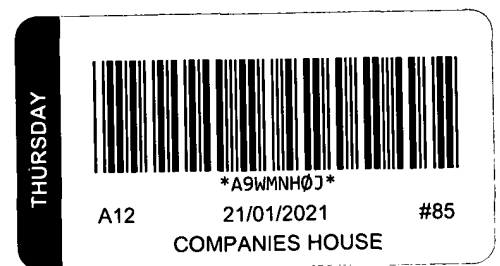


REGISTERED NUMBER: 04771037 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2020**  
**FOR**  
**ACADEMIA LIMITED**



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**for the year ended 30th June 2020**

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**ACADEMIA LIMITED**  
**COMPANY INFORMATION**  
**for the year ended 30th June 2020**

**DIRECTORS:**

M C Bacon B A (Hons)  
M McCormack  
J Dancer  
T A Gillott  
A Bevan  
A J Harman  
J P Kelly

**SECRETARY:**

M C Bacon B A (Hons)

**REGISTERED OFFICE:**

8 Kinetic Crescent  
Innova Park  
Enfield  
EN3 7XH

**REGISTERED NUMBER:**

04771037 (England and Wales)

**SENIOR STATUTORY AUDITOR:** P G Harris ACA FCCA

**AUDITORS:**

Chegwidden & Co  
Statutory Auditors  
Chartered Accountants  
Priestley House  
Priestley Gardens  
Chadwell Heath  
Essex  
RM6 4SN

**GROUP STRATEGIC REPORT**  
**for the year ended 30th June 2020**

The directors present their strategic report of the company and the group for the year ended 30th June 2020.

**REVIEW OF BUSINESS**

The results for the year and the financial position of the Company are as shown in the annexed financial statements.

The year to June 2020 saw Academia continue its impressive growth trajectory, with another year of record turnover and further expansion of our software sales and managed service offerings. Our range of services continues to grow in line with both the direction of the market as a whole and also with the specific needs of our customers as they look for flexibility and reliability in a changing environment.

Recent months have also seen us further enhance our offerings in the schools market with the 100% acquisition of Toucan Computing Ltd in June 2020 and in August 2020 we increased our holding in Vital York Ltd and now have a majority stake. These acquisitions have strengthened our service capability and geographic coverage in the Education market.

Academia is also pleased to report the strategic investment from Strive Investments Limited who acquired a majority holding in the Company in September 2020. This will enable the Company to further expand our customer offerings with the expansion of IT managed services whilst also adding adjacent services in both telecoms and managed print services. Academia is now in a strong position to meet customer needs across vertical markets with a broad range of technology solutions and associated services.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are considered to relate to competition from both national and independent businesses, employee retention and product availability.

However, this year has seen the added uncertainty associated with the Coronavirus pandemic. We are pleased to report that the actions undertaken by the Board, alongside the understanding and dedication of our employees to the changing environment thrust upon them, has resulted in the company being largely unaffected throughout this challenging period.

**KEY PERFORMANCE INDICATORS ("KPI")**

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

**ON BEHALF OF THE BOARD:**



M C Bacon B A (Hons) - Secretary

Date: 14/01/2021

**REPORT OF THE DIRECTORS**  
**for the year ended 30th June 2020**

The directors present their report with the financial statements of the company and the group for the year ended 30th June 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of supplying computer equipment and software.

**DIVIDENDS**

The total distribution of dividends for the year ended 30th June 2020 will be £161,160.

Dividends paid by Charterhouse Muller UK Limited amounted to £Nil (2019 - £Nil).

Dividends paid by Academia Limited amounted to £161,160 (2019 - £243,710).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st July 2019 to the date of this report.

M C Bacon B A (Hons)  
M McCormack  
J Dancer  
T A Gillott  
A Messina

Other changes in directors holding office are as follows:

C Eaton - resigned 6th March 2020

A J Harman and J P Kelly were appointed as directors after 30th June 2020 but prior to the date of this report.

**POLITICAL DONATIONS AND EXPENDITURE**

There were no political donations and expenditure for the year.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**REPORT OF THE DIRECTORS**  
**for the year ended 30th June 2020**

**AUDITORS**

The auditors, Chegwiddden & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



M C Bacon B A (Hons) - Secretary

Date: 14/01/2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**ACADEMIA LIMITED**

**Opinion**

We have audited the financial statements of Academia Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30th June 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30th June 2020 and of the group's profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**ACADEMIA LIMITED**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

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

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors 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 directors determine 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 directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

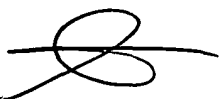
**Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



P G Harris ACA FCCA (Senior Statutory Auditor)  
for and on behalf of Chegwiddden & Co  
Statutory Auditors  
Chartered Accountants  
Priestley House  
Priestley Gardens  
Chadwell Heath  
Essex  
RM6 4SN

Date: 19/01/2021



**ACADEMIA LIMITED (REGISTERED NUMBER: 04771037)**

**CONSOLIDATED INCOME STATEMENT**  
**for the year ended 30th June 2020**

	Notes	2020 £	£	2019 £	£
<b>TURNOVER</b>			70,028,876		67,804,043
Cost of sales			61,595,693		59,594,147
<b>GROSS PROFIT</b>			8,433,183		8,209,896
Administrative expenses			7,917,909		7,325,962
			515,274		883,934
Other operating income			188,266		10,394
<b>OPERATING PROFIT</b>	4		703,540		894,328
Income from shares in group undertakings		20,000		-	
Income from interest in associated undertakings		21,921		16,593	
Interest receivable and similar income		8,588		2,822	
			50,509		19,415
			754,049		913,743
Interest payable and similar expenses	5		231		3,390
<b>PROFIT BEFORE TAXATION</b>			753,818		910,353
Tax on profit	6		96,227		112,818
<b>PROFIT FOR THE FINANCIAL YEAR</b>			657,591		797,535
Profit attributable to:					
Owners of the parent			657,561		797,535
Non-controlling interests			30		-
			657,591		797,535

The notes form part of these financial statements

**ACADEMIA LIMITED (REGISTERED NUMBER: 04771037)**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME**  
**for the year ended 30th June 2020**

Notes	2020 £	2019 £
PROFIT FOR THE YEAR	657,591	797,535
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>657,591</u>	<u>797,535</u>
Total comprehensive income attributable to:		
Owners of the parent	657,561	797,535
Non-controlling interests	30	-
	<u>657,591</u>	<u>797,535</u>


The notes form part of these financial statements

**CONSOLIDATED BALANCE SHEET**

**30th June 2020**

	Notes	2020	2019
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	9	536,451	97,779
Tangible assets	10	451,802	358,835
Investments	11	623,354	630,767
		<u>1,611,607</u>	<u>1,087,381</u>
<b>CURRENT ASSETS</b>			
Stocks	12	189,037	211,891
Debtors	13	8,245,537	8,696,056
Cash at bank and in hand		3,960,052	1,887,905
		<u>12,394,626</u>	<u>10,795,852</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	11,325,261	9,714,372
<b>NET CURRENT ASSETS</b>		<u>1,069,365</u>	<u>1,081,480</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,680,972</u>	<u>2,168,861</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(14,709)	-
<b>PROVISIONS FOR LIABILITIES</b>	18	(65,432)	(47,628)
<b>ACCRUALS AND DEFERRED INCOME</b>	19	(89,638)	(106,471)
<b>NET ASSETS</b>		<u><u>2,511,193</u></u>	<u><u>2,014,762</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	833	833
Capital redemption reserve	21	417	417
Retained earnings	21	2,509,943	2,013,542
<b>SHAREHOLDERS' FUNDS</b>		<u>2,511,193</u>	<u>2,014,792</u>
<b>NON-CONTROLLING INTERESTS</b>		-	(30)
<b>TOTAL EQUITY</b>		<u><u>2,511,193</u></u>	<u><u>2,014,762</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 14/01/2021 and were signed on its behalf by:

  
M C Bacon B A (Hons) - Director

The notes form part of these financial statements

**COMPANY BALANCE SHEET**

**30th June 2020**

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Intangible assets	9	536,451	97,779
Tangible assets	10	381,178	336,763
Investments	11	623,454	620,918
		<u>1,541,083</u>	<u>1,055,460</u>
<b>CURRENT ASSETS</b>			
Stocks	12	171,128	124,185
Debtors	13	8,197,193	8,407,177
Cash at bank		3,646,273	1,665,849
		<u>12,014,594</u>	<u>10,197,211</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	10,998,297	9,194,355
		<u>10,998,297</u>	<u>9,194,355</u>
<b>NET CURRENT ASSETS</b>		<u>1,016,297</u>	<u>1,002,856</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,557,380</u>	<u>2,058,316</u>
<b>PROVISIONS FOR LIABILITIES</b>	18	(56,704)	(44,815)
<b>ACCRUALS AND DEFERRED INCOME</b>	19	(89,638)	(106,471)
<b>NET ASSETS</b>		<u>2,411,038</u>	<u>1,907,030</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	833	833
Capital redemption reserve	21	417	417
Retained earnings	21	2,409,788	1,905,780
<b>SHAREHOLDERS' FUNDS</b>		<u>2,411,038</u>	<u>1,907,030</u>
<b>Company's profit for the financial year</b>		<u>665,168</u>	<u>787,174</u>

The financial statements were approved by the Board of Directors and authorised for issue on 14/01/2021 and were signed on its behalf by:



M C Bacon B A (Hons) - Director

**ACADEMIA LIMITED (REGISTERED NUMBER: 04771037)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 30th June 2020**

	Called up share capital £	Retained earnings £	Capital redemption reserve £
<b>Balance at 1st July 2018</b>	833	1,459,717	417
<b>Changes in equity</b>			
Dividends	-	(243,710)	-
Total comprehensive income	-	797,535	-
<b>Balance at 30th June 2019</b>	<u>833</u>	<u>2,013,542</u>	<u>417</u>
<b>Changes in equity</b>			
Dividends	-	(161,160)	-
Total comprehensive income	-	657,561	-
<b>Balance at 30th June 2020</b>	<u><u>833</u></u>	<u><u>2,509,943</u></u>	<u><u>417</u></u>
	Total £	Non-controlling interests £	Total equity £
<b>Balance at 1st July 2018</b>	1,460,967	(30)	1,460,937
<b>Changes in equity</b>			
Dividends	(243,710)	-	(243,710)
Total comprehensive income	797,535	-	797,535
<b>Balance at 30th June 2019</b>	<u>2,014,792</u>	<u>(30)</u>	<u>2,014,762</u>
<b>Changes in equity</b>			
Dividends	(161,160)	-	(161,160)
Total comprehensive income	657,561	30	657,591
<b>Balance at 30th June 2020</b>	<u><u>2,511,193</u></u>	<u><u>-</u></u>	<u><u>2,511,193</u></u>

The notes form part of these financial statements

**ACADEMIA LIMITED (REGISTERED NUMBER: 04771037)**

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 30th June 2020**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
<b>Balance at 1st July 2018</b>	833	1,362,316	417	1,363,566
<b>Changes in equity</b>				
Dividends	-	(243,710)	-	(243,710)
Total comprehensive income	-	787,174	-	787,174
<b>Balance at 30th June 2019</b>	833	1,905,780	417	1,907,030
<b>Changes in equity</b>				
Dividends	-	(161,160)	-	(161,160)
Total comprehensive income	-	665,168	-	665,168
<b>Balance at 30th June 2020</b>	833	2,409,788	417	2,411,038

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT**  
**for the year ended 30th June 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	3,330,651	1,311,784
Interest element of hire purchase payments paid		(231)	(3,390)
Tax paid		42,313	31,703
Net cash from operating activities		<u>3,372,733</u>	<u>1,340,097</u>
 <b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(506,878)	(58,754)
Purchase of tangible fixed assets		(318,922)	(293,332)
Purchase of fixed asset investments		(2,537)	(75,917)
Sale of tangible fixed assets		500	-
Sale of fixed asset investments		-	169,938
Interest received		8,588	2,822
Dividends received		41,921	16,593
Net cash from investing activities		<u>(777,328)</u>	<u>(238,650)</u>
 <b>Cash flows from financing activities</b>			
Capital repayments in year		(1,195)	(45,065)
Amount introduced by directors		111,725	-
Amount withdrawn by directors		(138,325)	-
Loans to participating interests		(334,303)	(155,680)
Equity dividends paid		(161,160)	(243,710)
Net cash from financing activities		<u>(523,258)</u>	<u>(444,455)</u>
 <b>Increase in cash and cash equivalents</b>		<u>2,072,147</u>	<u>656,992</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>1,887,905</u>	<u>1,230,913</u>
 <b>Cash and cash equivalents at end of year</b>	2	<u><u>3,960,052</u></u>	<u><u>1,887,905</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**for the year ended 30th June 2020**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2020	2019
	£	£
Profit before taxation	753,818	910,353
Depreciation charges	313,518	281,536
Loss/(profit) on disposal of fixed assets	9,834	(127,192)
Finance costs	231	3,390
Finance income	(50,509)	(19,415)
	<u>1,026,892</u>	<u>1,048,672</u>
Decrease/(increase) in stocks	22,854	(103,774)
Decrease in trade and other debtors	811,422	204,572
Increase in trade and other creditors	<u>1,469,483</u>	<u>162,314</u>
<b>Cash generated from operations</b>	<u><u>3,330,651</u></u>	<u><u>1,311,784</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30th June 2020**

	30.6.20	1.7.19
	£	£
Cash and cash equivalents	<u><u>3,960,052</u></u>	<u><u>1,887,905</u></u>

**Year ended 30th June 2019**

	30.6.19	1.7.18
	£	£
Cash and cash equivalents	<u><u>1,887,905</u></u>	<u><u>1,230,913</u></u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.7.19	Cash flow	Other non-cash changes	At 30.6.20
	£	£	£	£
<b>Net cash</b>				
Cash at bank and in hand	<u>1,887,905</u>	<u>2,072,147</u>		<u>3,960,052</u>
	<u>1,887,905</u>	<u>2,072,147</u>		<u>3,960,052</u>
<b>Debt</b>				
Finance leases	<u>-</u>	<u>1,195</u>	<u>-</u>	<u>(18,546)</u>
	<u>-</u>	<u>1,195</u>	<u>-</u>	<u>(18,546)</u>
<b>Total</b>	<u><u>1,887,905</u></u>	<u><u>2,073,342</u></u>	<u><u>-</u></u>	<u><u>3,941,506</u></u>

The notes form part of these financial statements



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 30th June 2020**

**1. STATUTORY INFORMATION**

Academia Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2020, is being amortised evenly over its estimated useful life of five years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of three years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 33% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 33% on cost

**Government grants**

During the financial year, the company has been assisted with grants from HMRC through the furlough scheme since it started on 24 March 2020.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**

Development expenditure is carried forward when its future recoverability can be foreseen with reasonable assurance and its amortised in line with sales from the related products. All research and other development costs are written off as incurred.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

	2020	2019
	£	£
Wages and salaries	5,343,298	5,101,661
Social security costs	571,239	566,361
Other pension costs	148,213	115,393
	<u>6,062,750</u>	<u>5,783,415</u>

The average number of employees during the year was as follows:

	2020	2019
General	<u>114</u>	<u>110</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 18 (2019 - 18).

	2020	2019
	£	£
Directors' remuneration	550,609	496,939
Directors' pension contributions to money purchase schemes	<u>23,025</u>	<u>20,818</u>

**ACADEMIA LIMITED (REGISTERED NUMBER: 04771037)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**3. EMPLOYEES AND DIRECTORS - continued**

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>5</u>	<u>5</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2020	2019
	£	£
Emoluments etc	134,401	127,307
Pension contributions to money purchase schemes	<u>7,081</u>	<u>5,500</u>

**4. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2020	2019
	£	£
Other operating leases	153,232	146,106
Depreciation - owned assets	244,325	207,047
Depreciation - assets on hire purchase contracts	987	-
Loss/(profit) on disposal of fixed assets	9,834	(127,192)
Goodwill amortisation	4,000	6,000
Development costs amortisation	64,206	68,488
Auditors' remuneration	<u>9,600</u>	<u>9,000</u>

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2020	2019
	£	£
Hire purchase	<u>231</u>	<u>3,390</u>

**6. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	78,423	105,016
Deferred tax	<u>17,804</u>	<u>7,802</u>
Tax on profit	<u>96,227</u>	<u>112,818</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**6. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£	£
Profit before tax	<u>753,818</u>	<u>910,353</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	143,225	172,967
Effects of:		
Expenses not deductible for tax purposes	1,775	2,171
Income not taxable for tax purposes	(27,031)	(34,858)
Capital allowances in excess of depreciation	(17,598)	(17,695)
Utilisation of tax losses	-	(25,269)
Adjustments to tax charge in respect of previous periods	(1,789)	-
Depreciation in excess of capital allowances	-	5
Deferred tax	17,804	7,802
R&D Tax Credit	(42,313)	(30,305)
Other	<u>22,154</u>	<u>38,000</u>
Total tax charge	<u><u>96,227</u></u>	<u><u>112,818</u></u>

**7. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**8. DIVIDENDS**

Dividends paid by Charterhouse Muller Ltd amounted to £Nil (2019 - £Nil).

Dividends paid by Academia Ltd amounted to £161,160 (2019 - £243,710).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**9. INTANGIBLE FIXED ASSETS**

**Group**

	Goodwill £	Development costs £	Totals £
<b>COST</b>			
At 1st July 2019	60,001	231,654	291,655
Additions	458,003	48,875	506,878
At 30th June 2020	518,004	280,529	798,533
<b>AMORTISATION</b>			
At 1st July 2019	56,000	137,876	193,876
Amortisation for year	4,000	64,206	68,206
At 30th June 2020	60,000	202,082	262,082
<b>NET BOOK VALUE</b>			
At 30th June 2020	458,004	78,447	536,451
At 30th June 2019	4,001	93,778	97,779

**Company**

	Goodwill £	Development costs £	Totals £
<b>COST</b>			
At 1st July 2019	60,001	231,654	291,655
Additions	458,003	48,875	506,878
At 30th June 2020	518,004	280,529	798,533
<b>AMORTISATION</b>			
At 1st July 2019	56,000	137,876	193,876
Amortisation for year	4,000	64,206	68,206
At 30th June 2020	60,000	202,082	262,082
<b>NET BOOK VALUE</b>			
At 30th June 2020	458,004	78,447	536,451
At 30th June 2019	4,001	93,778	97,779

Goodwill additions represents Academia Limited costs incurred in purchasing the company Toucan Computing Limited and its services in June 2020, the sum will be amortised over 5 years commencing 1 July 2020.

Development costs represent Academia Limited costs incurred in developing an E-Commerce platform for its users, these costs will be amortised over 3 years.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**10. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1st July 2019	395,298	22,000	950,146	1,367,444
Additions	118,704	-	219,959	338,663
Disposals	(2,300)	-	(34,875)	(37,175)
At 30th June 2020	511,702	22,000	1,135,230	1,668,932
<b>DEPRECIATION</b>				
At 1st July 2019	172,400	14,042	822,167	1,008,609
Charge for year	120,798	7,333	117,181	245,312
Eliminated on disposal	(1,917)	-	(34,874)	(36,791)
At 30th June 2020	291,281	21,375	904,474	1,217,130
<b>NET BOOK VALUE</b>				
At 30th June 2020	220,421	625	230,756	451,802
At 30th June 2019	222,898	7,958	127,979	358,835

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Fixtures and fittings £</b>
<b>COST</b>	
Additions	19,741
At 30th June 2020	19,741
<b>DEPRECIATION</b>	
Charge for year	987
At 30th June 2020	987
<b>NET BOOK VALUE</b>	
At 30th June 2020	18,754

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**10. TANGIBLE FIXED ASSETS - continued**

**Company**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1st July 2019	360,648	915,271	1,275,919
Additions	51,369	218,629	269,998
At 30th June 2020	412,017	1,133,900	1,545,917
<b>DEPRECIATION</b>			
At 1st July 2019	151,863	787,293	939,156
Charge for year	108,557	117,026	225,583
At 30th June 2020	260,420	904,319	1,164,739
<b>NET BOOK VALUE</b>			
At 30th June 2020	151,597	229,581	381,178
At 30th June 2019	208,785	127,978	336,763

**11. FIXED ASSET INVESTMENTS**

**Group**

	Shares in group undertakings £	Interest in other participating interests £	Totals £
<b>COST</b>			
At 1st July 2019	554,850	75,917	630,767
Additions	2,287	250	2,537
Disposals	(9,950)	-	(9,950)
At 30th June 2020	547,187	76,167	623,354
<b>NET BOOK VALUE</b>			
At 30th June 2020	547,187	76,167	623,354
At 30th June 2019	554,850	75,917	630,767

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**11. FIXED ASSET INVESTMENTS - continued**

**Company**

	Shares in group undertakings £	Interest in other participating interests £	Totals £
<b>COST</b>			
At 1st July 2019	555,900	75,917	631,817
Additions	2,287	250	2,537
Disposals	(10,900)	-	(10,900)
At 30th June 2020	547,287	76,167	623,454
<b>PROVISIONS</b>			
At 1st July 2019	10,899	-	10,899
Eliminated on disposal	(10,899)	-	(10,899)
At 30th June 2020	-	-	-
<b>NET BOOK VALUE</b>			
At 30th June 2020	547,287	76,167	623,454
At 30th June 2019	545,001	75,917	620,918

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiaries**

**Employee Choice Limited**

Registered office: 8 Kinetic Crescent, Innova Science Park, Enfield, Middlesex, EN3 7XH

Nature of business: Employee Benefit Schemes

	% holding	2020 £	2019 £
Class of shares:			
Ordinary	96.90	-	(977)
Aggregate capital and reserves			

Employee Choice Limited ceased trading on the 30th June 2018 and was dissolved on the 25th February 2020. The removal of the investment in the subsidiary is shown as the disposal above under shares in group undertakings.

**Charterhouse Muller UK Limited**

Registered office: 8 Kinetic Crescent, Enfield, England, EN3 7XH

Nature of business: Digital Asset Management

	% holding	2020 £	2019 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		100,255	98,860
Profit for the year		1,395	10,362



**ACADEMIA LIMITED (REGISTERED NUMBER: 04771037)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**11. FIXED ASSET INVESTMENTS - continued**

**Toucan Computing Limited**

Registered office: 8 Kinetic Crescent, Enfield, England, EN3 7XH

Nature of business: Supplier of computer software and hardware

	%		
Class of shares:	holding		
Ordinary Shares	100.00		
		30/4/20	30/4/19
		£	£
Aggregate capital and reserves		1,207	942,001
(Loss)/profit for the year		(940,794)	70,632

An investment of £460,290 was made on the 8th June 2020 for a 100% shareholding in the company. No accounts are available for June 2020 and the results have been excluded from consolidation, as its inclusion for the period 8th June 2020 to 30th June 2020 is considered by the directors, to be not material for the purposes of giving a true and fair view.

**Associated companies**

An investment of £250 was made on the 20th August 2019 for a 25% shareholding in the company Revitalise Technology Limited. In the opinion of the directors, the current market value of Revitalise Technology Limited is in excess of the investment made.

An investment of £75,917 was made on the 16th October 2018 for a 33.33% shareholding in the company Vital York Limited. In the opinion of the directors, the current market value of Vital York Limited is in excess of the investment made.

**12. STOCKS**

	<b>Group</b>		<b>Company</b>	
	2020	2019	2020	2019
	£	£	£	£
Stocks	189,037	211,891	171,128	124,185

**13. DEBTORS**

	<b>Group</b>		<b>Company</b>	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	6,900,556	7,922,874	6,797,625	7,589,591
Bad debt provision	(55,327)	-	(49,294)	-
Amounts owed by group undertakings	238,568	-	304,080	71,908
Amounts owed by participating interests	489,983	66,000	489,983	66,000
Other debtors	93,318	30,598	93,318	11,389
Directors' current accounts	26,600	-	26,600	-
Prepayments	551,839	586,904	534,881	578,609
	8,245,537	8,606,376	8,197,193	8,317,497

**ACADEMIA LIMITED (REGISTERED NUMBER: 04771037)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**13. DEBTORS - continued**

	<b>Group</b>		<b>Company</b>	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due after more than one year:				
Amounts owed by participating interests	-	89,680	-	89,680
	<u>-</u>	<u>89,680</u>	<u>-</u>	<u>89,680</u>
Aggregate amounts	<u>8,245,537</u>	<u>8,696,056</u>	<u>8,197,193</u>	<u>8,407,177</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2020	2019	2020	2019
	£	£	£	£
Hire purchase contracts (see note 16)	3,837	-	-	-
Trade creditors	8,377,428	8,024,085	8,341,964	7,914,072
Tax	213,419	92,683	150,754	43,567
Social security and other taxes	94,940	152,930	86,101	143,453
VAT	690,980	237,531	635,314	145,327
Other creditors	193,113	207,487	187,501	148,395
Deferred income	318,505	295,613	318,505	295,613
Accrued expenses	1,433,039	704,043	1,278,158	503,928
	<u>11,325,261</u>	<u>9,714,372</u>	<u>10,998,297</u>	<u>9,194,355</u>

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	
	2020	2019
	£	£
Hire purchase contracts (see note 16)	<u>14,709</u>	<u>-</u>

**16. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Hire purchase contracts</b>	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	3,837	-
Between one and five years	14,709	-
	<u>18,546</u>	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**16. LEASING AGREEMENTS - continued**

**Group**

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	183,000	112,629
Between one and five years	516,000	300,000
In more than five years	197,877	272,877
	<u>896,877</u>	<u>685,506</u>

**Company**

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	75,000	93,000
Between one and five years	300,000	300,000
In more than five years	197,877	272,877
	<u>572,877</u>	<u>665,877</u>

**17. SECURED DEBTS**

RBS Invoice Finance Limited have a fixed and floating charge over the company including all property assets present and future, including goodwill, fixtures, plant & machinery.

**18. PROVISIONS FOR LIABILITIES**

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax	<u>65,432</u>	<u>47,628</u>	<u>56,704</u>	<u>44,815</u>

**Group**

	Deferred tax
	£
Balance at 1st July 2019	47,628
Accelerated capital allowances	<u>17,804</u>
Balance at 30th June 2020	<u>65,432</u>

**Company**

	Deferred tax
	£
Balance at 1st July 2019	44,815
Accelerated capital allowances	<u>11,889</u>
Balance at 30th June 2020	<u>56,704</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**19. ACCRUALS AND DEFERRED INCOME**

	<b>Group</b>		<b>Company</b>	
	2020	2019	2020	2019
	£	£	£	£
Accruals and deferred income	<u>89,638</u>	<u>106,471</u>	<u>89,638</u>	<u>106,471</u>

**20. CALLED UP SHARE CAPITAL**

Allotted and issued:				
Number:	Class:	Nominal value:	2020	2019
			£	£
833	Ordinary	£1	<u>833</u>	<u>833</u>

On 3 November 2017, the company adopted an Enterprise Management Incentive "EMI" scheme, to grant options over un-issued Ordinary shares of £1.00 each in the company. Options have been granted, to certain employees, which may only be exercised if the company is sold, within 10 years of the dates of the individual grants.

If such an event occurs, the maximum number of Ordinary shares at the time that can be issued in accordance with the schemes rules is disclosed in note 25 Share - Based payment transactions.

**21. RESERVES**

**Group**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1st July 2019	2,013,542	417	2,013,959
Profit for the year	657,561		657,561
Dividends	(161,160)		(161,160)
At 30th June 2020	<u>2,509,943</u>	<u>417</u>	<u>2,510,360</u>

**Company**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1st July 2019	1,905,780	417	1,906,197
Profit for the year	665,168		665,168
Dividends	(161,160)		(161,160)
At 30th June 2020	<u>2,409,788</u>	<u>417</u>	<u>2,410,205</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 30th June 2020 and 30th June 2019:

	2020 £	2019 £
<b>M C Bacon B A (Hons)</b>		
Balance outstanding at start of year	-	-
Amounts advanced	83,913	-
Amounts repaid	(79,920)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>3,993</u>	<u>-</u>
<b>M McCormack</b>		
Balance outstanding at start of year	-	-
Amounts advanced	32,914	-
Amounts repaid	(20,040)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>12,874</u>	<u>-</u>
<b>A Bevan</b>		
Balance outstanding at start of year	-	-
Amounts advanced	21,498	-
Amounts repaid	(11,765)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>9,733</u>	<u>-</u>

The loans are charged interest and are repayable on demand.

Dividends of £161,160 (2019: £243,710) were paid to the directors in the year.

**23. RELATED PARTY DISCLOSURES**

During the year, total dividends of £161,160 were paid to the directors.

**ACADEMIA LIMITED (REGISTERED NUMBER: 04771037)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**23. RELATED PARTY DISCLOSURES - continued**

Mr M C Bacon and Mr M McCormack (directors) are shareholders of Academia Limited which is a trading and holding company of Toucan Computing Limited and Charterhouse Muller UK Limited.

M C Bacon and T A Gillott are directors of Charterhouse Muller UK Limited, a subsidiary.

M C Bacon and M McCormack are directors of Toucan Computing Limited, a subsidiary.

M C Bacon is also a director of Vital York Limited, an associated company.

M McCormack is also a director of Revitalise Technology Limited, an associated company.

**Trading transactions**

	Sales Ledger Transactions	Purchase Ledger Transactions	Balance at 30/06/2020
	£	£	£
Toucan Computing Limited	179,265	-	238,568
Charterhouse Muller UK Limited	400,110	84,162	65,512

The sales ledger transactions with Charterhouse Muller UK Limited included sales of £330,110 (2019 - £293,422) and a contribution towards overheads of £70,000 (2019 - £50,000).

During the year Academia Limited made sales of £98,339 (2019 - £9,155) and purchases of £59,478 (2019 - £3,870) from Vital York Limited an associated company, of which Academia Limited holds 33.33% of the Ordinary Share Capital. Included in debtors is the sum of £179,127 (2019 - £166,666) due from Vital York Limited, and included in creditors is the sum of £11,402 (2019 - £5,303) payable to Vital York Limited. Dividends amounting to £20,000 was also received from Vital York Limited.

During the year Academia Limited made sales of £684,750 and purchases of £1,283,341 from Revitalise Technology Limited an associated company of which Academia Limited holds 25% of the Ordinary Share Capital. Included in Debtors is the sum of £423,435 due from Revitalise Technology Limited, and included in creditors is the sum of £10,398 payable to Revitalise Technology Limited.

During the year Employee Choice Limited a subsidiary was dissolved on 25th February 2020.

**24. ULTIMATE CONTROLLING PARTY**

At the year end, the controlling party was M C Bacon B A (Hons).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**for the year ended 30th June 2020**

**25. SHARE-BASED PAYMENT TRANSACTIONS**

The company operates an approved Enterprise Management Incentive ("EMI") scheme, as described in the called up share capital note above. The number of shares subject to options, the periods in which they were granted and the exercise price are given below.

Year of Grant	Exercise Price (£)	No. brought forward	No. granted	No. forfeited	No. exercised	No. carried forward
2017-18	1,900	-	127	-	-	127
2018-19	1,900	127	-	(8)	-	119
2019-20	1,900	119	-	(12)	-	107

Further to the investment by Strive Investments Limited in September 2020 the 107 'EMI' scheme share options became issued ordinary share capital.