

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 2023

DJH Mitten Clarke Audit Limited

Chartered Accountants

Bridge House

157 Ashley Road

Hale

Altrincham

Cheshire

WA14 2UT

CRESCENT PURCHASING LIMITED

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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

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

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

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

A J Comyn, Deputy Chief Executive & Chief Financial Officer, Nottingham 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)

D Lowe, Managing Director, CPL

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

DJH Mitten Clarke Audit Limited, Bridge House, 157 Ashley Road, Hale, Altrincham WA14 2UT.

Bankers

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

Close Brothers Savings, 10 Crown Place, London EC2A 4FT.

Lloyds Bank plc, 1st Floor (East), 10 Gresham Street, London EC2V 7AE.

Nationwide Building Society, Kings Park Road, Moulton Park, Northampton NN3 6NW.

Solicitors

Weightmans LLP, No1 Spinningfields, Hardman Square, Manchester M3 3EB

Website

www.thecpc.ac.uk

<https://cpl.group>

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their report together with the consolidated financial statements for the Charity and its subsidiaries for the year ended 31 July 2023 which are also prepared to meet the requirements for the 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 (FRS102) (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

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 United Kingdom University Purchasing Consortia (UKUPC). CPL also works in partnership with Dukefield Procurement 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 members colleges incorporating, four Directors of Finance, the Chair of the Purchasing Advisory Group (PAG) plus one nominated officer from PAG, one Head of Estates and the Managing Director.

Resignation – J Howard resigned from the Board on 31st March 2023.

Trustee vacancies are advertised via social media channels and charityjob.co.uk. There is a bespoke induction pack and programme for all new Trustees. Trustees are not paid for their services.

The Board meets three times a year to determine strategy and to monitor progress. Day to day administration of CPL is delegated to the Managing Director and his employees. The group leadership team (GLT) is made up of five senior managers, three from CPL and two from Tenet plus the Managing Director. The pay and remuneration of key personnel is agreed annually as part of the budget setting process. Each post is benchmarked against similar roles within similar sized organisations.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

On 31 July 2023 CPL had 9,625 members, an increase in the year of 657. Membership consists primarily of English colleges, schools, academies and academy trusts and there are also institutions from Scotland, Northern Ireland and Wales.

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 CPC 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 a procurement managed service (which has recorded £10.1M of savings on current contract terms for 40 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 over £1 Million has been identified as Designated Funds for the purpose of reinvestment. £768,483 had been expended prior to the financial year with a further £34,130 spent during 22/23.

Re-investment into the education sector takes the form of several projects with the grant funding to sponsor student events/activities generating particular interest. The first round of grant funding during 2019/20 saw £259k awarded to 33 institutions. The national lockdowns during the global pandemic 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 £288k awarded to 68 institutions which was paid during 2021/22.

The Board approved a further £150k of designated reserves for grant funding in the March 2023 board meeting. This means that a third grant funding window can be opened during 2023/24 with up to £300k available.

The Trustees and CPL employees are proud of the contribution they 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.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

Another popular project is the subsidised fees for on-demand services. This is aimed at those institutions that may not normally access such a service. To date 192 subsidised tenders have been completed for 160 institutions.

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

CPL Learning is the flagship under which the charity fulfils its charitable objectives in relation to advancing education and research activities in procurement.

The Charity continues to fulfil its commitment through the funding of free procurement courses with 3rd party training providers and webinars for CPL member employees. During the year 99 training courses were funded covering subjects such as writing a tender specification, ethical procurement and supply, and developing and managing contracts. 104 online webinars were attended covering advanced contract management, basic principles of contract law and an overview of the education sector. A total of 203 members gained access to training development material to advance their knowledge in procurement.

CPL continues to provide full administrative and technical support to regional and national Procurement Advisory Groups (PAG) and the Further Education Facilities Management Network (FEFMMN). 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 CPL services. During the year, 300 members attended PAG and 27 attended FEFMMN network groups. The vision for the next year is to increase the level of engagement between members by 10%. This will be achieved by designing agendas bespoke to each region, delivering webinars on hot topics, additional marketing and new website design.

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

Further progress has been made in the design of the Procurement Development Programme, a new initiative that will raise the profile of procurement within the education sector. The programme is currently being trialled by procurement employees within CPL with a long-term aspiration to offer to members. This will be funded by CPL Learning and will take the form of 1-2-1 mentoring, training, access to resources and networking groups as well as work experience within CPL.

CPL have commenced work to provide its membership with a benchmark tool for spend. The aspiration for the final product will be to provide CPL members with an online portal in which they can compare their spend to data collated from the education sector.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

The Trustees oversee the charitable objectives of the charity with due regard to the Charity Commission's public benefit guidance.

Financial and business review.

2022/23 saw the completion of year 1 of the charity's 5-year business plan. The three main strategies within the business plan are:

- To deliver outstanding procurement services
- To support the development of its people (employees and members)
- To enable a sustainable future (financial, environmental and economic/social)

CPL Group income for the year ended 31 July 2023 was £5,204,750 (2022: £4,660,485) The year-end surplus before pension costs was £622,325 (2022: £41,115).

In respect of the year ended 31 July 2023 a gift aid payment of £6,164 (2022: £245,000) was received from Tenet Education Services and £12,404 (2022: £35,376) from Tenet Procurement Services.

The Charity participates in the West Yorkshire Pension Fund (WYPF) with subsidiary companies participating in the NEST pension scheme.

The WYPF pension scheme value as at 31 July 2023 continues to show the company as having a pension asset. This follows on from asset value determined by the actuary in 2022. In accordance with applicable accounting standards, the asset value has been deemed to be recognisable on the basis that the company has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

Marketing premium income from framework usage has increased by £364k from the previous year. Total spend reported through the frameworks exceeded £441 million (2022: £322 million) providing real value for money for CPL members.

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

Tenet income from managed services increased by £53k during the year despite the loss of several contracts in the first few months of the year due to the impact of the cost-of-living and energy crisis putting pressure on the budgets of colleges. Contract numbers recovered in the second half of the year and several leads are being followed which should increase income during 2023/24. Income from the on-demand tendering service was £4k down on the record £680k generated in 2022. Tenet Procurement Services (TPS) which services the wider public sector has seen its most active year to date with significant increase in CPC framework usage, continued one-off tender provision and the extension of a managed service contract with a Housing Association.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 JULY 2023**

Fundraising – the charity does not currently generate income from fundraising and therefore does not use the services of fundraisers either on a paid or voluntary basis. CPL received its first donation from an outside organisation during the year which has been placed in restricted reserves and will be used as contribution toward future grants awarded to CPL members.

Looking ahead

CPL intends to continue its growth over the coming years in line with the 5-year strategy launched in 2022. The budget for 2023/24 sees the largest investment in employees in the history of the group led by the final elements of the harmonisation of terms, conditions and benefits for employees working in the subsidiary companies.

A new salary banding structure for procurement professionals alongside a detailed and robust development training package is aimed at ensuring CPL retains and recruits the best talent.

Employee wellbeing is at the fore with planned investment in a comprehensive Employee Assistance Programme (EAP) to support mental health alongside other health and medical benefits.

The financial strength of CPL ensures it can absorb the continued impact of the cost-of-living crisis and with no long-term liabilities (loans) is not negatively impacted by rises in interest rates.

Reserves policy

CPL maintains a reserves policy that is available on its website. This sets out the level of reserves to be held by the company and the reasons why. Designated and Restricted reserves are those reserves that the Board of Trustees have approved for the purpose of “Giving back” to the education sector.

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.

Environmental management

At the start of 2022 a Sustainability Working Group was established with employee volunteers from across CPL. This is chaired by a member of the Group Leadership Team (GLT) and has a Board sponsor. The aim of the group is to ensure the objectives set out in the 5-year strategy are achieved, not least setting out and completing the detailed plan to achieve ISO14001 – Environmental Management accreditation.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

During the year the working group created an Environment Management System (EMS) template and produced the Group's first Environmental and sustainability policy. This sets out key actions which will be led by the working group in relation to achieving its strategic aims and objectives. CPL secured software which will record the Groups carbon emission data and calculate its carbon footprint each year. A Carbon Management Plan (CMP) is in development to manage and ultimately reduce the footprint over the next five years.

Business travel across the organisation is forecast to reduce year-on-year as management encourage more efficient and effective means of consulting with customers, in particular the Regional Procurement Advisors meetings with members which are, in the main held virtually. A hybrid working model means that employees based at the Head Office in Salford are only expected to work onsite for two days per week and can work from home for the remainder. Some managed service contract customers are willing for Tenet employees to work on a hybrid basis to reflect their own working practices.

Social

CPL continues its agile working policy which allows employees to choose their place of work within any customer contractual boundaries. This has had a positive effect on both productivity and employee 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 was very pleased to maintain its "Great Place to Work" accreditation for another year which runs alongside its current accreditations for "Top 100 Great Place to Work for Women", "Top 100 Great Place to Work for Wellbeing" and "Great Place to Work – UK's best workplace".

The new 5-year business plan continues the Groups "Grow Your Own" policy by incorporating the recruitment of local graduates into planned positions across several areas of the business.

CPL has committed to making available at least one day per year for employees to volunteer their time to local good causes. During the year employees took part in various activities including:

- Litter picking and minor maintenance work at a local park.
- Helping out at a local animal sanctuary.
- Working at a community centre that supports those affected by homelessness.

Funds have also been raised and goods donated to support the charities that employees worked with. This has also had a positive impact on employee wellbeing and team morale.

The management and distribution of designated reserves to member institutions in the form of grants is led by the "Giving Back" Group who ensure that three main criteria are met. These are:

- To help improvements to teaching and learning within the organisation.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

- To have a positive impact on the learner's experience of education.
- To support the learning of economically disadvantaged learners and minority groups.

No grant funding was commissioned during the year though the Board of Trustees approved the transfer of additional funds into the designated reserves so a grant funding exercise can be carried out during 2023/24.

Feedback from institutions that have received funding have been extremely positive and demonstrate the difference CPL is having on the lives of young learners.

Equality diversity and inclusion (ED&I)

The Trustees recognise that ED&I is key to helping deliver a public benefit and continually reappraise a full and comprehensive policy of diversity, inclusion and equal opportunities.

An ED&I working group was formed last year and is chaired by an employee. It works on various initiatives throughout the year in support one of CPL's three strategies which is to support the development of its people.

The ED&I working group oversees the great work being carried out by the Wellness Group and Women's Group with further inclusive groups and activities planned.

A new 5-year ED&I strategy will be launched in November 2023.

Health, safety and employee wellbeing

The Trustees are aware of their responsibilities on all matters relating to health and safety. The Charity has a dedicated health, safety and wellness Lead who prepared the current health, safety and employee wellbeing strategy. A Board sponsor oversees the work that is carried out in relation to this.

The aim of this strategy is to develop a positive health, safety and wellbeing culture with coherent policies and procedures that are compliant with all appropriate health and safety standards. Further details are provided in this report under Risk Management and Compliance checks.

Further and sustained investment in employee wellbeing is a priority, with the majority of the workforce working remotely. A Wellness Group comprised of employees from across the organisation ensures the wellbeing strategy is progressed. Eight employees have been trained as mental health first aiders. A new Women's group has been formed and has been warmly received by participants.

Further workshops planned for delivery include topics requested by employees such as:

- Work Life Balance

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

- Women's Health with a Focus on Menopause
- Men's Health
- Neurodiversity

CPL was proud to maintain its Top 100 Great Place to Work for Wellbeing accreditation for another year with 99% of employees feeling that CPL is a safe place to work and 90% feeling that CPL encourages work-life balance.

Governance

The Trustees are committed to the highest standards of Governance and recognise that this is only achieved through continual improvement. The Charity Governance Code is used as guidance and support for future improvements.

The Chair and Managing Director conducted a detailed governance assessment which has identified areas where further improvements can be made and this will form part of the continual Board development process.

The GLT acknowledge that the organisation requires effective leadership at every level to achieve the Group's Mission and Vision. A new training and development programme for the GLT will commence in the year ahead alongside one for all managers within the Group to support them in their role.

The Group has several cash investments in line with its Treasury Management Policy. The Trustees require that all investments be carried out ethically.

The Financial Controller regularly monitors not only the credit ratings of institutions the Group invests its cash with but also the environmental sustainability performance of the listed institutions and reports on this through the management accounts commentary.

The environmental sustainability performance is based on several criteria incorporating environmental reporting, carbon disclosure & reduction, responsible investment, ethical accreditations and political donations.

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 and effectively.

A wide range of internal control mechanisms are in place and being operated to help CPL 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

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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 process is in place to ensure suitable people are employed (including the completion of Disclosure and Barring Service checks for employees 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. HR processes are in place to address any gaps or failings.
- Formal (but not exclusive to) Financial Policies and procedures, 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 employees only have access to systems and data that is pertinent to their requirements.
- Financial forecasts and budgets are in place which allow the GLT to monitor spend in terms of achieving budgets in the short, medium and long term.

Risk management and compliance checks

The GLT maintain a comprehensive 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 (and in particular the "top 5" risks identified below) is reported to every Board meeting, supplemented by detailed reviews throughout the year by the GLT. The risk appetite is reviewed during this process.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Risk	Nature of Risk and Risk Appetite	Mitigation
Significant loss of income	Severe reduction in income due to increased competition and loss of market share poses a risk to the business plan. <i>Risk Appetite - moderate</i>	Robust financial management processes are in place with action plans identified should trigger points be met. Reserves policy ensures adequate reserves are maintained.
Compliance with Data Protection legislation	Secure and resilient technology and processes are fundamental in building a more resilient business. <i>Risk Appetite - avoid</i>	External penetration testing of systems is carried out each year. The servers are now cloud-based with daily routine backups taking place.
Compliance with health and safety legislation	Failure to reduce or remove threats to employee, customer and supplier health and safety leads to harm and reputational damage. <i>Risk Appetite - avoid</i>	A health, safety and staff wellbeing strategy is in place with mandatory training for all employees. A wellness group is tasked with maintaining an employee wellbeing and engagement programme. The Group is committed to investing in an Employee Assistance Programme (EAP) and other health benefits.
Business continuity in the event of a major disruption	Impact of major disruption such as Covid-19 pandemic on the continuing operations of the business. <i>Risk Appetite - moderate</i>	A Business Continuity Plan provides guidance and support in the event of a major no-notice event. This is tested throughout the year.
Recruiting and retaining talent	Recruitment and retention of talent is essential to the delivery of business objectives and the loss of skills and knowledge poses a challenge to maintaining performance. <i>Risk Appetite - moderate</i>	Competitive terms and conditions including a harmonised bonus and pension scheme. Regular feedback is received from employees via surveys, 1-2-1s and exit interviews. To implement an Employee Value Proposition (EVP) strategy that focuses on improving all areas of people development, culture work environment and total rewards.

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.

CRESCENT PURCHASING LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

- CPL continues to progress its 5-year strategy in relation to health, safety and employee wellbeing which is sponsored by a board member. CPL aspires to achieve ISO 45001 – Occupational Health & Safety accreditation within 12 months.
- CPL maintains its “Great Place to Work” accreditation, “Top 100 Great Place to Work for Women”, “Top 100 Great Place to Work for Wellbeing” and “Great Place to Work – UK’s best workplace”.
- CPL maintains Cyber Essentials Plus accreditation. CPL commissions external consultants to perform penetration testing on its systems each year. This forms part of the Group’s work toward achieving ISO 27001 – Information Security Management accreditation.
- A Board member sponsors a working group set up during the year to ensure CPL maintains full compliance with GDPR focussing on continual improvement.

Internal controls assurance conclusion

The Trustees can take assurance that the CPL is reacting appropriately to the challenges it faces 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 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 14th of November 2023. The event will be online via Microsoft Teams.

External auditors

Haines Watts were reappointed at the 2020 AGM for a three-year period. During the 2023 audit this changed over to DJH Mitten Clarke Audit Limited.

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.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

- Observe the methods and principles in the Charities Statement of recommended Practices (SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standard have been followed, subject to any material departure 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.

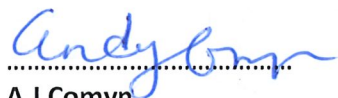
The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and its subsidiary companies 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 14 November 2023 and signed on its behalf by:



A J Comyn
Chair of Trustees

CRESCENT PURCHASING LIMITED

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 JULY 2023

Opinion

We have audited the financial statements of Crescent Purchasing Limited (the 'charity') for the year ended 31 July 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 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 FRCs 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 charity'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 charity's trade, customers, suppliers 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.

CRESCENT PURCHASING LIMITED

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

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.

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 requires 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 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

CRESCENT PURCHASING LIMITED

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

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 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 the member 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 charity and the charity's trustees for our audit work, for this report, or for the opinions we have formed.

Candice Beynon
.....

Candice Beynon FCCA (Senior Statutory Auditor)

For and on behalf of DJH Mitten Clarke Audit Limited

Date: *14/11/2023*
.....

Chartered Accountants

Statutory Auditor

Bridge House
157 Ashley Road
Hale
Altrincham
WA14 2UT

DJH Mitten Clarke Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CRESCENT PURCHASING LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2023

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
<u>Income from:</u>					
Donations and legacies		500	-	19,068	280,376
Charitable activities	3	5,127,590	4,650,073	3,214,309	2,737,820
Investments	4	76,660	10,412	56,787	7,011
Total income		5,204,750	4,660,485	3,290,164	3,025,207
<u>Expenditure on:</u>					
Charitable activities	5	4,582,425	4,619,370	2,552,664	2,893,227
Net income for the year/ Net incoming resources		622,325	41,115	737,500	131,980
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes		496,000	3,164,000	496,000	3,164,000
Net movement in funds		1,118,325	3,205,115	1,233,500	3,295,980
Fund balances at 1 August 2022		5,729,722	2,524,607	6,451,565	3,155,585
Fund balances at 31 July 2023		6,848,047	5,729,722	7,685,065	6,451,565

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 2023

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Goodwill	12	115,000	240,000	-	-
Intangible assets	13	42,590	57,700	42,590	57,700
Tangible assets	14	36,936	53,514	26,110	39,164
Investments	15	-	-	1,377,962	1,377,962
		<u>194,526</u>	<u>351,214</u>	<u>1,446,662</u>	<u>1,474,826</u>
Current assets					
Debtors	17	1,007,680	1,285,657	779,331	938,438
Cash at bank and in hand		5,673,306	4,288,311	5,191,669	3,969,300
		<u>6,680,986</u>	<u>5,573,968</u>	<u>5,971,000</u>	<u>4,907,738</u>
Creditors: amounts falling due within one year	18	<u>(817,465)</u>	<u>(687,460)</u>	<u>(522,597)</u>	<u>(422,999)</u>
Net current assets		5,863,521	4,886,508	5,448,403	4,484,739
Net assets excluding pension liability		6,058,047	5,237,722	6,895,065	5,959,565
Defined benefit pension surplus / provision for liabilities	19	<u>790,000</u>	<u>492,000</u>	<u>790,000</u>	<u>492,000</u>
Net assets		<u>6,848,047</u>	<u>5,729,722</u>	<u>7,685,065</u>	<u>6,451,565</u>
Income funds					
Unrestricted funds – designated	21	347,387	231,517	347,387	231,517
Unrestricted funds – general		5,710,160	5,006,205	6,547,178	5,728,048
Unrestricted funds – pension		790,000	492,000	790,000	492,000
Restricted Funds – donation received		500	-	500	-
		<u>6,848,047</u>	<u>5,729,722</u>	<u>7,685,065</u>	<u>6,451,565</u>

CRESCENT PURCHASING LIMITED

BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2023

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 2023, 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 those 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 14 November 2023


.....
A J Comyn
Chair of Trustees

Company Registration No. 06774578

CRESCENT PURCHASING LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023**

		2023	2022
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	26	1,325,327	465,785
Investing activities			
Purchasing of tangible fixed assets		(18,155)	(24,311)
Sale of fixed assets		1,163	149
Interest received		76,660	10,412
Net cash used in investing activities		59,668	(13,750)
Net cash used in financing activities		-	-
Net increase in cash and cash equivalents		1,384,995	452,035
Cash and cash equivalents at beginning of year		4,288,311	3,836,276
Cash and cash equivalents at end of year		5,673,306	4,288,311

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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, Leslie 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 that 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.

This charity is a qualifying entity for the purpose of FRS 102 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 and 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.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies

(Continued)

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 purpose 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.

Cash donations are recognised on receipt. Other donations are recognised once that 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 to otherwise is the charity has been notified of an impending distribution, the amounts 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 area of the charity's operations.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies

(Continued)

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 relationship	up to 8 years
Brand	up to 8 years
Cloud-based server	Over 5 years

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 value 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 these assets have

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies

(Continued)

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 assets 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 FRS102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provision 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.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies

(Continued)

a market rate of interest. Financial liabilities classified as payable within one year 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 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 costs. 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

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies

(Continued)

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.

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 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 costs 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 31 July 2023. 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 Limited have been included in the group financial statements using the purchasing method of accounting. Accordingly, the group statements of financial activities and statement of cash flows include the results and cash flows of Tenet Education Services Limited and Tenet Procurement Services Limited.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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 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 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Marketing premiums	2,816,772	2,452,931	2,793,070	2,412,784
Services rendered	2,195,908	2,118,685	-	-
Other income	114,910	78,457	421,239	325,036
	<u>5,127,590</u>	<u>4,650,073</u>	<u>3,214,309</u>	<u>2,737,820</u>

4. Investments

	2023 £	2022 £
Interest receivable	<u>76,660</u>	<u>10,412</u>

All of the Group's investment income of £76,660 (2022: £10,412) arises in Crescent Purchasing Limited from money held in interest bearing deposit accounts.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

5. Charitable activities

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Employee costs	2,794,450	2,811,756	1,019,179	1,235,303
Occupancy costs	84,706	77,445	84,706	77,445
Telephone	28,358	19,272	17,275	14,330
Postage and stationery	5,325	6,178	4,132	4,639
Insurance	56,056	49,819	56,056	49,819
Legal costs	45,345	15,046	7,345	3,381
Travel costs	72,191	55,520	18,357	14,628
Recruitment and training	70,228	47,142	59,482	42,966
Marketing and advertising	141,254	117,134	141,020	115,909
Crescent learning	9,329	8,600	9,329	8,600
Procurement partner and member shared income	5,077	13,569	55,077	113,569
Health, safety and employee wellbeing	10,587	7,046	9,594	5,747
Consultancy fees	12,201	17,136	-	1,600
Provision for bad debts	3,520	789	(741)	789
Bank charges	2,635	2,669	1,455	1,555
Other expenditure	7,228	6,152	6,850	5,196
Donations to Charity	100	-	100	-
ICT costs	84,685	71,269	59,182	47,772
	<u>3,433,275</u>	<u>3,326,542</u>	<u>1,548,398</u>	<u>1,743,248</u>
Grant Funding Activities (see note 6)	34,130	367,959	34,130	367,959
Share of support costs (see note 7)	1,086,717	899,019	953,211	766,550
Share of governance costs (see note 7)	28,303	25,850	16,925	15,470
	<u>4,582,425</u>	<u>4,619,370</u>	<u>2,552,664</u>	<u>2,893,227</u>
Analysis by fund				
Unrestricted funds – general	4,548,295	4,251,411	2,518,534	2,525,268
Unrestricted funds – designated	34,130	367,959	34,130	367,959
	<u>4,582,425</u>	<u>4,619,370</u>	<u>2,552,664</u>	<u>2,893,227</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

6. Grant funding activities

Reinvestment activities payable into the education sector is expenditure made from the charity's designated funds towards agreed projects detailed in the Trustees report and note 22.

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 shown.

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Net income for the year	622,325	41,115	737,500	131,980
Expenditure from designated funds	34,130	367,959	34,130	367,959
Operational surplus	<u>656,455</u>	<u>409,074</u>	<u>771,630</u>	<u>499,939</u>

7. Group support costs

	Support Cost	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
Employee costs	913,037	-	913,037	725,116	Administration support
Depreciation and amortisation	173,680	-	173,680	173,903	
Audit fees	-	8,100	8,100	8,000	Governance
Legal and professional	-	12,843	12,843	10,490	Governance
Accounting services	-	7,360	7,360	7,360	Governance
	<u>1,086,717</u>	<u>28,303</u>	<u>1,115,020</u>	<u>924,869</u>	
Analysed between Charitable activities	<u>1,086,717</u>	<u>28,303</u>	<u>1,115,020</u>	<u>924,869</u>	

Governance costs includes payments to the auditors of £8,100 (2022: £8,000) for audit fees.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Charity	Support Cost £	Governance costs £	2023 £	2022 £	Basis of allocation
Employee costs	913,037	-	913,037	725,116	Administration support
Depreciation and amortisation	40,174	-	40,174	41,434	
Audit fees	-	5,100	5,100	5,000	Governance
Legal and professional	-	8,270	8,270	6,915	Governance
Accounting services	-	3,555	3,555	3,555	Governance
	<u>953,211</u>	<u>16,925</u>	<u>970,136</u>	<u>782,020</u>	
Analysed between Charitable activities	<u>953,211</u>	<u>16,925</u>	<u>970,136</u>	<u>782,020</u>	

Governance costs includes payments to the auditors of £5,100 (2022: £5,000) for audit fees.

8. Net Movement in funds

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
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	8,100	8,000	5,100	5,000
Operating lease costs	43,676	42,747	43,676	42,747
Depreciation of owned tangible fixed assets	33,570	33,793	25,064	26,324
Amortisation of intangible assets	<u>140,110</u>	<u>140,110</u>	<u>15,110</u>	<u>15,110</u>

9. Trustees

None of the trustees (or any persons connected with them), except for the Managing Director, received any remuneration during the year. Two trustees were reimbursed travelling expenses in the year of £161 (2022: £295).

Please see note 10 for further disclosure of remuneration of key management personnel.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

10. Employees

Number of employees

The average monthly number of employees during the year were:

	Group 2023 Number	Group 2022 Number	Charity 2023 Number	Charity 2022 Number
Professional and administrative	80	74	38	36
Employment costs	2023	2022	2023	2022
	£	£	£	£
Wages and salaries	2,992,228	2,609,074	1,445,556	1,232,126
Social security costs	309,248	278,162	145,808	128,692
Other pension costs	406,011	649,636	340,852	599,601
	<u>3,707,487</u>	<u>3,536,872</u>	<u>1,932,216</u>	<u>1,960,419</u>

Included within employment costs of the charity are employee restructuring payments (both contractual and non-contractual) totalling £27,946 (2022: nil) which are fully paid within the year.

Included within other pension costs are current services 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 £198,000 (2022: £480,000).

Included within support costs are wages to the value of £913,037 for the Human Resources, Finance and Communications departments through virtue of shared service to all the charitable activities.

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

	Group 2023 Number	Group 2022 Number	Charity 2023 Number	Charity 2022 Number
Directors	1	1	1	1
Employees	9	6	6	3

Darren Lowe (Managing Director) is the only key management personnel associated with the direct running of the charity. Darren Lowe was paid total remuneration of £122,820 (2022: £109,715). The remuneration for Darren Lowe was provided in his capacity of Managing Director of the charitable activities and not in his capacity of trustee of the

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

charity. Included within total remuneration were pension contributions totalling £11,031 (2022: £9,229).

11. 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.

12. Group intangible fixed assets

	Goodwill	Customer relationship	Brand	Total
	£	£	£	£
Cost				
At 1 August 2022 and 31 July 2023	1,804,474	69,003	366,523	2,240,000
Amortisation and impairment				
At 1 August 2022	1,672,236	52,004	275,760	2,000,000
Amortisation charged for the year	70,000	8,750	46,250	125,000
At 31 July 2023	1,742,236	60,754	322,010	2,125,000
Carrying amount				
At 31 July 2023	62,238	8,249	44,513	115,000
At 31 July 2022	132,238	16,999	90,763	240,000

Charity intangible fixed assets

	Goodwill
	£
Cost	
At 1 August 2022 and 31 July 2023	1,250,000
Amortisation and impairment	
At 1 August 2022	1,250,000
Amortisation charged for the year	-
At 31 July 2023	1,250,000
Carrying amount	
At 31 July 2023	-
At 31 July 2022	-

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

13. Group other intangible fixed assets

	Customer relationship management system £	Cloud based server £	Total £
Cost			
At 1 August 2022 and 31 July 2023	80,492	8,500	88,992
Amortisation and impairment			
At 1 August 2022	29,309	1,983	31,292
Amortisation charged for the year	13,410	1,700	15,110
At 31 July 2023	42,719	3,683	46,402
Carrying amount			
At 31 July 2023	37,773	4,817	42,590
At 31 July 2022	51,183	6,517	57,700

Charity intangible fixed assets

	Customer relationship management system £	Cloud based server £	Total £
Cost			
At 1 August 2022 and 31 July 2023	80,492	8,500	88,992
Amortisation and impairment			
At 1 August 2022	29,309	1,983	31,292
Amortisation charged for the year	13,410	1,700	15,110
At 31 July 2023	42,719	3,683	46,402
Carrying amount			
At 31 July 2023	37,773	4,817	42,590
At 31 July 2022	51,183	6,517	57,700

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

14. Group tangible fixed assets

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 August 2022	58,757	62,043	29,417	150,217
Additions	-	18,155	-	18,155
Less Disposals	-	(5,621)	-	(5,621)
At 31 July 2023	58,757	74,577	29,417	162,751
Depreciation and impairment				
At 1 August 2022	39,982	35,676	21,045	96,703
Depreciation charged in the year	9,795	18,151	5,624	33,570
Less disposals	-	(4,458)	-	(4,458)
At 31 July 2023	49,777	49,369	26,669	125,815
Carrying amount				
At 31 July 2023	8,980	25,208	2,748	36,936
At 31 July 2022	18,775	26,367	8,372	53,514

Charity tangible fixed assets

	Leasehold improvements	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 August 2022	58,757	33,196	29,417	121,370
Additions	-	12,010	-	12,010
Less Disposals	-	(2,876)	-	(2,876)
At 31 July 2023	58,757	42,330	29,417	130,504
Depreciation and impairment				
At 1 August 2022	39,982	21,179	21,045	82,206
Depreciation charged in the year	9,795	9,645	5,624	25,064
Less disposals	-	(2,876)	-	(2,876)
At 31 July 2023	49,777	27,948	26,669	104,394
Carrying amount				
At 31 July 2023	8,980	14,382	2,748	26,110
At 31 July 2022	18,775	12,017	8,372	39,164

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

15. Charity fixed asset investments

	Other Investments £	
Cost or valuation		
At 1 August 2022 & 31 July 2023		1,377,962
Carrying amount		
At 31 July 2023		1,377,962
At 31 July 2022		1,377,962
	2023	2022
Other investments comprise:	£	£
Investments in subsidiaries	1,377,962	1,377,962

16. Financial instruments

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	366,314	422,799	148,368	90,430
Carrying amount of financial liabilities				
Measured at amortised cost	510,637	414,285	368,279	323,013

17. Debtors: amounts falling due within one year:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	363,430	416,099	63,689	25,132
Amounts owed by subsidiaries	-	-	81,795	61,270
Other debtors	2,884	6,700	2,884	4,028
Prepayments and accrued income	641,366	862,858	630,963	848,008
	1,007,680	1,285,657	779,331	938,438

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

18. Creditors: amounts falling due within one year

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Other taxation and social security	306,828	273,175	154,318	99,986
Trade creditors	86,096	43,532	77,662	41,422
Amounts owed to subsidiaries	-	-	1,830	1,143
Other creditors	20,196	39,802	7,424	28,021
Accruals and deferred income	404,345	330,951	281,363	252,427
	<u>817,465</u>	<u>687,460</u>	<u>522,597</u>	<u>422,999</u>

Deferred income within the charity relates to suppliers sponsorships of the CPL village within external exhibitions, namely the Schools and Academies Show (SAAS). The full balance of £12,775 will be utilised in the November 2023 SAAS.

Deferred income

	Group £	Charity £
Balance at 1 August 2022	6,800	5,000
Released from previous years	(6,800)	(5,000)
Resources deferred in the year	12,775	12,775
Balance at 31 July 2023	<u>12,775</u>	<u>12,775</u>

19. Defined benefit pension surplus / provision for liabilities

The WYPF pension scheme value as at 31 July 2023 continues to show the company as having a pension asset as at 31 July 2023. The latest actuarial valuation for the pension scheme related to the period ended 31 March 2022. In accordance with applicable accounting standards, the asset value has been deemed to be recognisable on the basis that the company has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

		Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Retirement benefit asset / obligations	Note 20	790,000	492,000	790,000	492,000
		<u>790,000</u>	<u>492,000</u>	<u>790,000</u>	<u>492,000</u>

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 £163,000 (2022: £71,000).

Defined benefit schemes

Key assumptions

	2023 %	2022 %
Discount rate	4.90	3.40
Expected rate of increase of pensions in payment	2.60	2.50
Expected rate of salary increases	3.85	3.75
Inflation assumption (CPI)	2.60	2.50

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2023 Years	2022 Years
Retiring today		
- Males	21.0	21.8
- Females	<u>24.1</u>	<u>24.6</u>
Retiring in 20 years		
- Males	22.2	22.5
- Females	<u>25.1</u>	<u>25.7</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Amounts recognised in the profit and loss account:

	2023	2022
	£	£
Current service cost	386,000	563,000
Net interest on defined benefit liability/(asset)	143,000	107,000
Other costs and income	(163,000)	(71,000)
Total costs	<u>366,000</u>	<u>599,000</u>

Amounts taken to other comprehensive income:

	2023	2022
	£	£
Actual return on scheme assets	255,000	(442,000)
Return on scheme assets excluding interest income	255,000	(442,000)
Actuarial changes related to obligations	(751,000)	(2,722,000)

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

	2023	2022
	£	£
Present value of defined benefit obligations	4,027,000	4,185,000
Fair value of plan assets	(4,817,000)	(4,677,000)
Surplus in scheme	<u>(790,000)</u>	<u>(492,000)</u>

Movements in the present value of defined benefit obligations:

	2023	2022
	£	£
Liabilities at 1 August 2022	4,185,000	6,397,000
Current service cost	386,000	563,000
Benefits paid	(34,000)	(234,000)
Contributions from scheme members	98,000	74,000
Actuarial gains and losses	(751,000)	(2,722,000)
Interest cost	143,000	107,000
At 31 July 2023	<u>4,027,000</u>	<u>4,185,000</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

The defined benefit obligations arise from plans which are wholly or partly funded.
Movements in the fair value of plan assets:

	2023	2022
	£	£
Fair value of assets at 1 August 2022		
Return on plan assets (excluding amounts included in net)	4,677,000	4,205,000
Benefits	(255,000)	442,000
Contributions by the employer	(34,000)	(234,000)
Contributions by scheme members	168,000	119,000
Other	98,000	74,000
	163,000	71,000
At 31 July 2023	<u>4,817,000</u>	<u>4,677,000</u>

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

	2023	2022
	£	£
Equity instruments	3,858,000	3,709,000
Debt instruments	573,000	524,000
Property	159,000	187,000
Cash	188,000	187,000
Other	39,000	70,000
	<u>4,817,000</u>	<u>4,677,000</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

21. Designated funds

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

	Balance at 01 August 2022	Incoming Resources	Resources expended	Balance at 31 July 2023
	£	£	£	£
Subsidised costs for Tenet On-Demand	32,030	-	28,230	3,800
Regional Procur.Ed Conferences	45,000	(20,000)	-	25,000
Other education sector charity donations	-	20,000	-	20,000
Sponsorship of Student Events/Activities	136,779	150,000	-	286,779
Facilitate Procurement Advisory Group (PAG)	5,000	-	232	4,768
Facilitate Estate Group	2,708	-	68	2,640
Marketing and materials	10,000	-	5,600	4,400
	<u>231,517</u>	<u>150,000</u>	<u>34,130</u>	<u>347,387</u>

22. Analysis of net assets between funds

	Unrestricted 2023	Designated 2023	Restricted 2023	Total 2023	Total 2022
	£	£	£	£	£
Fund balances at 31 July 2023 are represented by:					
Intangible fixed assets - goodwill	115,000	-	-	115,000	240,000
Intangible fixed assets - other	42,590	-	-	42,590	57,700
Tangible assets	36,936	-	-	36,936	53,514
Current assets	5,515,634	347,387	500	5,863,521	4,886,508
Pensions and Provisions	790,000	-	-	790,000	492,000
	<u>6,500,160</u>	<u>347,387</u>	<u>500</u>	<u>6,848,047</u>	<u>5,729,722</u>

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Within one year	32,269	43,676	32,269	43,676
Between two and five years	930	33,199	930	33,199
In over five years	-	-	-	-
	<u>33,199</u>	<u>76,875</u>	<u>33,199</u>	<u>76,875</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 and CPL Learning activities. A Trustee is associated to Hopwood Hall College and Leeds College of Building which also access the procurement managed service provided by Tenet.

Grants payable from designated funds are available to all member 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.

CRESCENT PURCHASING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

25. Subsidiaries

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

Details of the Charity's subsidiaries on 31 July 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
				Direct
Tenet Education Services Limited (No. 03049474)	United Kingdom	Provision of advisory and consultancy services	Ordinary	100.00
Tenet Procurement Services Limited (No. 10021398)	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

	2023	2022
	£	£
Surplus for the year	622,325	41,115
Adjustments for:		
Investment income recognised in statement of financial activities	(76,660)	(10,412)
Amortisation and impairment of intangible assets	140,110	140,110
Depreciation and impairment of tangible fixed assets	33,570	33,793
Difference between pension charge and cash contributions	198,000	480,000
Movements in working capital:		
Decrease/(Increase) in debtors	277,977	(239,555)
Increase in creditors	130,005	20,734
Cash generated from operations	1,325,327	465,785

27. Post Balance Sheet Event

On 20 September 2023 a legal settlement was agreed to the value of £18,000. The value of this had already been accrued within the financial statements along with relevant legal expenses.