

Charity Registration No. 1130461

Company Registration No. 06774578 (England and Wales)

CRESCENT PURCHASING LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

Haines Watts
Chartered Accountants
Bridge House
157 Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

CRESCENT PURCHASING LIMITED

CONTENSE

	Page
Legal and administrative information	1
Trustees' report	2 – 8
Independent auditor's report	9– 10
Consolidated statement of financial activities	11
Consolidated balance sheet	12 – 13
Consolidated statement of cash flows	14
Notes to the financial statements	15 – 34

CRESCENT PURCHASING LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

CONSTITUTION

Crescent Purchasing Ltd (CPL) is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. CPL trades as Crescent Purchasing Consortium (CPC). The registered charity number is 1130461 and the company number is 06774578.

DIRECTORS AND TRUSTEES

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year were as follows:

Nominated Chair

D N Pullein, Vice Principal – Finance and Resources, Leeds College of Building

Trustees and Directors

J C Bentley, Executive Director of Finance and Estates, Hopwood Hall College

F Bensihem, Finance and Procurement Officer, College of West Anglia (from 11/11/20)

P Brewer, Manager Director, CPL (resigned on 31/07/21)

N Cassidy, Procurement Manager, Cambridge Regional College (Chair of Purchasing Advisory Group)

A Comyn, Deputy Chief Executive & Chief Financial Officer, Nottingham College

J Howard, Director of Estates, Wakefield College

L Jenkins, Deputy Principal Finance and Resources, North Kent College

P Kane, Deputy Head of Estate, Belfast Metropolitan College (co-opted with voting rights)

R Kilcoyne, Head of Procurement, Leeds City College (resigned 31/12/20)

D Lowe, Managing Director, CPL (from 01/04/21)

D N Pullein, Vice Principal – Finance and Resources, Leeds College of Building

Registered Office

Procurement House, Unit 23-25 Leslie Hough Way, Salford M6 6AJ.

Auditors

Haines Watts, Bridge House, Ashley Road, Hale, Altrincham WA14 2UT.

Bankers

NatWest, Leeds City Office, 8 Park Row, Leeds LS1 5HD.

Website

www.thecpc.ac.uk

<https://cpl.group>

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their report together with the consolidated financial statements for the charity and its subsidiaries for the year ended 31 July 2021 which are also prepared to meet the requirements for a directors' report for Companies House purposes.

The legal and administrative information set out on page 1 forms part of this report. 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 in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Vision and Mission

The vision of the charity is to be the procurement services partner of choice for the education sector and through its work, help the sector to enhance teaching and learning. The mission of the charity is to provide outstanding procurement services to members and clients.

Report of the Trustees

Crescent Purchasing Limited (CPL) was established in 1999 as Crescent Further Education Limited by the University of Salford to facilitate collaborative purchasing in the Further Education sector.

CPL was established as a charity in November 2009 following a buy out from the University of Salford, to enable the Further Education sector to operate and develop CPL and to promote professional purchasing. CPL works to this end in collaboration with the Department for Education and Higher Education and University Purchasing Consortia. CPL also works in partnership with TUCO, a specialist consortium for catering supplies and with Dukefield Procurement Group on joint frameworks.

CPL purchased Tenet Education Services (Tenet) and its wholly owned subsidiary Tenet Procurement Services (TPS) in 2017 and are collectively known as CPL Group.

The Board of Trustees consists of nominated representatives of member colleges incorporating, four Directors of Finance, the Chair of the Purchasing Advisory Group (PAG) plus one nominated officer from PAG, two Heads of Estates and the Managing Director. Board membership movements for the year are listed below:

Appointments

F Bensihem Finance and Procurement Officer, College of West Anglia (from 11/11/20)

D Lowe, Managing Director, CPL (from 01/04/21)

Resignations

P Brewer, Manager Director, CPL (resigned on 31/07/21)

R Kilcoyne, Head of Procurement, Leeds City College (resigned 31/12/20)

The board meets three times a year to determine policy and to monitor progress. Day to day administration of CPL is delegated to the Managing Director and his staff. The Group leadership team is made up of seven senior managers, four from CPL and three from Tenet plus the Managing Director.

On 31 July 2021 CPL had 8,181 members, an increase in the year of 865. 170 members have confirmed their status as "owner members" of the charitable company, limited by guarantee. Membership consists primarily of English colleges, schools, academies and academy trusts and there are also institutions from Scotland, Northern Ireland and Wales.

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Charitable objectives

The charity's objects are to promote the efficiency and effectiveness of charities and the effective use of charitable resources for the benefit of the public by:

1. Providing services for further education, higher education, schools and other educational institutional bodies to promote good practice and enhance and improve their procurement activities

The CPL frameworks continue to provide excellent Value for Money for all members supported by a free helpdesk facility and personal technical support from the field based Regional Procurement Advisor team.

This is supported by outstanding procurement placement service (which in the year recorded £8.3M of savings over contract terms for 37 customers) and on-demand tendering services provided by Tenet.

The Trustees are committed to ensuring that any excess surpluses are reinvested into the education sector. Since 2019 £1 Million has been identified as Designated Funds for the purpose of reinvestment. £343,262 had been expended prior to the financial year with a further £68,133 spent during 20/21.

Re-Investment into the education sector takes the form of several projects with the grant funding to sponsor student events/activities generating particular interest within the sector. The first round of grant funding during 2019/20 saw £259k awarded to 33 institutions. The national lockdowns during the past 18 months have meant that no further funding was possible though, with the easing of restrictions, a second funding "window" was opened in May 2021. The result of the second round was £301k awarded to 71 institutions which will be payable in the first quarter of the new financial year.

The criteria for grant funding is deliberately wide in scope though the majority of applications this year fell into three main themes:

- ICT Hardware for disadvantaged learners.
- Student wellbeing programmes.
- Innovative learning technology, namely around virtual reality.

The Trustees and CPL Group staff are proud of the contribution they can make to these causes.

The Trustees each work in educational institutions which are members of CPL and therefore benefit from its services. Their institutions are therefore eligible for grant funding. It is stated in the related party transactions that no trustees sit on the evaluation panel which reviews and approves funding applications and any grant funding paid will be identified and listed in the financial statements.

Another popular project is the subsidised fees for Tenet on-demand services. This is aimed at those institutions that may not normally access such a service. To date 57 institutions have taken advantage of this service.

2. Advancing education and research in procurement provided that all the useful results of such research are published

Crescent Learning is the banner under which the charity fulfils its charitable objectives in relation to education and research activities.

The charity continues to fulfil its commitment to advancing education through the funding of free procurement courses with 3rd party providers for member staff. During the year 38 courses were funded covering subjects such as Writing a tender specification, Ethical procurement and supply, and Developing and managing contracts.

293 members have taken or are in the process of completing a free e-learning course comprising 5 modules, produced inhouse and covering the basics of procurement within an educational institution. This course is CPD accredited and has received excellent reviews from participants.

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Further e-learning courses are in planning and will be launched in due course. Each course is aimed at advancing the education of the learner.

CPL Group continue to provide full administrative and technical support to regional and national Procurement Advisory Groups (PAG) and are making significant progress in setting up and supporting similar groups specifically for Heads of Estates within educational institutions.

These groups provide an excellent forum for members to advance their education through the transfer of knowledge with peers from other educational establishments and provide feedback on new frameworks and procurement developments whilst enabling productive feedback on current services.

CPL Group have continued to develop the FELP (Further Education Library of Procurement) which is a free to access online learning resource portal for all members. The research undertaken by CPL Group is published via the library in a variety of different templates and advice/guidance documents. To compliment the library, all of the CPL framework agreements have a comprehensive user-guide with embedded templates and guidance documents to help the member utilise a framework with ease.

Financial and business review

Group income for the year ended 31 July 2021 was £3,945,508 (2020: £3,446,600). The year-end surplus before pension costs was £63,769 (2020: £324,811 loss).

In respect of the year ended 31 July 2021 a gift aid payment of £267,015 (2020: £180,000) was received from Tenet Education Services and £7,316 (2020: £11,731) from Tenet Procurement Services.

The charity participates in the West Yorkshire Pension Fund (WYPF) with Tenet staff participating in the NEST pension scheme.

The WYPF pension scheme liability is £2,192,000 (2020: £2,425,000) a reduction of £233k. The most recent formal actuarial valuation of the scheme was undertaken in 2019. The Trustees have committed additional year on year employer contributions over the next 5 years.

Income from marketing premiums from framework usage has increased by £283k during the year despite continual restrictions and a further national lockdown. Frameworks which did not perform well due to lack of student numbers in schools and colleges were compensated by frameworks such as ICT Hardware and peripherals brought about by an increase in home-schooling.

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

17 frameworks are currently signposted by the Department for Education (DfE).

Tenet income from procurement placements increased by £158k during the year while the on-demand tendering service increased its income by £107k.

CPL Group has managed to maintain, if not improve upon a high level of service across all business areas during a challenging 18 months. During the year the Group moved to a permanent agile working policy which allows staff to choose their place of work within any customer contractual boundaries. This has had a positive effect on both productivity and staff wellbeing. The company head office in Salford remains partially occupied and is predominately used as a hub for collaborative working with teams across the Group.

CPL Group was very pleased to achieve "Great Place to Work" accreditation and "Top 100 Great Place to Work for Women" in May 2021 and have been advised to seek similar accreditation in relation to wellbeing.

The year ended with the retirement of Peter Brewer on 31 July 2021. Peter had been the Managing Director of CPL since its conception. Peter has been replaced by Darren Lowe, previously the Managing Director of Tenet, who covers both positions. This is made possible by the strengthening of the senior management team within Tenet.

Coronavirus

The national lockdown of 2019/20 had a direct impact on income with a reduction in framework usage and the Tenet on-demand tendering service. The Group has sufficient reserves and cash to withstand events such as these though a more cautious business plan was put in place for 2020/21. This proved prudent with further lockdowns and restrictions throughout the year.

Thresholds have been put in place to ensure that should forecasted income levels drop again, appropriate responses are triggered to ensure business continuity.

The reserves policy is reviewed annually as part of the budget setting process. The policy is based on retaining enough reserves to cover six months operational activity in addition to pension liability, committed projects and designated reserves. Excess reserves are reinvested into the education sector in fulfilment of charitable objectives.

The Trustees have decided that in the ever more likely event that a similar global pandemic could happen, then more reserves would be needed to ensure that the Group can continue to provide its services whilst maintaining as many jobs as possible to enable a base for the subsequent recovery.

The policy has therefore been amended to move toward having 12-months of operational cover from 2022/23 onwards. This will be brought in gradually with cover being set at nine-months for 2021/22.

Looking ahead

CPL Group intends to continue its growth over the coming years. A new vision and 5-year strategy will be developed during the year that will detail how the business will achieve its aim of being the procurement services partner of choice for the education sector.

Within the strategy will be a new Social Value strategy detailing how the Group will achieve financial, economic, environmental, and social and human sustainability. This will include an aim to achieve ISO 14001 accreditation within 3 years and go beyond net carbon emissions (carbon offsetting).

Further and sustained investment in staff wellbeing is a priority, with the majority of the workforce working remotely.

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Post balance sheet events

There have been no events since the year-end that have had a significant effect on the Charity's financial position.

Equality diversity and inclusion

The Charity has, and continually reappraises, a full and comprehensive policy of diversity inclusion and equal opportunities.

Health and safety

The Trustees are aware of their responsibilities on all matters relating to health and safety. The charity has prepared detailed health and safety policies and provides staff training and education on health and safety matters. Further details are provided in this report under Risk Management and Compliance checks.

Internal controls assurance

The Trustees are responsible for ensuring that its business is conducted in accordance with the law and proper standards, that the Charity's assets and money are safeguarded and properly accounted for, and that they are being used economically, efficiently and effectively.

A wide range of internal control mechanisms are in place and being operated to help the company meet its strategic objectives, to operate within the law, to make effective use of the Charity's money and to report activities accurately. These bring together information from all significant parts of the business and provide assurance to the Trustees that an effective system of internal controls is in place. The most significant sources are through:

- The external auditors.
- Financial and non-financial performance monitoring and management.
- Appropriate communications structures.
- Effective strategies, policies and procedures: and
- External stakeholders, including the Charity Commission and accreditation bodies.

The main forms of assurance are:

Operational controls

- Effective recruitment and selection processes are in place to ensure suitable people are employed (including the completion of Disclosure and Barring Service checks for staff working in educational institutions) with senior managers responsible for ensuring that standards of conduct and behaviour are maintained to the highest levels.
- Annual appraisals (based around the Charity's vision and values) and half year interim reviews, with regular team and one to one meetings undertaken to maintain high standards of performance, and HR processes are in place to address any gaps or failings.
- Formal policies and procedures are in place for both financial and operational activities. These include (but are not exclusive to) Financial Regulations, IT and Communications Access Policy, Group Conduct, Data Protection Policy, Health and Safety Policy and Treasury Management Policy.
- Appropriate separations of duties are in place across key operational functions e.g. purchase order process to mitigate risks around fraud.
- Role based access controls are in place to ensure that staff only have access to systems and data that is pertinent to their requirements.
- Financial forecasts and budgets are in place which allow the leadership team to monitor spend in terms of achieving budgets in the short, medium and long term.

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Risk management and compliance checks

Significant work has been undertaken during 2020/21 to update and improve the CPL Group risk register. Risks are collated under four main headings:

- Financial, assets, premises, H&S and charitable status.
- Suppliers, partners, competition, frameworks and all Group procurement services.
- Group operational, legal and regulatory matters.
- Membership, customers, reputational issues and the marketplace.

The risk register is reported to every Board meeting, supplemented by detailed reviews throughout the year by the Group Leadership Team. The risk appetite is reviewed during this process.

A range of surveys are undertaken of customer satisfaction and employee satisfaction, including detailed analysis of the results with actions taken to address areas of concern.

There is appropriate independent oversight of compliance within specific areas of the business such as Health & Safety and Data Protection.

- CPL Group recently maintained its green light rating in its annual Health & Safety inspection with particular attention brought to its processes in relation to Covid-19. A Health and Safety Executive (HSE) spot check in March 2021 on the company's covid-19 control measures in specific relation to Tenet staff achieved recognition for going "above and beyond".
- CPL Group were awarded "Great Place to Work" accreditation and "Top 100 Great Place to Work for Women" in May 2021 and have been advised to seek similar accreditation in relation to wellbeing.
- CPL Group achieved Cyber Essentials Plus accreditation in July 2021.

Internal controls assurance conclusion

The Trustees can take assurance that the CPL Group is reacting appropriately to the challenges it is facing and has acted proactively to identify, investigate and communicate issues and management actions in an accessible, transparent manner.

The Trustees can confirm that the CPL Group has suitable internal controls for maintaining adequate accounting records, for safeguarding the assets of the charity, and for taking reasonable steps to prevent and detect fraud and other irregularities. They also confirm that no weaknesses have been identified from the external audit which would have resulted in material misstatement or loss and which would have required disclosure in the financial statements.

Annual general meeting

The annual general meeting will be held on 16 November 2021. The event will be online via Microsoft Teams.

External auditors

Haines Watts were reappointed at the 2020 AGM for a three-year period.

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Statement of the responsibilities of the Board of Trustees in relation to the Financial Statements

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. 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 estimates that are reasonable and prudent.
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.


The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In so far as each Trustee is aware:

- There is no relevant audit information of which the Charity's auditors are unaware; and
- The Board of Trustees have taken all steps that it ought to have taken to make itself aware of any audit information and to establish that the auditors are aware of that information.

This report of the Trustees was approved by the Board on 16 November 2021 and signed on its behalf by:


.....
D N Pulléin,
Chair of Trustees

CRESCENT PURCHASING LIMITED

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 JULY 2021

Opinion

We have audited the financial statements of Crescent Purchasing Limited (the 'charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, supplier and wider economy.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CRESCENT PURCHASING LIMITED
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF CRESCENT PURCHASING LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Auditor report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of Auditor responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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

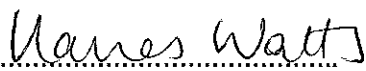
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

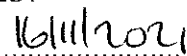
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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


.....
Candice Beynon FCCA (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants
Statutory Auditor

Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Date:..... 

CRESCENT PURCHASING LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

		Group	Group	Charity	Charity
		2021	2020	2021	2020
	Notes	£	£	£	£
Income from:					
Donations and legacies		-	-	274,331	191,731
Charitable activities	3	3,928,717	3,394,186	2,237,533	1,892,982
Investments	4	9,077	15,658	6,204	12,186
Other income	5	7,714	36,756	4,375	25,267
Total income		<u>3,945,508</u>	<u>3,446,600</u>	<u>2,522,443</u>	<u>2,122,166</u>
Expenditure on:					
Charitable activities	6	<u>3,881,739</u>	<u>3,771,411</u>	<u>2,329,316</u>	<u>2,330,439</u>
Net income for the year/ Net incoming resources		63,769	(324,811)	193,127	(208,273)
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes		<u>695,000</u>	<u>(1,497,000)</u>	<u>695,000</u>	<u>(1,497,000)</u>
Net movement in funds		<u>758,769</u>	<u>(1,821,811)</u>	<u>888,127</u>	<u>(1,705,273)</u>
Fund balances at 1 August 2020		<u>1,765,838</u>	<u>3,587,649</u>	<u>2,267,458</u>	<u>3,972,731</u>
Fund balances at 31 July 2021		<u>2,524,607</u>	<u>1,765,838</u>	<u>3,155,585</u>	<u>2,267,458</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

CRESCENT PURCHASING LIMITED

CONSOLIDATED BALANCE SHEET

AS AT 31 JULY 2021

		Group 2021	Group 2020	Charity 2021	Charity 2020
	Notes	£	£	£	£
Fixed assets					
Goodwill	13	365,000	490,000	-	-
Intangible assets	13a	72,810	78,003	72,810	78,003
Tangible assets	14	63,144	85,563	54,426	75,010
Investments	15	-	-	1,377,962	1,377,962
		<u>500,954</u>	<u>653,566</u>	<u>1,505,198</u>	<u>1,530,975</u>
Current assets					
Debtors	17	1,046,102	851,569	755,231	613,103
Cash at bank and in hand		3,836,276	3,352,873	3,542,394	2,939,759
		<u>4,882,378</u>	<u>4,204,442</u>	<u>4,297,625</u>	<u>3,552,862</u>
Creditors: amounts falling due within one year	18	(666,726)	(667,170)	(455,238)	(391,379)
Net current assets		<u>4,215,052</u>	<u>3,537,272</u>	<u>3,842,387</u>	<u>3,161,483</u>
Net assets excluding pension liability		4,716,606	4,190,838	5,347,585	4,692,458
Provisions for liabilities	19	(2,192,000)	(2,425,000)	(2,192,000)	(2,425,000)
Net assets		<u>2,524,607</u>	<u>1,765,838</u>	<u>3,155,585</u>	<u>2,267,458</u>
Income funds					
Unrestricted funds - designated	21	599,476	656,738	599,476	656,738
Unrestricted funds - general		4,117,131	3,534,100	4,748,109	4,035,720
Unrestricted funds - pension		(2,192,000)	(2,425,000)	(2,192,000)	(2,425,000)
		<u>2,524,607</u>	<u>1,765,838</u>	<u>3,155,585</u>	<u>2,267,458</u>

CRESCENT PURCHASING LIMITED

CONSOLIDATED BALANCE SHEET (CONTINUED)

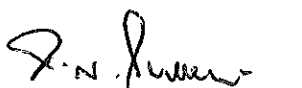
AS AT 31 JULY 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 16 November 2021



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D N Pulein

Chair of Trustees

Company Registration No. 06774578

CRESCENT PURCHASING LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	26		493,706		460,022
Investing activities					
Purchase of tangible fixed assets		(20,827)		(105,415)	
Sale of fixed assets		1,447		-	
Interest received		9,077		15,658	
Net cash used in investing activities			(10,303)		(89,757)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			483,403		370,265
Cash and cash equivalents at beginning of year			3,352,873		2,982,608
Cash and cash equivalents at end of year			<u>3,836,276</u>		<u>3,352,873</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

Crescent Purchasing Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Procurement House, Lesley Hough Way, Salford, M6 6AJ.

The Crescent Group consists of Crescent Purchasing Limited, Tenet Education Services Limited and Tenet Procurement Services Limited.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The charity is a qualifying entity for the purposes of FRS102 and the Charity SORP, being a member of a group where the parent of that group prepares publicly available consolidated financial statements which are intended to give a true and fair view (of the assets, liabilities, financial position and profit or loss) and that member is included in the consolidation. The charity has therefore taken the advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements;

- Section 7 "Statement of Cash Flows" - Presentation of a statement of cash flow and related notes disclosures
- Section 33 "Related Party Disclosures" - Compensation for key management personnel.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

1.5 Resources expended

Expenditure is included within the Statement of Financial Activities on an accruals basis. Irrecoverable VAT has been charged as a cost against the activity in which the expenditure was incurred. All expenditure is solely for the purpose of achieving the charities objectives and has been disclosed within those cost categories.

Governance costs are recognised when, and to the extent that, the charity can identify activities in which are associated with the general running of the charity, as opposed to being directly associated with its charitable activities.

Support costs are recognised when the charity can identify centralised services that benefit all areas of the charity's operations.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill shall be considered to have a finite useful life, and shall be amortised on a systematic basis over its life.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Customer relationships	Over 8 years
Brand	Over 8 years

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their expected useful lives on the following bases:

Leasehold improvements	Over the life of the lease
Plant and equipment	Between 3 and 6 years
Fixtures and fittings	Over 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.9 Impairment of fixed assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.10 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/(expenditure) for the year.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 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 the 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 set off 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.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments 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 operations 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.

Derecognition of financial liabilities

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

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Re-measurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

1.15 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in the previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Crescent Purchasing Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 July 2021. Where appropriate, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Tenet Education Services Limited and Tenet Procurement Services have been included in the group financial statements using the purchase method of accounting. Accordingly, the group statement of financial activities and statement of cash flows include the results and cash flows of Tenet Education Services Limited and Tenet Procurement Services Limited.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount 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.

During the current or preceding financial statements, no critical judgements or estimates were used in the preparation of these financial statements.

3 Charitable activities

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Marketing premiums	2,058,857	1,775,807	2,055,067	1,775,807
Services rendered	1,864,370	1,599,841	-	-
Other income	5,490	18,538	182,466	117,175
	<u>3,928,717</u>	<u>3,394,186</u>	<u>2,237,533</u>	<u>1,892,982</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

4 Investments	2021	2020
	£	£
Interest receivable	9,077	15,658

All of the Group's investment income of £9,077 (2020: £15,658) arises in Crescent Purchasing Limited from money held in interest bearing deposit accounts.

5 Other Income	2021	2020
	£	£
Coronavirus job retention scheme	7,714	36,756

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

6 Charitable activities

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Staff costs	2,697,114	2,324,940	1,253,009	1,044,654
Occupancy costs	69,676	68,783	69,676	68,783
Telephone	24,856	23,443	16,036	15,976
Postage and stationery	5,234	5,965	3,221	4,305
Insurance	38,225	34,115	38,225	24,121
Legal costs	314	6,380	314	2,120
Travel costs	11,954	72,192	499	18,587
Recruitment and training	47,912	30,767	37,637	16,309
Marketing and advertising	32,109	50,343	24,165	15,837
Crescent learning	4,165	20,943	4,165	20,943
Procurement partner and member shared income	10,529	12,275	103,351	168,408
Consultancy fees	11,581	34,140	6,391	4,600
Provision for bad debts	(25,616)	23,410	(25,616)	25,574
Bank charges	2,971	2,486	1,839	1,351
Other expenditure	18,818	23,405	16,363	12,718
ICT costs	43,127	36,567	32,253	22,263
	<u>2,992,969</u>	<u>2,770,154</u>	<u>1,581,528</u>	<u>1,466,549</u>
Grant Funding Activities (see note 7)	68,133	325,477	68,133	325,477
Share of support costs (see note 8)	797,840	653,781	664,552	522,934
Share of governance costs (see note 8)	22,797	21,999	15,103	15,479
	<u>3,881,739</u>	<u>3,771,411</u>	<u>2,329,316</u>	<u>2,330,439</u>
Analysis by fund				
Unrestricted funds – general	3,813,606	3,445,933	2,261,183	2,004,962
Unrestricted funds - designated	68,133	325,477	68,133	325,477
	<u>3,881,739</u>	<u>3,771,411</u>	<u>2,329,316</u>	<u>2,330,439</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

7 Grants payable

Reinvestment activities payable into the education sector is expenditure made from the charity's designated funds toward agreed projects detailed in the Trustees report and note 21.

This expenditure falls outside of standard operational costs and may lead to deficits in some years. The operational surplus that would have been stated had this reinvestment into the sector not happened is stated.

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Net income for the year	63,769	(324,811)	193,127	(208,273)
Expenditure from designated funds	<u>68,133</u>	<u>325,477</u>	<u>68,133</u>	<u>325,477</u>
Operational surplus	<u>131,902</u>	<u>666</u>	<u>261,260</u>	<u>117,204</u>

8 Group Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Staff costs	625,849	-	625,849	497,771	Administration Support
Depreciation and amortisation	171,991	-	171,991	156,010	
Audit fees	-	10,425	10,425	12,875	Governance
Legal and professional	-	5,483	5,483	3,884	Governance
Accounting services	-	6,889	6,889	5,240	Governance
	<u>797,840</u>	<u>22,797</u>	<u>820,637</u>	<u>675,780</u>	
Analysed between Charitable activities	<u>797,840</u>	<u>22,797</u>	<u>820,637</u>	<u>675,780</u>	

Governance costs includes payments to the auditors of £10,425 (2020: £12,875) for audit fees.

Charity	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Staff costs	625,849	-	625,849	497,771	Support Support
Depreciation and amortisation	38,703	-	38,703	25,163	
Audit fees	-	6,925	6,925	7,725	Governance
Legal and professional	-	4,982	4,982	3,884	Governance
Accounting services	-	3,196	3,196	3,870	Governance
	<u>664,552</u>	<u>15,103</u>	<u>679,655</u>	<u>538,413</u>	
Analysed between Charitable activities	<u>664,552</u>	<u>15,103</u>	<u>679,655</u>	<u>538,413</u>	

Governance costs includes payments to the auditors of £6,925 (2020: £7,725) for audit fees.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

9 Net movement in funds

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Net movement in funds is stated after charging/(crediting)				
Fees payable to the company's auditor for the audit of the company's financial statements	10,425	12,875	6,925	7,725
Depreciation of owned tangible fixed assets	33,298	31,010	25,010	25,163
Amortisation of intangible assets	138,693	127,489	13,693	2,489
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

10 Trustees

None of the trustees (or any persons connected with them), except for the Managing Director, received any remuneration during the year, no trustees were reimbursed travelling expenses in the year (2020: £1,768).

Please see note 11 for further disclosure of remuneration and key management personnel.

11 Employees

Number of employees

The average monthly number employees during the year was:

	Group 2021 Number	Group 2020 Number	Charity 2021 Number	Charity 2020 Number
Professional and administrative staff	66	65	31	33
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	2021 £	2020 £	2021 £	2020 £
Employment costs				
Wages and salaries	2,455,395	2,166,494	1,189,970	1,044,729
Social security costs	254,732	220,395	122,947	106,284
Other pension costs	612,836	435,823	565,941	391,412
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	3,322,963	2,822,712	1,878,858	1,542,425
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Included within other pension costs are current service costs and associated interest expense on defined benefit pension plans. During the year, the company recognised current service costs and interest expenses from defined benefit pension plans of £462,000 (2020: £312,000).

Included within support costs are wages to the value of £625,849 for the Human Resources, Finance, Marketing and IT departments through virtue of shared service to all of the charitable activities.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

11 Employees (continued)

The number of employees whose annual remuneration was £60,000 or more were:

	Group 2021 Number	Group 2020 Number	Charity 2021 Number	Charity 2020 Number
Directors	2	2	1	1
Employees	-	1	-	-

Peter Brewer (Managing Director) is the only key management personnel associated with the direct running of the charity. Peter Brewer was paid total remuneration of £111,722 (2020: £110,958). The remuneration for Peter Brewer was provided in his capacity of Managing Director of the charitable activities and not in his capacity of trustee of the charity. Included within total remuneration were pension contributions totalling £8,739 (2020: £7,824). Peter Brewer retired from his position as managing director on 31 July 2021.

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the taxes act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Group intangible fixed assets

	Goodwill £	Customer relationships £	Brand £	Total £
Cost				
At 1 August 2020 and 31 July 2021	1,804,474	69,003	366,523	2,240,000
Amortisation and impairment				
At 1 August 2020	1,532,236	34,504	183,260	1,750,000
Amortisation charged for the year	70,000	8,750	46,250	125,000
At 31 July 2021	1,602,236	43,254	229,510	1,875,000
Carrying amount				
At 31 July 2021	202,238	25,749	137,013	365,000
At 31 July 2020	272,238	34,499	183,263	490,000

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

13 Charity intangible fixed assets

	Goodwill £
Cost	
At 1 August 2020 and 31 July 2021	1,250,000
Amortisation and impairment	
At 1 August 2020	1,250,000
Amortisation charged for the year	-
At 31 July 2021	1,250,000
Carrying amount	
At 31 July 2021	-
At 31 July 2020	-

13a Group other intangible fixed assets

	Customer Relationship Management System	Cloud based server	Total
	£	£	£
Cost			
At 1 August 2020 (re -stated)	80,492	-	80,492
Additions		8,500	8,500
At 31 July 2021	80,492	8,500	88,992
Amortisation and impairment			
At 1 August 2020	2,489	-	2,489
Amortisation charged in the year	13,410	283	13,693
At 31 July 2021	15,899	283	16,182
Carrying amount			
At 31 July 2021	64,593	8,217	72,810
At 31 July 2020	78,003	-	78,003

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

13b Charity intangible fixed assets	Customer Relationship Management System	Cloud based server	Total
	£	£	£
Cost			
At 1 August 2020 (re -stated)	80,492	-	80,492
Additions		8,500	8,500
	<hr/>	<hr/>	<hr/>
At 31 July 2021	80,492	8,500	88,992
	<hr/>	<hr/>	<hr/>
Amortisation and impairment			
At 1 August 2020	2,489	-	2,489
Amortisation charged in the year	13,410	283	13,693
	<hr/>	<hr/>	<hr/>
At 31 July 2021	15,899	283	16,182
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 July 2021	64,593	8,217	72,810
	<hr/>	<hr/>	<hr/>
At 31 July 2020	78,003	-	78,003
	<hr/>	<hr/>	<hr/>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

14 Group tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 August 2020	58,757	45,470	29,417	133,643
Additions	-	12,327	-	12,327
Less Disposals		(2,127)		(2,127)
At 31 July 2021	58,757	55,670	29,417	143,843
Depreciation and impairment				
At 1 August 2020	20,392	18,410	9,279	48,081
Depreciation charged in the year	9,795	17,620	5,883	33,298
Less disposals		(680)		(680)
At 31 July 2021	30,187	35,351	15,162	80,699
Carrying amount				
At 31 July 2021	28,570	20,319	14,255	63,144
At 31 July 2020	38,365	27,061	20,137	85,563

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

16 Financial instruments

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	320,592	264,998	54,631	74,830
Carrying amount of financial liabilities				
Measured at amortised cost	429,103	324,667	352,664	259,222

17 Debtors

Amounts falling due within one year:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	317,721	262,127	51,743	65,132
Amounts owed by subsidiary	-	-	16	6,827
Other debtors	2,871	2,871	2,871	2,871
Prepayments and accrued income	725,510	586,571	700,600	538,273
	<u>1,046,102</u>	<u>851,569</u>	<u>755,230</u>	<u>613,103</u>

18 Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other taxation and social security	237,623	342,503	102,574	132,157
Trade creditors	73,095	92,742	68,010	59,632
Amounts owed to subsidiary	-	-	32	-
Other creditors	9,214	13,552	8,088	5,663
Accruals and deferred income	346,794	218,373	276,534	193,927
	<u>666,726</u>	<u>667,170</u>	<u>455,238</u>	<u>391,379</u>

19 Provision for liabilities

		Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Retirement benefit obligations	Note 20	2,192,000	2,425,000	2,192,000	2,425,000
		<u>2,192,000</u>	<u>2,425,000</u>	<u>2,192,000</u>	<u>2,425,000</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £47,000 (2020: £73,000).

Defined benefit schemes

Key assumptions

	2021 %	2020 %
Discount rate	1.70	1.40
Expected rate of increase of pensions in payment	2.50	2.20
Expected rate of salary increases	3.75	3.45
Inflation assumption (CPI)	2.50	2.20

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2021 Years	2020 Years
Retiring today		
- Males	21.9	21.8
- Females	24.7	24.6
Retiring in 20 years		
- Males	22.6	22.5
- Females	25.8	25.7

Amounts recognised in the profit and loss account:

	2021 £	2020 £
Current service cost	530,000	337,000
Net interest on defined benefit liability/(asset)	81,000	86,000
Other costs and income	(47,000)	(33,000)
Total costs	564,000	390,000

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

20 Retirement benefit schemes (continued)

Amounts taken to other comprehensive income:

	2021 £	2020 £
Actual return on scheme assets	(626,000)	256,000
Return on scheme assets excluding interest income	(626,000)	256,000
Actuarial changes related to obligations	(69,000)	1,241,000

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2021 £	2020 £
Present value of defined benefit obligations	6,397,000	5,665,000
Fair value of plan assets	(4,205,000)	(3,240,000)
(Surplus)/deficit in scheme	2,192,000	2,425,000

Movements in the present value of defined benefit obligations:

	2021 £	2020 £
Liabilities at 1 August 2020	5,665,000	3,869,000
Current service cost	530,000	337,000
Past service cost	-	40,000
Benefits paid	119,000	33,000
Contributions from scheme members	71,000	59,000
Actuarial gains and losses	(69,000)	1,241,000
Interest cost	81,000	86,000
At 31 July 2021	6,397,000	5,665,000

The defined benefit obligations arise from plans which are wholly or partly funded.

Movements in the fair value of plan assets:

	2021 £	2020 £
Fair value of assets at 1 August	3,240,000	3,253,000
Return on plan assets (excluding amounts included in net	626,000	(256,000)
Benefits	119,000	33,000
Contributions by the employer	102,000	78,000
Contributions by scheme members	71,000	59,000
Other	47,000	73,000
At 31 July 2021	4,205,000	3,240,000

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

20 Retirement benefit schemes (continued)

The fair value of plan assets at the reporting period end was as follows:

	2021	2020
	£	£
Equity instruments	3,368,000	2,518,000
Debt instruments	521,000	486,000
Property	156,000	139,000
Cash	97,000	52,000
Other	63,000	45,000
	<u>4,205,000</u>	<u>3,240,000</u>

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 01 August 2020	Incoming Resources	Resources expended	Balance at 31 July 2021
	£	£	£	£
E-Learning courses for member	5,878	-	3,600	2,278
Subsidised costs for Tenet On Demand	14,380	100,000	42,700	71,680
Collaboration tender exercise	10,000	-	-	10,000
Regional Procur.Ed Conferences	45,000	-	-	45,000
Sponsorship of Student Events/Activities	397,980	11,123	-	409,103
Free Review of In-House FM Service	40,000	-	-	40,000
Educom	4,707	-	1,000	3,707
Facilitate Procurement Advisory Group (PAG)	5,000	-	-	5,000
Facilitate Estate Group	2,708	-	-	2,708
Marketing and Materials	100,000	(100,000)	-	-
Free Delivery of Tenders	10,000	-	-	10,000
Project Support - Admin	21,085	(252)	20,833	-
	<u>656,738</u>	<u>10,871</u>	<u>68,133</u>	<u>599,476</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

22 Analysis of net assets between funds

	Unrestricted	Designated	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Fund balances at 31 July 2021 are represented by:				
Intangible fixed assets - goodwill	365,000	-	365,000	490,000
Intangible fixed assets – other	72,810	-	72,810	-
Tangible assets	63,144	-	63,144	163,566
Current assets	3,616,177	599,476	4,215,653	3,537,272
Provisions and pensions	(2,192,000)	-	(2,192,000)	(2,425,000)
	<u>1,925,131</u>	<u>599,476</u>	<u>2,524,607</u>	<u>1,765,838</u>

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group	Group	Charity	Charity
	2021	2020	2021	2020
	£	£	£	£
Within one year	42,082	36,224	42,082	36,224
Between two and five years	72,757	114,838	72,757	114,838
In over five years	-	-	-	-
	<u>114,839</u>	<u>151,062</u>	<u>114,839</u>	<u>151,062</u>

24 Related party transactions

The charity has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

The trustees are employed by institutions that are also members of CPL and benefit from the usage of its frameworks. A trustee in CPL is associated to Hopwood Hall College who also access the procurement placement service provided by Tenet.

Grants payable from designated funds are available to all institutions that pass the relevant criteria. This is therefore open to institutions which employ the trustees of the charity. No trustees are involved in the review and approval of grant applications. During the year Leeds College of Building utilised the subsidised fees for Tenet on-demand services (£1,000) for assistance with a tender.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

25 Subsidiaries

Consolidated financial statements for parent charitable companies are required under the Charity SORP (FRS102)

Details of the charity's subsidiaries at 31 July 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Tenet Education Services Limited	United Kingdom	Provision of advisory and consultancy services	Ordinary	100.00	
Tenet Procurement Services Limited	United Kingdom	Provision of advisory and consultancy services.	Ordinary	100.00	

All investments in subsidiaries are held at cost less provision for impairment, and are eliminated upon consolidation.

26 Cash generated from operations	2021 £	2020 £
Surplus for the year	63,769	(324,811)
Adjustments for:		
Investment income recognised in statement of financial activities	(9,077)	(15,658)
Amortisation and impairment of intangible assets	138,693	125,000
Depreciation and impairment of tangible fixed assets	33,298	31,010
Difference between pension charge and cash contributions	462,000	312,000
Movements in working capital:		
Decrease/(Increase) in debtors	(194,533)	284,383
Increase in creditors	(444)	48,098
Cash generated from operations	493,706	460,022