

Company registration No. 06799564 (England & Wales)

Charity No. 1129180

# Ascentis

Company Limited by Guarantee

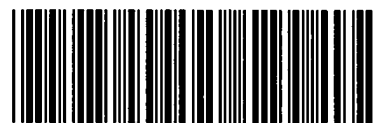
Trustees' Report and Consolidated Financial  
Statements

For The Year Ended  
31 July 2023



**mha**  
MOORE & SMALLEY

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# 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 2023**

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<b>Registered charity name</b>	Ascentis
<b>Charity registration number</b>	1129180
<b>Company registration number</b>	06799564
<b>Principal office</b>	Ascenits House 3 Mannin Way Caton Road Lancaster Lancashire LA1 3SW
<b>The Trustees</b>	S Carlisle P C Wilkinson A Bolton R Davies P Rowe A Rushton J Robinson W Robinson M McTague
<b>Chief executive officer</b>	P C Wilkinson
<b>Secretary</b>	F Lugiano
<b>Auditor</b>	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 2023**

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The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 July 2023. 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  
P C Wilkinson  
A Bolton  
R Davies  
P Rowe  
A Rushton  
J Robinson  
W Robinson  
M McTague

### **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 minimum of 5 individuals. The Search and Governance Committee recommends candidates with appropriate skills for consideration to the Board.

The trustees determine the remuneration of key management personnel.

#### *Induction and training of new trustees*

New trustees meet the Group 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
- User guide and activation account for OnBoard

# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **TRUSTEES' ANNUAL REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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### *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 Group 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, except 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 and 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, dyscalculia and mental health and well-being 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 strengths and to make those products accessible to a wider client group across the UK and overseas; to expand our dyslexia, dyscalculia and mental health software provision to schools across UK and overseas, in particular, the UAE; to provide the optimal level of support to our clients; to strengthen our staffing and infrastructure with appropriate investment; to maintain strong financial health; to keep our staff safe and well and to protect the charity as far as possible against the impact of the significant increase in inflation.

Ascentis ensures that every opportunity is taken to promote its work by maintaining a website, hosting events in locations across the UK and overseas, 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 very reasonable financial performance despite the significant impact of the cost-of-living crisis. Group income increased over the previous year and the operating deficit was broadly in line with the target.

# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **TRUSTEES' ANNUAL REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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### **STRATEGIC REPORT**

#### **Achievements and performance**

This is Ascentis' fourteenth 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, dyscalculia and mental health intervention software services across the UK and overseas. In order to improve effectiveness, we invested appropriately in our staffing base and IT infrastructure. This included a systematic review and revision of remuneration across the Group to enhance staff recruitment and retention. This sound staffing and IT infrastructure have 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 2023/2024 is approximately £6.7m and therefore, the target reserves are between £2.2m and £5m. 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 2023 were £6.1m. After allowing for funds that can only be realised on disposal of a fixed assets (£1.9m) and the designated reserve (£212k), remaining free reserves are £4m, which remains in line with the above policy. 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, dyscalculia and mental health 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 further growth in turnover in the year despite the significant impact of the cost of living crisis and restricted the operating deficit to a broadly planned level despite significant in-year investment.

# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **TRUSTEES' ANNUAL REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 JULY 2023**

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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. The impact of negative funding policy will be mitigated by further growth of qualifications not in scope of funding policy reviews, growth of the subsidiary IDLS and the start-up of a second subsidiary, the Virtual Academy Ltd, as an online training organisation.

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 5-year period to 2028. 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, Dyscalculia and Mental Health 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 and a new online training organisation will commence operations. 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 2023-24 year are as follows:

1. Financial Health: Achievement of significant growth in income and a break-even position, before any future-proofing investments.
2. Product Development: Development and maintenance of a qualifications portfolio and supporting learning materials that are aligned with Government policy, focused on our proven strengths, and that meet the needs of local, regional, national, and international stakeholders.
3. Intervention Software support service: Expansion of dyslexia, dyscalculia, and wellbeing products across the UK and overseas, delivered through the subsidiary, IDLS Ltd.
4. Training: Provision of online training delivered through the subsidiary Virtual Academy Ltd.
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. People and Culture: 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, the most significant medium-term risk is considered to be the impact of changing government policy in relation to the funding of qualifications. An additional new risk relates to the recruitment and retention of staff, with the charity having to compete with larger companies offering increased salaries and the option for home-working. Currently, all risks are being successfully managed.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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### 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.

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**

07/12/2023  
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# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS FOR THE YEAR ENDED 31 JULY 2023**

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### **Opinion**

We have audited the financial statements of Ascentis (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2023 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).

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

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 2023, 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.

### **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 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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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

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

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has 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 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outline above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness;
- Auditing the risk of fraud in income by way of cut off testing, testing the deferral of income, as well as income transaction testing to obtain evidence that revenue is complete and recognised in the correct accounting period;
- An evaluation of the charitable company's internal control environment; and
- A review of board minutes.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: compliance with Ofqual and QAA regulations, General Data Protection Regulation, employment law, and compliance with the UK Companies Act and Charities Act.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASCENTIS (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2023**

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**Auditor's responsibilities for the audit of the financial statements (continued)**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.



**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: 14/12/2023

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)****FOR THE YEAR ENDED 31 JULY 2023**

		Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Charitable activities	3	5,842,939	-	5,842,939	5,548,531
Investments	5	40,119	-	40,119	2,747
Other	6	958	-	958	52,588
<b>Total</b>		<b>5,884,016</b>	<b>-</b>	<b>5,884,016</b>	<b>5,603,866</b>
<b>Expenditure on:</b>					
Charitable activities	7	6,167,438	-	6,167,438	5,361,692
<b>Total</b>		<b>6,167,438</b>	<b>-</b>	<b>6,167,438</b>	<b>5,361,692</b>
<b>Net (expenditure)/income</b>	<b>9</b>	<b>(283,422)</b>	<b>-</b>	<b>(283,422)</b>	<b>242,174</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(283,422)</b>	<b>-</b>	<b>(283,422)</b>	<b>242,174</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,335,060	-	6,335,060	6,092,886
<b>Total funds carried forward</b>		<b>6,051,638</b>	<b>-</b>	<b>6,051,638</b>	<b>6,335,060</b>

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 17 to 34 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 2023**

		Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Charitable activities	3	4,710,144	-	4,710,144	4,490,802
Trading income	4	-	-	-	87,501
Investments	5	40,119	-	40,119	2,747
Other	6	24,169	-	24,169	36,913
<b>Total</b>		<b>4,774,432</b>	<b>-</b>	<b>4,774,432</b>	<b>4,617,963</b>
<b>Expenditure on:</b>					
Charitable activities	7	4,905,876	-	4,905,876	4,180,549
<b>Total</b>		<b>4,905,876</b>	<b>-</b>	<b>4,905,876</b>	<b>4,180,549</b>
<b>Net (expenditure)/income</b>	<b>9</b>	<b>(131,444)</b>	<b>-</b>	<b>(131,444)</b>	<b>437,414</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(131,444)</b>	<b>-</b>	<b>(131,444)</b>	<b>437,414</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,443,207	-	6,443,207	6,005,793
<b>Total funds carried forward</b>		<b>6,311,763</b>	<b>-</b>	<b>6,311,763</b>	<b>6,443,207</b>

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 17 to 34 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED BALANCE SHEET****AS AT 31 JULY 2023**

		2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11	1,321,105		1,695,370	
Intangible assets	12	595,411		4,050	
			1,916,516		1,699,420
<b>Current assets</b>					
Debtors	13	547,599		478,388	
Cash at bank and in hand		4,263,748		4,842,820	
		4,811,347		5,321,208	
<b>Creditors:</b> amounts falling due within one year	15	(676,225)		(685,568)	
<b>Net current assets</b>		4,135,122		4,635,640	
<b>Total assets less current liabilities</b>		6,051,638		6,335,060	
<b>Provisions for liabilities</b>		-		-	
<b>Net assets</b>		6,051,638		6,335,060	
<b>Funds:</b>					
Unrestricted funds	17	6,051,638		6,335,060	
<b>Total funds</b>		6,051,638		6,335,060	

These accounts were approved by the members of the committee and authorised for issue on the 07/12/2023..... and are signed on their behalf by:

*Phil Wilkinson*

.....  
**Mr P C Wilkinson**  
**Trustee**

**Company Registration Number: 06799564**

The notes on pages 17 to 34 form part of these financial statements.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CHARITY BALANCE SHEET****AS AT 31 JULY 2023**

		2023	2022
		£	£
<b>Fixed assets</b>			
Tangible assets	11	1,321,105	1,695,370
Intangible assets	12	461,694	4,050
		<u>1,782,799</u>	<u>1,699,420</u>
<b>Current assets</b>			
Debtors	13	967,183	600,002
Investments	14	2	2
Cash at bank and in hand		4,220,333	4,792,955
		<u>5,187,518</u>	<u>5,392,959</u>
<b>Creditors:</b> amounts falling due within one year	15	(658,554)	(649,172)
		<u>4,528,964</u>	<u>4,743,787</u>
<b>Net current assets</b>			
		<u>6,311,763</u>	<u>6,443,207</u>
<b>Total assets less current liabilities</b>			
<b>Provisions for liabilities</b>		-	-
<b>Net assets</b>		<u>6,311,763</u>	<u>6,443,207</u>
<b>Funds:</b>			
Unrestricted funds	17	6,311,763	6,443,207
		<u>6,311,763</u>	<u>6,443,207</u>
<b>Total funds</b>			
		<u>6,311,763</u>	<u>6,443,207</u>

These accounts were approved by the members of the committee and authorised for issue on 07/12/2023 and are signed on their behalf by:

*Phil Wilkinson*

Mr P C Wilkinson  
Trustee

Company Registration Number: 06799564

The notes on pages 17 to 34 form part of these financial statements.



**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS****FOR THE YEAR END 31 JULY 2023**

	<b>Group 2023 Total £</b>	<b>Group 2022 Total £</b>	<b>Charity 2023 Total £</b>	<b>Charity 2022 Total £</b>
<b>Cash (used)/generated in operating activities</b>	<b>(77,620)</b>	426,992	<b>(202,167)</b>	584,611
<b>Cashflows from investing activities</b>				
Investment income	40,119	2,747	40,119	2,747
Purchase of tangible fixed assets	(95,324)	(213,540)	(95,324)	(213,540)
Purchase of intangible fixed assets	(446,247)	(4,050)	(315,250)	(4,050)
Receipts from sale of fixed assets	-	51,000	-	51,000
<b>Cash used in investing activities</b>	<b>(501,452)</b>	(163,843)	<b>(370,455)</b>	(163,843)
<b>(Decrease)/increase in cash and cash equivalents in the year</b>	<b>(579,072)</b>	263,149	<b>(572,622)</b>	420,768
Cash and cash equivalents brought forward	4,842,820	4,579,671	4,792,955	4,372,187
<b>Cash and cash equivalents carried forward</b>	<b>4,263,748</b>	4,842,820	<b>4,220,333</b>	4,792,955
<b>Reconciliation of net movement in funds to net cashflow from operating activities</b>				
Net movement in funds	(283,422)	242,174	(131,444)	437,414
Investment income received	(40,119)	(2,747)	(40,119)	(2,747)
Depreciation and amortisation	324,475	277,400	295,595	277,400
(Increase)/decrease in debtors	(69,211)	67,007	(335,581)	20,502
(Decrease)/Increase in creditors	(9,343)	(155,278)	9,382	(146,394)
Loss on disposal of fixed assets	-	(1,564)	-	(1,564)
<b>Net cash (used)/generated in operating activities</b>	<b>(77,620)</b>	426,992	<b>(202,167)</b>	584,611
<b>Components of cash and cash equivalents</b>				
Cash at bank and in hand	4,263,748	4,842,820	4,220,333	4,792,955
	<b>4,263,748</b>	4,842,820	<b>4,220,333</b>	4,792,955

The notes on pages 17 to 34 form part of these financial statements.

# **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2023**

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### **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. The results of the subsidiaries are consolidated on a line by line basis.

#### **Preparation of the accounts on a going concern basis**

The trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern 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.

IDLS 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.

VAL 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 2023

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### 1 Accounting policies (continued)

Government grants receivable represent income under the Kickstart Scheme which provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment. Kickstart grants are recognised 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 to 7 years
Motor vehicles	-	3 years
Property improvements	-	5 to 15 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 once brought into use as follows:

Website costs	-	3 years
Development costs	-	3 to 5 years
Intellectual property	-	3 years

#### **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 2023**

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### **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.

##### *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 2023

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#### 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 2023

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### 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**

##### **Income recognition**

As stated in the accounting policies on page 17, 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.

There have been no other 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.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****3 Income from charitable activities**

<b>Group</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Awarding qualification income	4,710,144	-	4,710,144	4,490,802
IDLs income	1,132,795	-	1,132,795	1,057,729
	<b>5,842,939</b>	<b>-</b>	<b>5,842,939</b>	<b>5,548,531</b>
<b>Charity</b>				
Awarding qualification income	4,710,144	-	4,710,144	4,490,802
	<b>4,710,144</b>	<b>-</b>	<b>4,710,144</b>	<b>4,490,802</b>

All income from charitable activities in the comparative period was unrestricted.

**4 Income from trading activities**

<b>Charity Only</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Donation from trading subsidiary	-	-	-	87,501
	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,501</b>

All income from trading activities was unrestricted in the prior year.

**5 Income from investments**

<b>Group and charity</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Bank interest receivable	40,119	-	40,119	2,747
	<b>40,119</b>	<b>-</b>	<b>40,119</b>	<b>2,747</b>

All income from investments in the comparative period was unrestricted.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 6 Other income

Group	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Grant income	958	-	958	52,588
	<b>958</b>	<b>-</b>	<b>958</b>	<b>52,588</b>
Charity	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Grant income	2,954	-	2,954	33,088
Interest on group loan	21,215	-	21,215	3,825
	<b>24,169</b>	<b>-</b>	<b>24,169</b>	<b>36,913</b>

All other income in the comparative period was unrestricted.

### 7 Expenditure on charitable activities

Group	Promotion of education and training Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Costs of generating awarding qualification income	2,681,673	-	2,681,673	2,083,840
Costs of generating IDLS income	778,792	-	778,792	667,033
Costs of generating VAL income	-	-	-	9,906
Support costs (see note 8)	2,706,973	-	2,706,973	2,600,913
	<b>6,167,438</b>	<b>-</b>	<b>6,167,438</b>	<b>5,361,692</b>
Charity	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Costs of generating awarding qualification income	2,560,487	-	2,560,487	1,969,419
Support costs (see note 8)	2,345,389	-	2,345,389	2,211,130
	<b>4,905,876</b>	<b>-</b>	<b>4,905,876</b>	<b>4,180,549</b>



**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****7 Expenditure on charitable activities (continued)**

All expenditure on charitable activities in the comparative period was unrestricted for both Group and Charity.

**8 Support costs**

<b>Group</b>	<b>Charitable activities £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Wages and salaries	1,050,812	<b>1,050,812</b>	1,034,900
Rent	301,481	<b>301,481</b>	298,230
Rates and water	23,134	<b>23,134</b>	(13,537)
Light and heat	34,874	<b>34,874</b>	54,145
Repairs and maintenance	91,406	<b>91,406</b>	99,297
Insurance	40,522	<b>40,522</b>	34,669
Health and safety	4,861	<b>4,861</b>	8,526
Consultancy fees	67,985	<b>67,985</b>	40,232
Telephone	9,338	<b>9,338</b>	11,344
Advertising	290	<b>290</b>	30
Printing, postage and stationary	5,153	<b>5,153</b>	7,977
Depreciation	235,550	<b>235,550</b>	273,537
Amortisation	61,375	<b>61,375</b>	3,863
Information Technology	445,356	<b>445,356</b>	493,912
Conference costs	46,901	<b>46,901</b>	22,584
Sundry expenses	153,584	<b>153,584</b>	107,169
Bank charges	5,121	<b>5,121</b>	5,112
Bad debts	51,864	<b>51,864</b>	7,226
Profit on disposal of fixed assets	-	-	(1,564)
Profit on foreign exchange	12	<b>12</b>	(357)
Accountancy fees	14,128	<b>14,128</b>	21,133
Audit Fees	18,450	<b>18,450</b>	15,225
Legal fees	44,015	<b>44,015</b>	60,105
Professional subscriptions	761	<b>761</b>	4,467
Research and development costs	-	-	12,688
<b>Total support costs for group</b>	<b>2,706,973</b>	<b>2,706,973</b>	<b>2,600,913</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 8 Support costs (continued)

Charity	Charitable activities £	Total 2023 £	Total 2022 £
Wages and salaries	854,570	854,570	844,854
Rent	301,481	301,481	298,230
Rates and water	23,134	23,134	(13,537)
Light and heat	34,874	34,874	54,145
Repairs and maintenance	91,405	91,405	99,297
Insurance	40,271	40,271	34,482
Health and safety	4,861	4,861	8,526
Consultancy fees	67,985	67,985	40,232
Telephone	9,338	9,338	11,344
Printing, postage and stationary	5,153	5,153	7,977
Depreciation	235,550	235,550	273,537
Amortisation	60,045	60,045	3,863
Information Technology	380,482	380,482	381,171
Conference costs	46,901	46,901	22,584
Sundry expenses	88,385	88,385	45,900
Bank charges	2,733	2,733	2,329
Bad debts	41,157	41,157	7,816
Loss on disposal of fixed assets	-	-	(1,564)
Accountancy fees	9,756	9,756	16,845
Audit Fees	12,500	12,500	9,625
Legal fees	34,808	34,808	47,255
Intercompany loan waived	-	-	16,219
<b>Total support costs for charity</b>	<b>2,345,389</b>	<b>2,345,389</b>	<b>2,211,130</b>

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023**

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**9 Net income for the year**

	2023 £	2022 £
<b>Net income is stated after charging:</b>		
<b>Group</b>		
Staff pension contributions	160,563	126,125
Auditors' remuneration		
- audit of the financial statements	18,450	15,225
Depreciation of tangible assets		
- owned by the group	235,550	273,537
Amortisation of intangible assets		
- owned by the group	61,375	3,863
<b>Charity</b>		
Staff pension contributions	127,037	96,438
Auditors' remuneration		
- audit of the financial statements	12,500	9,625
Depreciation of tangible assets		
- owned by the charity	235,550	273,537
Amortisation of intangible assets		
- owned by the charity	60,045	3,863

**10 Staff costs and emoluments**

<b>Total staff costs were as follows:</b>	2023 £	2022 £
<b>Group</b>		
Wages and salaries	3,394,052	2,852,263
Social security costs	333,450	260,185
Pension costs	160,563	126,125
<b>Total group staff costs</b>	<b>3,888,065</b>	<b>3,238,573</b>
<b>Charity</b>		
Wages and salaries	2,666,741	2,215,770
Social security costs	264,588	194,977
Pension costs	127,037	96,438
<b>Total charity staff costs</b>	<b>3,058,366</b>	<b>2,507,185</b>

## ASCENTIS (COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

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#### 10 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:

	2023 No	2022 No
Executive	3	3
Charitable	82	84
Support	23	19
IDLS	16	17
VAL	1	1
	<u>125</u>	<u>124</u>

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

	2023 No	2022 No
£60,000 - £69,999	-	1
£80,000 - £89,999	1	1
£90,000 - £99,999	1	-
£110,000-119,999	-	1
£120,000-129,999	<u>1</u>	<u>-</u>

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

	2023 No	2022 No
Accrued benefits under defined contribution pension schemes	<u>3</u>	<u>3</u>

Total employer contributions in the year for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £19,444 (2022: £31,492).

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 11 Tangible fixed assets

Group and charity	Leasehold Property £	Fixtures & Fittings £	Equipment £	Motor Vehicles £	Totals £
<b>Cost</b>					
At 1 August 2022	890,791	535,627	579,092	98,000	2,103,510
Additions	35,466	-	59,858	-	95,324
Disposals	-	-	(40,529)	-	(40,529)
Transfer	-	-	(338,757)	-	(338,757)
<b>At 31 July 2023</b>	<b>926,257</b>	<b>535,627</b>	<b>259,664</b>	<b>98,000</b>	<b>1,819,548</b>
<b>Depreciation</b>					
At 1 August 2022	94,337	95,609	216,155	2,039	408,140
Charge for the year	74,129	76,660	72,521	12,240	235,550
Eliminated on disposals	-	-	(40,529)	-	(40,529)
Transfer	-	-	(104,718)	-	(104,718)
<b>At 31 July 2023</b>	<b>168,466</b>	<b>172,269</b>	<b>143,429</b>	<b>14,279</b>	<b>498,443</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>757,791</b>	<b>363,358</b>	<b>116,235</b>	<b>83,721</b>	<b>1,321,105</b>
At 31 July 2022	796,454	440,018	362,937	95,961	1,695,370

### 12 Intangible assets

Group	Software costs	Develop- ment costs £	Intellectual property £	Other intangible assets £	Totals £
<b>Cost</b>					
At 1 August 2022	-	-	-	43,310	43,310
Additions	129,282	163,056	136,800	17,109	446,247
Disposals	-	-	-	-	-
Transfer	309,788	-	-	-	309,788
<b>At 31 July 2023</b>	<b>439,070</b>	<b>163,056</b>	<b>136,800</b>	<b>60,419</b>	<b>799,345</b>
<b>Amortisation</b>					
At 1 August 2022	-	-	-	39,260	39,260
Charge for the year	60,045	-	-	1,330	61,375
Eliminated on disposal	-	-	-	-	-
Transfer	103,299	-	-	-	103,299
<b>At 31 July 2023</b>	<b>163,344</b>	<b>-</b>	<b>-</b>	<b>40,590</b>	<b>203,934</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>275,726</b>	<b>163,056</b>	<b>136,800</b>	<b>19,829</b>	<b>595,411</b>
At 31 July 2022	-	-	-	4,050	4,050

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 12 Intangible assets (continued)

Charity	Software costs	Development costs	Intellectual property	Other intangible assets	Totals
	£	£	£	£	£
<b>Cost</b>					
At 1 August 2022	-	-	-	43,310	43,310
Additions	129,282	49,168	136,800	-	315,250
Disposals	(28,969)	-	-	(23,440)	(52,409)
Transfer	338,757	-	-	-	338,757
<b>At 31 July 2023</b>	<b>439,070</b>	<b>49,168</b>	<b>136,800</b>	<b>19,870</b>	<b>644,908</b>
<b>Amortisation</b>					
At 1 August 2022	-	-	-	39,260	39,260
Charge for the year	60,045	-	-	-	60,045
Eliminated on disposal	(1,419)	-	-	(19,390)	(20,809)
Transfer	104,718	-	-	-	104,718
<b>At 31 July 2023</b>	<b>163,344</b>	<b>-</b>	<b>-</b>	<b>19,870</b>	<b>183,214</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>275,726</b>	<b>49,168</b>	<b>136,800</b>	<b>-</b>	<b>461,694</b>
At 31 July 2022	-	-	-	4,050	4,050

During the year software previously included as tangible assets were transferred to intangible assets as demonstrated in notes 11 and 12. This is a reclassification between tangible assets and intangible assets and has no overall impact on the balance sheet.

**ASCENTIS (COMPANY LIMITED BY GUARANTEE)****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****13 Debtors**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Charity 2023 £</b>	<b>Charity 2022 £</b>
Trade debtors	<b>233,967</b>	255,900	<b>172,031</b>	181,541
Amounts owed by group undertakings	-	-	<b>503,294</b>	215,324
Prepayments and accrued income	<b>313,125</b>	221,008	<b>291,351</b>	201,657
Other debtors	<b>507</b>	1,480	<b>507</b>	1,480
	<b>547,599</b>	478,388	<b>967,183</b>	600,002

**14 Investments**

<b>Charity</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Investments in subsidiary undertakings</b>		
Cost brought forward	<b>2</b>	2
<b>Total investments carried forward</b>	<b>2</b>	2

Included in investments is £1 representing the entire of the issued share capital of International Dyslexia Learning Solutions Limited and Virtual Academy Limited. Both companies are incorporated in England and Wales.

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 15 Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	77,061	133,414	77,051	123,354
Other taxation and social security	122,327	93,476	122,327	93,476
Other creditors	36,477	27,879	30,675	15,038
Accruals and deferred income	440,360	430,799	428,501	417,304
	<b>676,225</b>	<b>685,568</b>	<b>658,554</b>	<b>649,172</b>

Deferred income	2023 £	2022 £
Balance brought forward	242,700	224,940
Release of deferred income	(242,700)	(224,940)
Income deferred to 2023-24	207,225	242,700
	<b>207,225</b>	<b>242,700</b>

### 16 Commitments under operating leases

Group	2023 Land and Buildings £	2023 Other items £	2022 Land and Buildings £	2022 Other items £
Within 1 year	262,500	33,711	262,500	46,413
Within 2 to 5 years	1,312,500	5,793	1,312,500	24,646
After more than 5 years	1,706,250	-	1,968,750	-
	<b>3,281,250</b>	<b>39,504</b>	<b>3,543,750</b>	<b>71,059</b>

Charity only	2023 Land and Buildings £	2023 Other items £	2022 Land and Buildings £	2022 Other items £
Within 1 year	262,500	33,711	262,500	44,653
Within 2 to 5 years	1,312,500	5,793	1,312,500	24,646
After more than 5 years	1,706,250	-	1,968,750	-
	<b>3,281,250</b>	<b>39,504</b>	<b>3,543,750</b>	<b>69,299</b>



# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2023

#### 17 Unrestricted income funds: current year

	At 1 August 2022 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2023 £
<b>Group</b>					
Designated Funds	184,846	-	-	27,493	212,339
General Funds	6,150,214	5,884,016	(6,167,438)	(27,493)	5,839,299
<b>Unrestricted funds</b>	<b>6,335,060</b>	<b>5,884,016</b>	<b>(6,167,438)</b>	<b>-</b>	<b>6,051,638</b>
<b>Charity</b>					
Designated Funds	184,846	-	-	27,493	212,339
General Funds	6,258,361	4,774,432	(4,905,876)	(27,493)	6,099,424
<b>Unrestricted funds</b>	<b>6,443,207</b>	<b>4,774,432</b>	<b>(4,905,876)</b>	<b>-</b>	<b>6,311,763</b>

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 £212,339 represents the maximum estimated potential liability, which will be recalculated annually, and the amount of the designated fund adjusted accordingly.

#### 18 Unrestricted income funds: prior year

	At 1 August 2021 £	Income £	Expenditure £	Transfers/ revaluations £	At 31 July 2022 £
<b>Group</b>					
Designated Funds	122,470	-	-	62,376	184,846
General Funds	5,970,416	5,603,866	(5,361,692)	(62,376)	6,150,214
<b>Unrestricted funds</b>	<b>6,092,886</b>	<b>5,603,866</b>	<b>(5,361,692)</b>	<b>-</b>	<b>6,335,060</b>
<b>Charity</b>					
Designated Funds	122,470	-	-	62,376	184,846
General Funds	5,883,323	4,617,963	(4,180,549)	(62,376)	6,258,361
<b>Unrestricted funds</b>	<b>6,005,793</b>	<b>4,617,963</b>	<b>(4,180,549)</b>	<b>-</b>	<b>6,443,207</b>

# ASCENTIS (COMPANY LIMITED BY GUARANTEE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

### 19 Analysis of net assets between funds: current year

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	212,339	-	212,339
General Funds	1,916,516	3,922,783	-	5,839,299
<b>Total funds</b>	<b>1,916,516</b>	<b>4,135,122</b>	<b>-</b>	<b>6,051,638</b>

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	212,339	-	212,339
General Funds	1,782,799	4,316,625	-	6,099,424
<b>Total funds</b>	<b>1,782,799</b>	<b>4,528,964</b>	<b>-</b>	<b>6,311,763</b>

### 20 Analysis of net assets between funds: prior year

Group	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	184,846	-	184,846
General Funds	1,699,420	4,450,794	-	6,150,214
<b>Total funds</b>	<b>1,699,420</b>	<b>4,635,640</b>	<b>-</b>	<b>6,335,060</b>

Charity	Intangible & tangible fixed assets £	Net current assets £	Long term liabilities £	Total £
<b>Unrestricted income funds:</b>				
Designated Funds	-	184,846	-	184,846
General Funds	1,699,420	4,558,941	-	6,258,361
<b>Total funds</b>	<b>1,699,420</b>	<b>4,743,787</b>	<b>-</b>	<b>6,443,207</b>

## **ASCENTIS (COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2023**

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#### **21 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 £143,332 (2022: £129,363), including pension contributions of £17,757 (2022: £16,039), for their role as CEO.

During the year, 2 trustees were reimbursed £382 (2022: 3 trustees reimbursed £273) for expenses incurred.

Key management personnel of the company received total remuneration of £377,355 (2022: £329,299) for the financial period.

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

#### **22 Company limited by guarantee**

Every member guarantees, in the event of the charitable 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 charitable company while the contributor was a member.