	-	4,560,189	4,258,554
Total		4,560,189	-	4,560,189	4,258,554
Net income before transfers	8	532,978	-	532,978	978,826
Transfers		-	-	-	-
Net movement in funds		532,978	-	532,978	978,826
Reconciliation of funds:					
Total funds brought forward		4,713,541	-	4,713,541	3,734,715
Total funds carried forward		5,246,519	-	5,246,519	4,713,541

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

All of the above amounts relate to continuing activities except as described in notes 3 and 6.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 16 to 32 form part of these financial statements.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2020

		Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Income from:					
Charitable activities	3	4,237,898	-	4,237,898	4,698,781
Investments	4	13,673	-	13,673	16,098
Other	5	57,951	-	57,951	1,611
Total		4,309,522	-	4,309,522	4,716,490
Expenditure on:					
Charitable activities	6	3,817,541	-	3,817,541	3,696,942
Total		3,817,541	-	3,817,541	3,696,942
Net income before transfers	8	491,981	-	491,981	1,019,548
Transfers		-	-	-	-
Net movement in funds		491,981	-	491,981	1,019,548
Reconciliation of funds:					
Total funds brought forward		4,754,263	-	4,754,263	3,734,715
Total funds carried forward		5,246,244	-	5,246,244	4,754,263

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

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 16 to 32 form part of these financial statements.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)**CONSOLIDATED BALANCE SHEET****AS AT 31 JULY 2020**

		2020	2019
		£	£
Fixed assets			
Tangible assets	10	302,295	98,884
Intangible assets	11	16,950	30,037
		<u>319,245</u>	<u>128,921</u>
Current assets			
Debtors	12	678,826	689,776
Cash at bank and in hand		5,013,209	4,713,364
		<u>5,692,035</u>	<u>5,403,140</u>
Creditors: amounts falling due within one year	14	(764,761)	(818,520)
		<u>4,927,274</u>	<u>4,584,620</u>
Net current assets			
		<u>5,246,519</u>	<u>4,713,541</u>
Total assets less current liabilities			
		<u>5,246,519</u>	<u>4,713,541</u>
Provisions for liabilities		-	-
		<u>5,246,519</u>	<u>4,713,541</u>
Net assets			
		<u>5,246,519</u>	<u>4,713,541</u>
Funds:			
Unrestricted funds	16	5,246,519	4,713,541
		<u>5,246,519</u>	<u>4,713,541</u>
Total funds			
		<u>5,246,519</u>	<u>4,713,541</u>

These accounts were approved by the members of the committee and authorised for issue on the 21/12/2020..... and are signed on their behalf by:

Phil Wilkinson

.....
Mr P C Wilkinson
Trustee

Company Registration Number: 06799564

The notes on pages 16 to 32 form part of these financial statements.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

CHARITY BALANCE SHEET

AS AT 31 JULY 2020

		2020	2019
		£	£
Fixed assets			
Tangible assets	10	302,295	98,884
Intangible assets	11	16,950	30,037
		<u>319,245</u>	<u>128,921</u>
Current assets			
Debtors	12	723,175	710,934
Investments	13	2	2
Cash at bank and in hand		4,930,848	4,692,150
		<u>5,654,025</u>	<u>5,403,086</u>
Creditors: amounts falling due within one year	14	(727,026)	(777,744)
		<u>4,926,999</u>	<u>4,625,342</u>
Net current assets			
		<u>5,246,244</u>	<u>4,754,263</u>
Total assets less current liabilities			
		-	-
Provisions for liabilities			
		<u>5,246,244</u>	<u>4,754,263</u>
Net assets			
		<u>5,246,244</u>	<u>4,754,263</u>
Funds:			
Unrestricted funds	16	5,246,244	4,754,263
		<u>5,246,244</u>	<u>4,754,263</u>
Total funds			
		<u>5,246,244</u>	<u>4,754,263</u>

These accounts were approved by the members of the committee and authorised for issue on 21/12/2020 and are signed on their behalf by:

Phil Wilkinson

.....
Mr P C Wilkinson
Trustee

Company Registration Number: 06799564

The notes on pages 16 to 32 form part of these financial statements.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS

FOR THE YEAR END 31 JULY 2020

	Group 2020 Total £	Group 2019 Total £	Charity 2020 Total £	Charity 2019 Total £
Cash generated/(used) in operating activities	654,975	1,193,471	593,828	1,175,009
Cashflows from investing activities				
Investment income	13,673	16,098	13,673	16,098
Purchase of tangible fixed assets	(275,052)	(43,639)	(275,052)	(43,639)
Purchase of intangible fixed assets	-	(19,870)	-	(19,870)
Receipts from sale of fixed assets	6,249	-	6,249	-
Purchase of investment acquisitions	(100,000)	-	(100,000)	-
Cash generated/(used) in investing activities	(355,130)	(47,411)	(355,130)	(47,411)
Increase in cash and cash equivalents in the year	299,845	1,146,060	238,698	1,127,598
Cash and cash equivalents b/fwd	4,713,364	3,567,304	4,692,150	3,564,552
Cash and cash equivalents c/fwd	5,013,209	4,713,364	4,930,848	4,692,150
Reconciliation of net movement in funds to net cashflow from operating activities				
Net movement in funds	532,978	978,826	491,981	1,019,548
Investment income received	(13,673)	(16,098)	(13,673)	(16,098)
Depreciation and amortisation	77,599	104,775	77,599	104,775
(Increase)/Decrease in debtors	10,950	60,011	(12,241)	41,604
Increase/(Decrease) in creditors	(53,759)	63,964	(50,718)	23,188
Addition of subsidiary	-	-	-	(1)
Loss on disposal of fixed assets	880	1,993	880	1,993
Impairment of purchase acquisitions	100,000	-	100,000	-
Net cash generated/(used) in operating activities	654,975	1,193,471	593,828	1,175,009
Components of cash and cash equivalents				
Cash at bank and in hand	5,013,209	4,713,364	4,930,848	4,692,150
	5,013,209	4,713,364	4,930,848	4,692,150

The notes on pages 16 to 32 form part of these financial statements.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Legal form

Ascentis is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity, the nature of its operations and its principal activities are all detailed in the charity administrative details of these financial statements.

Basis of preparation

Ascentis meets the definition of a public benefit entity under FRS102. 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 (FRS102)– (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

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

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated accounts of the group incorporate the accounts of Ascentis ("the Charity") and its wholly owned subsidiaries International Dyslexia Learning Solutions Limited and Virtual Academy Ltd (formerly Premier Training Services (Midlands) Limited). The results of the subsidiaries are consolidated on a line by line basis.

Preparation of the accounts on a going concern basis

Prior to the balance sheet date and approval of these accounts, there has been an escalation of measures taken within society to combat the Covid-19 pandemic. The Trustees have provided further details of this impact in the Trustees' Report and have assessed the budgeted income and expenditure alongside the reserves of the Charity. The Trustees believe there is sufficient working capital for at least 12 months from approval and that there is no material uncertainty at this time. Accordingly, the Trustees continue to adopt this basis of accounting in preparing the financial statements.

Income

Registration and certification fees are recognised over the period to which they relate. Where course registration income spans the financial year end, the Charity has a policy of deferring 2/3rds of such income to the point of certification, where the Charity incurs the costs of moderation.

IDL Learning income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

PTS income represents amounts receivable for services net of VAT and trade discounts. Turnover from the sale of training courses is recognised on the date of course delivery to the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

Investment income is credited to the statement of financial activities in the period in which it becomes receivable.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies (continued)

Government grants receivable represent income under the Coronavirus Job Retention Scheme (CJRS) to reimburse the company of costs incurred in retaining staff who were furloughed due to the impact of closure due to COVID-19. CJRS grants are recognised to match the costs incurred by the company for the period claims are made.

Other grants receivable represent income from trading grants and other grants. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Expenditure

All expenditure is accounted for on an accruals basis in the expense categories required by the SORP. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs are further allocated between the activities undertaken on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT.

Charitable expenditure includes costs incurred in the delivery of the charities activities and services. It includes both direct costs, including staff costs, that are incurred in the delivery of the activities and services and indirect costs which are required to support the delivery of the charitable objects.

Costs of raising funds include those costs in relation to the charity's operations which are used to generate further income which is integral to the charity in meeting its charitable objectives.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fixed assets

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Office equipment	-	3 to 5 years
Fixtures and fittings	-	5 years
Motor vehicles	-	2 to 4 years
Property improvements	-	10 years

Amortisation

Amortisation is calculated so as to write off the cost of the asset, less its estimate residual value, over the useful economic life of that asset as follows:

Website costs	-	3 years
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Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Investments are subsequently stated at fair value if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments, such as the investment in the subsidiary, are measured at cost less impairment. The SOFA included the net gains and losses arising on revaluations and disposals throughout the year.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies (continued)

Cash and cash equivalents

Cash balances represent cash in hand and deposits held at banks and building societies.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Fund accounting

Unrestricted funds

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds

Designated funds are unrestricted funds set aside by the Trustees to cover future potential or actual monetary commitments. The fund balances are reviewed annually by the trustees.

Restricted funds

Restricted funds arise where there is a donor-imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose. The charity currently has no restricted funds.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Pensions

Ascentis operates a defined contribution pension scheme for employees of the group. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

Redundancy costs

Redundancy costs are expensed when the liability for payment of such costs is incurred.

Taxation

HM Revenue & Customs considers Ascentis to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies (continued)

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where 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 flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Income recognition

As stated in the accounting policies on page 16, the Charity has a policy of deferring income for course registrations which span the year end until the point of certification where the charity incurs the costs of moderation. The Trustees have determined that it is appropriate to defer 2/3rds of income for course registration fees to this date on the basis that the charity incurs most of its costs at this point in time.

The Trustees have also determined that turnover from the sale or renewal of literacy and numeracy licences is recognised on purchase by the customer on the basis that there is no recourse of such income and the risks and rewards have transferred to the buyer.

The Trustees review these assumptions on an ongoing basis, and they have been consistently applied in all periods.

The Trustees have not identified any further key judgements in these financial statements.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

3 Income from charitable activities

Group	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Awarding qualification income	4,237,898	-	4,237,898	4,698,781
IDL income	688,965	-	688,965	522,501
PTS income	70,291	-	70,291	-
	4,997,154	-	4,997,154	5,221,282
Charity				
Awarding qualification income	4,237,898	-	4,237,898	4,698,781
	4,237,898	-	4,237,898	4,698,781

All income from charitable activities in the comparative period was unrestricted. Income of £70,291 (2019: £nil) relates to activities which have been discontinued.

4 Income from investments

Group and charity	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Bank interest receivable	13,673	-	13,673	16,098
	13,673	-	13,673	16,098

All income from investments the comparative period was unrestricted.

5 Other income

Group	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Grant income	82,319	-	82,319	-
Other sundry income	21	-	21	-
	82,340	-	82,340	-

All other income in the comparative period was unrestricted.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

5 Other income (continued)

Charity	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Interest on group loan	1,150	-	1,150	1,611
Grant income	56,801	-	56,801	-
	57,951	-	57,951	1,611

All other income in the comparative period was unrestricted.

6 Expenditure on charitable activities

Group	Promotion of education and training		Total 2020 £	Total 2019 £
	Unrestricted £	Restricted £		
Costs of generating awarding qualification income	1,990,034	-	1,990,034	2,275,838
Costs of generating IDL income	355,874	-	355,874	372,508
Costs of generating PTS income	88,670	-	88,670	-
Support costs (see note 7)	2,125,611	-	2,125,611	1,610,208
	4,560,189	-	4,560,189	4,258,554

Charity	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Costs of generating awarding qualification income	1,930,681	-	1,930,681	2,275,838
Support costs (see note 7)	1,886,860	-	1,886,860	1,421,104
	3,817,541	-	3,817,541	3,696,942

All expenditure on charitable activities in the comparative period was unrestricted for both Group and Charity. Included within group expenditure on charitable activities is expenditure of £88,670 (2019: £nil) relating to discontinued operations.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2020****7 Support costs**

Group	Charitable activities £	Total 2020 £	Total 2019 £
Wages and salaries	874,610	874,610	679,076
Rent	144,905	144,905	124,109
Rates and water	13,345	13,345	11,628
Light and heat	14,537	14,537	14,876
Repairs and maintenance	28,027	28,027	35,747
Insurance	35,581	35,581	26,160
Health and safety	3,774	3,774	5,286
Consultancy fees	46,180	46,180	89,886
Telephone	4,538	4,538	4,510
Printing, postage and stationary	13,456	13,456	21,446
Depreciation	64,512	64,512	95,552
Amortisation	13,087	13,087	9,223
Information Technology	465,378	465,378	261,009
Conference costs	14,091	14,091	14,315
Sundry expenses	100,482	100,482	70,315
Bank charges	4,255	4,255	3,736
Bad debts	20,924	20,924	134
Loss on disposal of fixed assets	880	880	1,993
Accountancy fees	21,547	21,547	15,392
Audit Fees	13,350	13,350	10,875
Legal fees	127,563	127,563	114,940
Professional subscriptions	589	589	-
Impairment of investment	100,000	100,000	-
Total support costs for group	2,125,611	2,125,611	1,610,208

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

7 Support costs (continued)

Charity	Charitable activities £	Total 2020 £	Total 2019 £
Wages and salaries	724,125	724,125	638,810
Rent	141,055	141,055	117,904
Rates and water	13,345	13,345	11,047
Light and heat	14,537	14,537	14,132
Repairs and maintenance	26,902	26,902	33,960
Insurance	34,899	34,899	24,852
Health and safety	3,774	3,774	5,022
Consultancy fees	45,930	45,930	63,856
Telephone	3,757	3,757	4,284
Printing, postage and stationary	9,290	9,290	13,425
Depreciation	64,512	64,512	95,552
Amortisation	13,087	13,087	9,223
Information Technology	397,684	397,684	240,082
Conference costs	14,091	14,091	14,315
Sundry expenses	83,290	83,290	58,832
Bank charges	2,101	2,101	2,421
Bad debts	3,068	3,068	134
Loss on disposal of fixed assets	880	880	1,993
Accountancy fees	17,856	17,856	13,916
Audit Fees	8,200	8,200	7,875
Legal fees	121,904	121,904	49,469
Intercompany loan waived	42,573	42,573	-
Impairment of investment	100,000	100,000	-
Total support costs for charity	1,886,860	1,886,860	1,421,104

ASCENTIS (COMPANY LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2020**

8 Net income for the year

	2020	2019
	£	£
Net income is stated after charging:		
Group		
Staff pension contributions	134,793	126,143
Auditors' remuneration		
- audit of the financial statements	13,350	10,875
Depreciation of tangible assets		
- owned by the charity	64,512	95,552
Amortisation of intangible assets		
- owned by the charity	13,087	9,223
Charity		
Staff pension contributions	115,089	115,515
Auditors' remuneration		
- audit of the financial statements	8,200	7,875
Depreciation of tangible assets		
- owned by the charity	64,512	95,552
Amortisation of intangible assets		
- owned by the charity	13,087	9,223

9 Staff costs and emoluments

Total staff costs were as follows:	2020	2019
	£	£
Group		
Wages and salaries	2,372,839	2,134,026
Social security costs	203,892	194,511
Pension costs	134,793	126,143
Total group staff costs	2,711,524	2,454,680
Charity		
Wages and salaries	1,927,774	1,852,438
Social security costs	164,393	166,204
Pension costs	115,089	115,515
Total charity staff costs	2,207,256	2,134,157

ASCENTIS (COMPANY LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2020**

9 Staff costs and emoluments (continued)**Particulars of employees:**

The average head count number of staff employed by the group during the year was as follows:

	2020 No	2019 No
Executive	3	3
Charitable	71	88
Support	17	15
IDLS	15	11
PTS	2	-
	108	117

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

	2020 No	2019 No
£60,000 - £69,999	1	2
£70,000 - £79,999	2	-
£90,000 - £99,999	1	1

During the year, the following number of employees earning more than £60,000 had contributions to pension schemes:

	2020 No	2019 No
Accrued benefits under defined contribution pension schemes	4	3

Total employer contributions in the year for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £44,297 (2019: £41,177).

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

10 Tangible fixed assets

Group and charity	Leasehold Property £	Fixtures & Fittings £	Equipment £	Motor Vehicles £	Totals £
Cost					
At 1 August 2019	163,451	10,303	155,519	17,295	346,568
Additions	-	-	188,245	86,807	275,052
Disposals	-	-	(22,432)	(17,295)	(39,727)
At 31 July 2020	163,451	10,303	321,332	86,807	581,893
Depreciation					
At 1 August 2019	155,159	9,095	74,771	8,659	247,684
Charge for the year	8,292	1,208	49,775	5,237	64,512
Eliminated on disposals	-	-	(22,432)	(10,166)	(32,598)
At 31 July 2020	163,451	10,303	102,114	3,730	279,598
Net book value					
At 31 July 2020	-	-	219,218	83,077	302,295
At 31 July 2019	8,292	1,208	80,748	8,636	98,884

11 Intangible assets

Group and charity	Other intangible assets £	Totals £
Cost		
At 1 August 2019	39,260	39,260
Additions	-	-
At 31 July 2020	39,260	39,260
Amorisation		
At 1 August 2019	9,223	9,223
Charge for the year	13,087	13,087
At 31 July 2020	22,310	22,310
Net book value		
At 31 July 2020	16,950	16,950
At 31 July 2019	30,037	30,037

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

12 Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	443,704	386,123	344,400	306,218
Amounts owed by group undertakings	-	-	157,628	108,980
Prepayments and accrued income	233,597	303,653	221,147	295,736
Other debtors	1,525	-	-	-
	678,826	689,776	723,175	710,934

13 Investments

Group	2020 £	2019 £
Investments in subsidiary undertakings		
Additions	100,000	-
Impairment	(100,000)	-
Total investments	-	-
Charity		
Investments in subsidiary undertakings		
Cost brought forward	2	1
Additions	100,000	1
Disposals	-	-
Impairment	(100,000)	-
Total investments	2	2

Included in investments is £1 representing the entire of the issued share capital of International Dyslexia Learning Solutions Limited and £1 representing the acquisition of Virtual Academy Ltd (formerly Premier Training Services (Midlands) Limited) during the year. Both companies are incorporated in England and Wales.

During the year the charity acquired the trade, assets and goodwill of a business which has operated through a subsidiary company during the year. As a result of the Covid-19 pandemic, a strategic change in direction has been made and as a result the goodwill acquired in the year has been fully impaired in the period.

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

14 Creditors: amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	189,512	157,990	176,025	151,129
Other taxation and social security	70,136	66,675	70,136	66,675
Other creditors	20,482	14,499	20,402	14,500
Accruals and deferred income	484,631	579,356	460,463	545,440
	764,761	818,520	727,026	777,744

Deferred income	2020 £	2019 £
Balance brought forward	305,705	237,902
Release of deferred income	(305,705)	(237,902)
Income deferred to 2020-21	265,970	305,705
	265,970	305,705

15 Commitments under operating leases

Group and charity	2020 Land and Buildings £	2020 Other items £	2019 Land and Buildings £	2019 Other items £
Within 1 year	110,964	33,269	38,116	185,044
Within 2 to 5 years	-	2,409	-	28,823
After more than 5 years	-	-	-	-
	110,964	35,678	38,116	213,867

Charity only	2020 Land and Buildings £	2020 Other items £	2019 Land and Buildings £	2019 Other items £
Within 1 year	108,864	33,269	38,116	185,044
Within 2 to 5 years	-	2,409	-	28,823
After more than 5 years	-	-	-	-
	108,864	35,678	38,116	213,867

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

16 Unrestricted income funds: Current year

	At 1 August 2019 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2020 £
Group					
Designated Funds	129,533	-	-	(2,744)	126,789
General Funds	4,584,008	5,093,167	(4,560,189)	2,744	5,119,730
Unrestricted funds	4,713,541	5,093,167	(4,560,189)	-	5,246,519
Charity					
Designated Funds	129,533	-	-	(2,744)	126,789
General Funds	4,624,730	4,309,522	(3,817,541)	2,744	5,119,455
Unrestricted funds	4,754,263	4,309,522	(3,817,541)	-	5,246,244

The Trustees have created a designated fund to meet the cost of any potential future uninsured liabilities that may arise from the TUPE (Transfer of Undertakings Protection of Employment) regulations, following the transfer of the activities of the former Open College of the North West into Ascentis in 2009. The balance of £126,789 represents the maximum estimated potential liability, which will be recalculated annually, and the amount of the designated fund adjusted accordingly.

17 Unrestricted income funds: Prior year

	At 1 August 2018 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2019 £
Group					
Designated Funds	144,149	-	-	(14,616)	129,533
General Funds	3,590,566	5,093,167	(4,560,189)	14,616	4,138,160
Unrestricted funds	3,734,715	5,093,167	(4,560,189)	-	4,267,693
Charity					
Designated Funds	144,149	-	-	(14,616)	129,533
General Funds	3,590,566	4,309,522	(3,817,541)	14,616	4,097,163
Unrestricted funds	3,734,715	4,309,522	(3,817,541)	-	4,226,696

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

18 Analysis of net assets between funds: Current year

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted income funds:				
Designated Funds	-	126,789	-	126,789
General Funds	319,245	4,800,485	-	5,119,730
Total funds	319,245	4,927,274	-	5,246,519

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted income funds:				
Designated Funds	-	126,789	-	126,789
General Funds	319,245	4,800,210	-	5,119,455
Total funds	319,245	4,926,999	-	5,246,244

19 Analysis of net assets between funds: Prior year

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted income funds:				
Designated Funds	-	129,533	-	129,533
General Funds	128,921	4,455,087	-	4,584,008
Total funds	128,921	4,584,620	-	4,713,541

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
Unrestricted income funds:				
Designated Funds	-	129,533	-	129,533
General Funds	128,921	4,495,809	-	4,624,730
Total funds	128,921	4,625,342	-	4,754,263

ASCENTIS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

20 Control and related party transactions (including key management personnel)

The charity was under the control of the Board of Trustees' who are also directors for the purposes of company law in both the current and prior period.

No trustees were remunerated for their role as trustees of the charity, however one Trustee received employment benefits totalling £119,239 (2019: £117,824), including pension contributions of £22,574 (2019: £22,574), for their role as CEO.

During the year, 4 trustees were reimbursed £339 (2019: 5 trustees reimbursed £7,811) for expenses incurred.

Key management personnel of the company received total remuneration of £372,063 (2019: £354,765) for the financial period.

There are no further disclosable related party transactions for the charity.

21 Events after the reporting period

After the year end but before the approval of these accounts, the group has taken a strategic change of direction which has resulted in the planned closure of a regional office in the Midlands for one of its subsidiary entities. A period of restructure is expected to occur, and new opportunities sought in the online sector and in line with the rest of the group's offering.

22 Limited by guarantee

Every member guarantees, in the event of the company being wound up while he, she or it remains a member or within 12 months of he, she or it ceasing to be a member, to contribute £1 towards the cost of dissolution and the liabilities incurred by the charity while the contributor was a member.