

Company registration number 04117454 (England and Wales)

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2023

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors Mr. R Bradbury
 Mr D Williams
 Rev A E Blakebrough
 Ms S J Hunt
 Mr T W C Plimmer
 Ms C Airey

Secretary Mr. R Bradbury

Company number 04117454

Registered office Cragwood House
 Windermere
 Cumbria
 United Kingdom
 LA23 1LQ

Auditor Azets Audit Services
 Fleet House
 New Road
 Lancaster
 United Kingdom
 LA1 1EZ

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

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IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

CHIEF EXECUTIVE'S STATEMENT

FOR THE YEAR ENDED 30 MARCH 2023

This has been a year of recovery from the effects of Covid. We have seen a strong bounce back of our face-to-face business across the world as all markets have started to release controls and restrictions.

Our expertise in delivering blended solutions, where virtual design blends seamlessly into live, face to face experiences, has prepared us well for the future.

The departure of some older colleagues continues. This loss of expertise is more than compensated for by the emergence of our next generation of leaders. This in turn has created opportunities for relatively new people to expand their influence and to develop.

Our new brand was launched in early 2023 and has landed well with our clients and colleagues. The new brand draws attention to our purpose:

"We partner with our clients to solve the complex economic, social and environmental problems that challenge humanity, by liberating the human potential in their organisations."

Building on our guiding principles, which are regularly promoted and discussed across the business and offering a contemporary overview of our expertise in experiential learning.

The new brand holds firm to the values we have built over 40 years, but clearly lays out our intentions for the future. These are:

- To use a people focused approach on all of our work
- To apply experiential learning methodologies in all of our solutions
- To move confidently into new approaches to managing change and uncertainty
- To focus on creating a positive Impact with our client work

Impact has been a signatory to the United Nations Global Compact since 2005. One of the first small businesses to commit. Key to the progression of these principles is the commitment and support from our people.

As a service organisation, our key focus is on:

1. Our people - human rights, labour standards, safety
2. Our clients – safety, data security
3. Environment – reducing our impacts, internally and externally

We are audited by Ecovadis, below we share some key strengths identified in our recent report:

An update on our labour & human rights policies including:

- diversity, equity & inclusion
- career management & training
- working conditions
- employee health & safety

Actions

- Health care coverage of employees in place
- Internal and external audit on safety issues
- Employee health & safety detailed risk assessment
- GDPR and protection of client and colleagues private information-awarded Cyber Essentials certification

Volunteering in the community:

- Kids Holiday. A team of more than 12 Impact staff worked to provide a weeks holiday for 15 children aged 8-12 from Barrow to support the charity Family Action
- A week of work inspiration for 10 students (aged 17/18 years old)
- Mock Interviews for year 11 – 12 students in Windermere and Kendal
- Supporting United Nations Global Compact in the UK on various programmes
- Our 7th year supporting the leading men's mental health charity 'Movember'

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

CHIEF EXECUTIVE'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

Safety

- 34 training events have taken place in 2023, with a total of 104 people being trained in a wide variety of subjects

Environment updates:

- Quantitative objectives set on waste
- Environmental policy on waste
- Environmental policy on energy consumption & GHGs

Actions

- Training of employees on energy conservation/climate actions
- Reduction of carbon emissions in transportation
- Measures to reduce energy consumption
- Exceptional policy on major environmental issues (feedback from Ecovadis)
- Travel policy to ensure we use (wherever possible) trains to travel across the UK and Europe

We are also active members of the UNGC and report on our commitments to the 10 principles including Human Rights, Labour Standards, Anti-corruption, and the environment.

Our new office is completed, and we have moved in. This coincides with the launch of FORCE, our new walker's café, positioned inside the recently refurbished building.

We are operating in an unpredictable market, impacted by global tensions, a rapid rise in the cost of living, higher interest rates and a higher awareness of the effects of climate change. Navigating through these challenges is difficult but Impact is well positioned to take advantage of the many contemporary issues facing businesses now and in the future.

Chairman

22 December 2023

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 MARCH 2023

The directors present the strategic report for the year ended 30 March 2023.

The company is the parent company of the Impact Development Training group of companies and of Cragwood International Ltd. The principal activities remain the provision of experiential based management, leadership and team development programmes plus associated consultancy services in respect of culture change, organisational development, talent management and performance improvement as well as the operation of three, country house style, Lake District hotels - Cragwood House, Merewood and Briery Wood.

The group operates through branches in Australia and New Zealand, subsidiary companies in China, Hong Kong, Japan, Poland, Singapore, Thailand, UK and USA, and a joint venture in Italy.

Business Review

The financial results reflect the business continuing to recover from the effects of the Covid-19 pandemic with revenues significantly increased (by 21%) from the previous year. Turnover was £25.85m (2022: £21.36m) producing a pre-tax profit of £1.446m (2022: £1.473m). The investment made in the previous two years in Impact's in house bespoke learning applications, airTM and Inscape Rooms, enabled us to pivot from face to face delivery to virtual solutions and attract new clients.

Average occupancy rates in the hotels were exceptionally high which brought its own challenges particularly maintaining adequate staffing levels in the face of a national and local shortage of hospitality staff. Nevertheless we were able to remain open at all times and offer a full range of services.

Further review is detailed in the chief executive's statement.

Principal risks and uncertainties

Costs of operating continue to rise sharply, particularly food purchases, salaries and energy costs. There is a risk of a global economic downturn affecting UK and international clients

The Accounts are consolidated in the UK which could lead to exposure to interest rate fluctuations.

One of the main risks and uncertainties that may affect the training business is our ability to find and develop new talent within an acceptable timeframe and the increasingly competitive, procurement led, nature of the business.

Cyber and data security are a key risk as internal and cloud based systems are increasingly subject to the threat of cyber attacks.

Employment rates are high in the UK and it is a challenge to recruit and retain hospitality staff.

The local hotel market is very competitive with consumers looking for last minute discounted deals, often marketed through internet media companies.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

S172 statement

The Board takes active steps to ensure that the views and interests of employees are gathered and taken into account in its decision making. Management is committed to looking after employees, protecting jobs, and their financial and mental well being.

Further examples of how the Board engages with its staff include regular business and financial updates by way of weekly management meetings and reports and updates published on an internal communications portal.

The Board is committed to supporting the communities wherever Impact has a presence and for being environmentally responsible. We have continued to offer support to our local communities, including afternoon tea sessions for our elders, our annual holiday for disadvantaged children and a range of other engagements with charities, schools and not for profits in our local areas.

Our partnership with the United Nations (Global Compact) throughout 2022-23 has enabled us to widen our network. We are committed to this relationship and we are actively weaving the Sustainable Development Goals into our work with clients and our own organisation. We have also been awarded "Ecovadis" gold award status which is demonstrative of our own credentials in this area.

The Company is committed to minimising its environmental impact by reducing both the carbon intensity of its activities and the natural resources it uses through the development and operation of good business practices to manage resources more efficiently through their lifecycle.

On behalf of the board

Mr D Williams
Director

22 December 2023

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 MARCH 2023

The directors present their annual report and financial statements for the year ended 30 March 2023.

Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R Bradbury

Mr D Williams

Rev A E Blakebrough

Mr S J Hunt

Mr D J Newman

(Resigned 20 September 2022)

Mr T W C Plimmer

Ms C Airey

Financial instruments

Details of the group's financial risk management objectives and policies are included in note 27 to the financial statements.

Business relationships

Details on business relationships can be found in the strategic report.

Future developments

Details of future developments have been set out in the strategic report and chief executive's statement.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the group will be put at a General Meeting.

Energy and carbon report

The SECR regulations introduced in April 2019 is designed to increase internal awareness of energy usage and cost, drive adoption of energy efficiency measures, standardise external reporting, provide greater transparency for stakeholders on energy efficiency and emissions. Impact Development Training International Limited embraces these regulations and have made some important steps to help reduce the group's energy efficiency and emissions.

	2023	
	kWh	kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year		
- Gas combustion	2,681,052	2,130,752
- Electricity purchased	96,621	66,329
- Fuel consumed for transport	644,451	583,680
- Coal	143,176	59,592
	<hr/>	<hr/>
	3,565,300	2,840,353
	<hr/>	<hr/>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

	2023	
	metric	metric
	tonnes	tonnes
<i>Emissions of CO2 equivalent</i>		
- Gas combustion	536.21	426.15
- Fuel consumed for owned transport	25.65	16.59
- Electricity purchased	124.62	112.87
- Coal	51.54	21.45
Total gross emissions	738.02	577.06
	=====	=====
<i>Intensity ratio</i>		
Tonnes CO2e per turnover [£m's]	29	26
	=====	=====

Quantification and reporting methodology

The group has followed the 2019 HM Government Environmental Reporting Guidelines. The group has also used the GHG Reporting Protocol -Corporate Standard and have used the 2020 UK Government's Comparison factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is kgs CO2e per £1m of turnover.

Measures taken to improve energy efficiency

One of Impact's aims is to reduce reliance on fossil fuels through being as energy efficient as possible to ensure that carbon emissions are minimised. Initiatives already in place are;

- Installation of natural wool roof insulation throughout the Kelsick office which reduces energy consumption and the release of carbon dioxide. Wool fixes carbon dioxide helping to reduce greenhouse gas levels. The product is manufactured in the UK under ISO 9001 Quality Assurances Systems.
- Installation of secondary glazing to single glazed sash windows at Kelsick, reducing energy consumption but maintaining the traditional appearance in keeping with a historical building.
- Replacing diesel vehicles when they get to the end of their useful life with electric vehicles and the planned installation of charging points at the hotels and offices.
- Replacing all light bulbs in the hotels and offices with energy efficient LED bulbs.
- Fitting of underfloor heating for all the new build at Kelsick plus replacement of existing radiators wherever practical. This will reduce gas consumption compared to traditional heating systems.
- Installing an array of ground mounted solar panels at Kelsick.
- Electric at Kelsick is sourced from 100% renewable sources.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report 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 group and company, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr D Williams

Director

22 December 2023

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of Impact Development Training International Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 March 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group 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 group's and the parent company's affairs as at 30 March 2023 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF IMPACT DEVELOPMENT TRAINING INTERNATIONAL 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement, 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 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 directors are responsible for assessing 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Susanna Cassey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

22 December 2023

Chartered Accountants
Statutory Auditor

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 MARCH 2023

	Notes	2023 £	£
Turnover	3	25,852,210	21,364,999
Cost of sales		(7,331,828)	(5,319,617)
Gross profit		18,520,382	16,045,382
Administrative expenses		(17,065,226)	(15,244,063)
Other operating income		93,397	667,334
Operating profit	4	1,548,553	1,468,653
Share of profits of joint ventures		58,432	62,117
Interest receivable and similar income	9	73,222	117,206
Interest payable and similar expenses	8	(234,394)	(175,157)
Profit before taxation		1,445,813	1,472,819
Tax on profit	10	(416,427)	(294,031)
Profit for the financial year	24	1,029,386	1,178,788
Other comprehensive income			
Currency translation gain taken to retained earnings		136,807	100,406
Tax relating to other comprehensive income		-	(94,402)
Total comprehensive income for the year		1,166,193	1,184,792
Profit for the financial year is attributable to:			
- Owners of the parent company		992,165	1,128,378
- Non-controlling interests		37,221	50,410
		1,029,386	1,178,788
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		1,125,607	1,131,862
- Non-controlling interests		40,586	52,930
		1,166,193	1,184,792

The profit and loss account has been prepared on the basis that all operations are continuing operations.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

GROUP BALANCE SHEET

AS AT 30 MARCH 2023

		2023			
	Notes	£	£	£	£
Fixed assets					
Goodwill	11		273,986		469,090
Other intangible assets	11		221,303		181,154
Total intangible assets			495,289		650,244
Tangible assets	12		13,439,308		12,515,163
Investments	13		238,801		207,639
			14,173,398		13,373,046
Current assets					
Stocks	15	106,547		76,591	
Debtors	16	4,562,530		4,007,473	
Cash at bank and in hand		2,481,081		2,796,619	
			7,150,158		6,880,683
Creditors: amounts falling due within one year	17	(5,879,346)		(6,432,268)	
Net current assets			1,270,812		448,415
Total assets less current liabilities			15,444,210		13,821,461
Creditors: amounts falling due after more than one year	18		(4,137,885)		(3,870,388)
Provisions for liabilities					
Deferred tax liability	20	485,974		293,940	
			(485,974)		(293,940)
Net assets			10,820,351		9,657,133
Capital and reserves					
Called up share capital	22		100,000		100,000
Revaluation reserve	23		2,620,578		2,620,578
Other reserves			1,069,341		1,069,341
Profit and loss reserves	24		6,637,126		5,507,325
Equity attributable to owners of the parent company			10,427,045		9,297,244
Non-controlling interests			393,306		359,889
			10,820,351		9,657,133

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

GROUP BALANCE SHEET (CONTINUED)

AS AT 30 MARCH 2023

The financial statements were approved by the board of directors and authorised for issue on 22 December 2023 and are signed on its behalf by:

Mr D Williams
Director

Company registration number 04117454 (England and Wales)

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

COMPANY BALANCE SHEET

AS AT 30 MARCH 2023

		2023			
	Notes	£	£	£	£
Fixed assets					
Investments	13		8,574,413		8,568,943
Current assets					
Debtors	16	1,479,001		1,543,340	
Cash at bank and in hand		9,336		6,181	
		1,488,337		1,549,521	
Creditors: amounts falling due within one year	17	(3,757,016)		(3,869,161)	
Net current liabilities			(2,268,679)		(2,319,640)
Total assets less current liabilities			6,305,734		6,249,303
Creditors: amounts falling due after more than one year	18		(3,857,021)		(3,514,786)
Net assets			2,448,713		2,734,517
Capital and reserves					
Called up share capital	22		100,000		100,000
Profit and loss reserves	24		2,348,713		2,634,517
Total equity			2,448,713		2,734,517

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £285,804 (2022 - £96,509 loss).

The financial statements were approved by the board of directors and authorised for issue on 22 December 2023 and are signed on its behalf by:

Mr D Williams
Director

Company registration number 04117454 (England and Wales)

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 MARCH 2023

	Share capital	Revaluation reserve	Other reserves	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
	£	£	£	£	£	£	£
Balance at 31 March 2021	100,000	2,714,980	1,069,341	4,337,535	8,221,856	400,334	8,622,190
Year ended 30 March 2022:							
Profit for the year	-	-	-	1,128,378	1,128,378	50,410	1,178,788
Other comprehensive income:							
Currency translation differences	-	-	-	100,406	100,406	-	100,406
Tax relating to other comprehensive income	-	(94,402)	-	-	(94,402)	-	(94,402)
Amounts attributable to non-controlling interests	-	-	-	(2,520)	(2,520)	2,520	-
Total comprehensive income	-	(94,402)	-	1,226,264	1,131,862	52,930	1,184,792
Purchase of shares in subsidiary from non-controlling interest	-	-	-	(36,474)	(36,474)	(93,375)	(149,849)
Balance at 30 March 2022	100,000	2,620,578	1,069,341	5,507,325	9,297,244	359,889	9,657,133
Year ended 30 March 2023:							
Profit for the year	-	-	-	992,165	992,165	37,221	1,029,386
Other comprehensive income:							
Currency translation differences	-	-	-	136,807	136,807	-	136,807
Amounts attributable to non-controlling interests	-	-	-	(3,365)	(3,365)	3,365	-
Total comprehensive income	-	-	-	1,125,607	1,125,607	40,586	1,166,193
Purchase of shares in subsidiary from non-controlling interest	-	-	-	4,194	4,194	(7,169)	(2,975)
Balance at 30 March 2023	100,000	2,620,578	1,069,341	6,637,126	10,427,045	393,306	10,820,351

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 MARCH 2023

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 31 March 2021	100,000	2,731,026	2,831,026
Year ended 30 March 2022:			
Loss and total comprehensive income for the year	-	(96,509)	(96,509)
Balance at 30 March 2022	100,000	2,634,517	2,734,517
Year ended 30 March 2023:			
Profit and total comprehensive income	-	(285,804)	(285,804)
Balance at 30 March 2023	100,000	2,348,713	2,448,713

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 MARCH 2023

	Notes	2023 £	£	£	£
Cash flows from operating activities					
Cash generated from operations	29	1,379,178			1,213,104
Interest paid		(234,394)			(175,157)
Income taxes refunded		22,475			210,038
Net cash inflow from operating activities		<u>1,167,259</u>			<u>1,247,985</u>
Investing activities					
Purchase of intangible assets		(141,869)		(78,913)	
Purchase of tangible fixed assets		(1,241,285)		(1,087,565)	
Proceeds from disposal of tangible fixed assets		10,652		5,980	
Receipts from joint ventures		27,270		83,630	
Interest received		5,119		4,355	
Dividends received		8,877		33,000	
Other income received from investments		59,226		79,851	
Net cash used in investing activities		<u>(1,272,010)</u>		<u>(959,662)</u>	
Financing activities					
Repayment of borrowings		-		(200,000)	
Proceeds from new bank loans		1,700,000		702,028	
Repayment of bank loans		(1,950,114)		(2,400,992)	
Payment of finance leases obligations		(4,010)		(7,220)	
Purchase of shares in subsidiary from non-controlling interest		(2,975)		(149,849)	
Net cash used in financing activities		<u>(257,099)</u>		<u>(2,056,033)</u>	
Net decrease in cash and cash equivalents		<u>(361,850)</u>		<u>(1,767,710)</u>	
Cash and cash equivalents at beginning of year		2,706,124			4,377,152
Effect of foreign exchange rates		136,807			96,682
Cash and cash equivalents at end of year		<u>2,481,081</u>			<u>2,706,124</u>
Relating to:					
Cash at bank and in hand		2,481,081			2,796,619
Bank overdrafts included in creditors payable within one year		-			(90,495)

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

Company information

Impact Development Training International Limited ("the company") is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is Cragwood House, Ecclerigg, Windermere, Cumbria, United Kingdom, LA23 1LQ.

The group consists of Impact Development Training International Limited and all of its subsidiaries, operating in the countries noted in note 14 to the financial statements.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

Within the group there are a number of overseas subsidiaries which report in local currency. For the group accounts the company has adopted a policy to report in Sterling, being the currency of the country in which the parent company is registered.

The financial statements have been prepared under the historical cost convention, modified to include the holding of previously revalued freehold property at deemed cost. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken 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 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Business combinations

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

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Impact Development Training International Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into 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.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

The group's forecasts and projections, taking account of reasonable possible changes in trading performance and the impact of the coronavirus pandemic, show that the group should be able to operate within the level of its current facility. In making its assessment of future performance the director has also considered the overall performance of the wider trading group due to the cross guarantee in place in favour of the group's bank.

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business 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 is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

The estimated useful life has been determined by the company based on the anticipated future revenue stream after assessing the level of recurring client contracts, the group's in-house development methodologies and techniques, together with other intellectual property specific to the training programmes which it delivers.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

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 if the fair value can be measured reliably.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

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:

Software	33% straight line
Trademarks	Over the life of the trademark

The amortisation rate for software is based on its useful economic life, taking into account the current rate of technological advancement.

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.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

Depreciation 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:

Freehold land and buildings	Not depreciated
Long-term leasehold property	over the term of the lease
Fixtures, fittings and equipment	20-33% straight line / 15-25% reducing balance
Motor vehicles	25-30% reducing balance

Freehold land and property is not depreciated. The directors are of the opinion that the depreciation charge, which if it were to be charged would be at 2% per annum, and accumulated depreciation on properties is immaterial owing to these assets having very long useful lives and high residual values. An impairment review is carried out on an annual basis.

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 the profit and loss account.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

1.13 Financial instruments

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

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

Financial assets and liabilities are offset and 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

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

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.14 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.17 Retirement benefits

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

1.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

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

1.20 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rates and the results of overseas operations at actual rate are recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

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

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Leases

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the company as lessee.

Impairment of freehold land and buildings

The directors consider the potential impairment of freehold land and buildings through reference to valuations and local market activity.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are assessed annually. There have been no changes to assumptions made in previous years.

Amortisation and impairment of goodwill

FRS 102 requires goodwill to be amortised over its reliably estimated useful economic life. Management consider this to be a period of 10 years. Management also assess whether there are any indicators of impairment in considering the carrying value of goodwill.

Recoverable amount of goodwill

The recoverable amount of goodwill and other intangible assets is based on value in use which requires estimates in respect of the allocation of goodwill to cash generating units, the future cash flows and an appropriate discount rate. The key inputs to the value in use calculations are the discount rate and the future earnings growth.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2023	
	£	£
Turnover analysed by class of business		
Training services	21,419,276	17,127,663
Hotels and leisure	4,432,934	4,237,336
	<u>25,852,210</u>	<u>21,364,999</u>
	2023	
	£	£
Turnover analysed by geographical market		
United Kingdom	11,479,080	9,262,549
Rest of Europe	796,017	886,486
Rest of the world	13,577,113	11,215,964
	<u>25,852,210</u>	<u>21,364,999</u>
	2023	
	£	£
Other revenue		
Interest income	5,119	4,355
Dividends received	8,877	33,000
Grants received	24,154	697,137
Management charges receivable	34,841	-
Other income	8,546	-
	<u></u>	<u></u>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

4 Operating profit

	2023	
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(25,299)	62,167
Government grants	(24,154)	(697,137)
Depreciation of owned tangible fixed assets	310,685	294,427
Loss on disposal of tangible fixed assets	4,744	6,265
Amortisation of intangible assets	296,824	322,425
Operating lease charges	189,913	256,482
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2023	
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	16,500	15,900
Audit of the financial statements of the company's subsidiaries	79,500	54,100
	<u> </u>	<u> </u>
	96,000	70,000
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	19,510	18,580
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	Number	Company 2023 Number	Number
Delivery	43	44	-	-
Sales and administrative	70	64	-	-
Support	21	23	-	-
Marketing	12	14	-	-
Management	12	14	-	-
Hotels	111	99	-	-
Head office	15	18	-	-
Directors	1	7	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	285	283	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2023		Company 2023	
	£	£	£	£
Wages and salaries	12,240,185	10,040,334	-	-
Social security costs	681,162	577,621	-	-
Pension costs	542,163	456,536	-	-
	<u>13,463,510</u>	<u>11,074,491</u>	<u>-</u>	<u>-</u>

7 Directors' remuneration

	2023 £	£
Remuneration for qualifying services	150,435	166,851
Company pension contributions to defined contribution schemes	4,807	4,755
	<u>155,242</u>	<u>171,606</u>

During the year the group incurred fees from non-executive directors of the parent company amounting to £5,800 (2022: £5,500). At the balance sheet date the group owed £Nil (2022: £Nil) in fees to non-executive directors of the parent company. The amounts payable are unsecured and no guarantees have been given.

During the year retirement benefits were accruing to 1 director (2022: 1) in respect of defined contribution pension schemes.

8 Interest payable and similar expenses

	2023 £	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	210,742	146,707
Interest on invoice finance arrangements	6,096	2,050
	<u>216,838</u>	<u>148,757</u>
Other finance costs:		
Other interest	17,556	26,400
Total finance costs	<u>234,394</u>	<u>175,157</u>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

9 Interest receivable and similar income

	2023	
	£	£
Interest income		
Interest on bank deposits	-	1,100
Other interest income	5,119	3,255
	<u>5,119</u>	<u>4,355</u>
Total interest revenue	5,119	4,355
Other income from investments		
Dividends received	8,877	33,000
	<u>13,996</u>	<u>37,355</u>
Income from fixed asset investments		
Income from participating interests - associates	59,226	79,851
	<u>73,222</u>	<u>117,206</u>
Total income	<u><u>73,222</u></u>	<u><u>117,206</u></u>

10 Taxation

	2023	
	£	£
Current tax		
UK corporation tax on profits for the current period	101,646	-
Adjustments in respect of prior periods	(22)	(161,352)
	<u>101,624</u>	<u>(161,352)</u>
Total UK current tax	101,624	(161,352)
Foreign current tax on profits for the current period	122,815	353,585
	<u>224,439</u>	<u>192,233</u>
Total current tax	<u><u>224,439</u></u>	<u><u>192,233</u></u>
Deferred tax		
Origination and reversal of timing differences	191,988	107,728
Adjustment in respect of prior periods	-	(5,930)
	<u>191,988</u>	<u>101,798</u>
Total deferred tax	<u><u>191,988</u></u>	<u><u>101,798</u></u>
Total tax charge	<u><u>416,427</u></u>	<u><u>294,031</u></u>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	£
Profit before taxation	1,445,813	1,472,819
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (: 19.00%)	274,704	279,836
Tax effect of expenses that are not deductible in determining taxable profit	5,121	9,445
Tax effect of income not taxable in determining taxable profit	(7,766)	(18,345)
Tax effect of utilisation of tax losses not previously recognised	-	(39,281)
Unutilised tax losses carried forward	-	9,591
Effect of change in corporation tax rate	46,915	(46,797)
Double tax relief	(119,963)	28,207
Group relief	-	(9,347)
Permanent capital allowances in excess of depreciation	(23,272)	(844)
Depreciation on assets not qualifying for tax allowances	19,373	15,387
Amortisation on assets not qualifying for tax allowances	56,385	48,967
Research and development tax credit	-	(28,195)
Other non-reversing timing differences	-	(53,447)
Other permanent differences	-	930
Tax relief on share options	(19,282)	-
Effect of overseas tax rates	196,211	161,115
Under/(over) provided in prior years	(22)	(161,352)
Deferred tax adjustments in respect of prior years	(3,043)	130,313
Dividend income	(13,417)	(21,442)
Changes in provisions leading to an increase/(decrease) in tax charge	-	(10,710)
Effect of superdeduction	4,483	-
Taxation charge	416,427	294,031

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £	£
Deferred tax arising on:		
Revaluation of property	-	94,402

The group has unused tax losses of £821,868 (2022: £1,407,253).

The company has unused tax losses of £649,128 (2022: 705,892).

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

11 Intangible fixed assets

Group	Goodwill £	Software £	Trademarks £	Total £
Cost				
At 31 March 2022	1,882,580	581,293	22,689	2,486,562
Additions - internally developed	-	121,328	20,541	141,869
At 30 March 2023	1,882,580	702,621	43,230	2,628,431
Amortisation and impairment				
At 31 March 2022	1,413,490	420,953	1,875	1,836,318
Amortisation charged for the year	195,104	101,720	-	296,824
At 30 March 2023	1,608,594	522,673	1,875	2,133,142
Carrying amount				
At 30 March 2023	273,986	179,948	41,355	495,289
At 30 March 2022	469,090	160,340	20,814	650,244

The company had no intangible fixed assets at 30 March 2023 or 30 March 2022.

The group goodwill arose as a result of the business combination in the year ended 31 March 2015 and has a carrying value as stated above. The remaining amortisation period at the balance sheet date is 3.6 years.

Amortisation of intangible fixed assets is recognised within administrative expenses in the statement of comprehensive income.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

12 Tangible fixed assets

Group	Freehold land and buildings	Long-term leasehold property	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 31 March 2022	9,904,475	1,388,896	4,544,859	127,361	15,965,591
Additions	306,726	267,015	627,859	39,685	1,241,285
Disposals	-	-	(8,886)	(9,250)	(18,136)
Exchange adjustments	-	-	4,922	-	4,922
At 30 March 2023	10,211,201	1,655,911	5,168,754	157,796	17,193,662
Depreciation and impairment					
At 31 March 2022	-	-	3,331,373	119,055	3,450,428
Depreciation charged in the year	-	-	300,237	10,448	310,685
Eliminated in respect of disposals	-	-	(891)	(1,849)	(2,740)
Exchange adjustments	-	-	(259)	(3,760)	(4,019)
At 30 March 2023	-	-	3,630,460	123,894	3,754,354
Carrying amount					
At 30 March 2023	10,211,201	1,655,911	1,538,294	33,902	13,439,308
At 30 March 2022	9,904,475	1,388,896	1,213,486	8,306	12,515,163

The company had no tangible fixed assets at 30 March 2023 or 30 March 2022.

Land and buildings with a carrying amount of £11,867,112 (2022: £11,292,678) have been pledged to secure borrowings within the group.

Freehold land and buildings with a carrying amount of £8,265,255 are held at deemed cost following a valuation on 2 March 2015 by Christies & Co, independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The revaluation surplus is disclosed in note 23.

If revalued assets held at deemed cost were stated on a historical cost basis rather than a deemed cost basis, the total cost would be £3,644,989 (2022: £3,644,989), accumulated depreciation £nil (2022: £nil), carrying value £3,644,989 (2022: £3,644,989):

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

13 Fixed asset investments

	Notes	Group 2023 £	£	Company 2023 £	£
Investments in subsidiaries	14	-	-	8,574,413	8,568,943
Investments in joint ventures		238,801	207,639	-	-
		<u>238,801</u>	<u>207,639</u>	<u>8,574,413</u>	<u>8,568,943</u>

Movements in fixed asset investments Group

Shares in joint ventures £

Cost or valuation

At 31 March 2022	207,639
Share of profit	90,388
Dividends received from associate	(59,226)

At 30 March 2023	<u>238,801</u>
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Carrying amount

At 30 March 2023	<u>238,801</u>
At 30 March 2022	<u>207,639</u>

Movements in fixed asset investments Company

Shares in subsidiaries £

Cost or valuation

At 31 March 2022	8,568,943
Additions	5,470

At 30 March 2023	<u>8,574,413</u>
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Carrying amount

At 30 March 2023	<u>8,574,413</u>
At 30 March 2022	<u>8,568,943</u>

14 Subsidiaries

Details of the company's subsidiaries at 30 March 2023 are as follows:

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

14 Subsidiaries

(Continued)

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Cragwood International Limited	Cragwood House, Windermere, Cumbria, LA23 1LQ, UK	Ordinary	100.00	-
Impact (Japan) Limited*	2 Floor, MF Building 1-6-12, Yoyogi, Shibuya-ku, Tokyo 151-0053, Japan	Ordinary	-	100.00
Impact (UK) Limited*	Cragwood House, Windermere, Cumbria, LA23 1LQ, UK	Ordinary	-	100.00
Impact Aspac (Hong Kong) Limited*	18E Rich View Terrace, 26 Square Street, Sheung Wan, Hong Kong	Ordinary	-	100.00
Impact China Limited*	Suite 1006 Sunyoung Centre, 28 Xuanhua Road, Shanghai, 200050, China	Ordinary	-	100.00
Impact Development Training Limited	Cragwood House, Windermere, Cumbria, LA23 1LQ, UK	Ordinary	97.54	-
Impact Employee Trust Limited**	Cragwood House, Windermere, Cumbria, LA23 1LQ, UK	Ordinary	-	100.00
Impact International Aspac Region Company Limited*	Alma Link Building, 10th Floor 25 Soi Chidlom, Ploenchit Road, Lumpini, Patumwan, Bangkok, Thailand	Ordinary	-	100.00
Impact Learning & Development Inc*	18 West Putnam Avenue Greenwich, CT 06830, USA	Ordinary	-	100.00
Impact Polska Limited*	Ul. Batalionu Miotla 20 01-366 Warszawa, Poland	Ordinary	-	100.00
Impact Singapore Pte Limited*	Singapore 1 North Bridge Road, #23-01 High Street Centre, Singapore 179094	Ordinary	-	100.00
Kelsick Limited	Cragwood House, Windermere, Cumbria, LA23 1LQ, UK	Ordinary	100.00	-

* - Shares held by Impact Development Training Limited.

** - Shares held by Cragwood International Limited.

15 Stocks

	Group 2023		Company 2023	
	£	£	£	£
Work in progress	2,523	2,523	-	-
Finished goods and goods for resale	104,024	74,068	-	-
	<u>106,547</u>	<u>76,591</u>	<u>-</u>	<u>-</u>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

16 Debtors

	Group 2023		Company 2023	
Amounts falling due within one year:	£	£	£	£
Trade debtors	2,949,660	2,556,829	-	-
Corporation tax recoverable	-	145,222	-	-
Amounts owed by group undertakings	-	-	1,401,488	1,447,488
Other debtors	950,149	566,507	-	-
Prepayments and accrued income	662,721	738,915	-	-
	4,562,530	4,007,473	1,401,488	1,447,488
Deferred tax asset (note 20)	-	-	77,513	95,852
	4,562,530	4,007,473	1,479,001	1,543,340

17 Creditors: amounts falling due within one year

		Group 2023		Company 2023	
	Notes	£	£	£	£
Bank loans and overdrafts	19	781,578	2,017,418	680,326	1,837,107
Obligations under finance leases		-	4,010	-	-
Other borrowings	19	877,734	250,000	877,734	250,000
Trade creditors		949,733	873,285	-	-
Amounts owed to group undertakings		-	-	1,971,570	1,571,285
Corporation tax payable		101,646	-	-	-
Other taxation and social security		385,659	296,990	-	-
Other creditors		1,003,790	577,625	-	-
Accruals and deferred income		1,779,206	2,412,940	227,386	210,769
		5,879,346	6,432,268	3,757,016	3,869,161

The net obligations under hire purchase contracts are secured on the individual assets to which they relate.

18 Creditors: amounts falling due after more than one year

		Group 2023		Company 2023	
	Notes	£	£	£	£
Bank loans and overdrafts	19	4,137,885	3,242,654	3,857,021	2,887,052
Other borrowings	19	-	627,734	-	627,734
		4,137,885	3,870,388	3,857,021	3,514,786

The bank loans and overdrafts of the parent company are secured on the group's freehold and leasehold land and buildings. In addition, the bank loans are secured by a fixed and floating charge over all the assets of the group and company.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

18 Creditors: amounts falling due after more than one year (Continued)

Amounts included above which fall due after five years are as follows:

Payable by instalments	1,135,715	1,128,636	1,135,715	1,128,636
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19 Loans and overdrafts

	Group 2023 £	£	Company 2023 £	£
Bank loans	4,919,463	5,169,577	4,537,347	4,724,159
Bank overdrafts	-	90,495	-	-
Other loans	877,734	877,734	877,734	877,734
	<u>5,797,197</u>	<u>6,137,806</u>	<u>5,415,081</u>	<u>5,601,893</u>
Payable within one year	1,659,312	2,267,418	1,558,060	2,087,107
Payable after one year	<u>4,137,885</u>	<u>3,870,388</u>	<u>3,857,021</u>	<u>3,514,786</u>

Bank loans of the parent company amounting to £4,537,347 (2022: £4,724,159) are secured on the group's freehold and leasehold land and buildings. In addition, the bank loans are secured by a fixed and floating charge over all the assets of the UK registered entities in the group and an unlimited intercompany guarantee across all UK registered entities in the group.

Bank loans of the group amounting to £4,537,347 (2022: £5,079,761) are secured by an unlimited intercompany guarantee across all UK registered entities in the group.

Other loans are in respect of loan notes with a final redemption date of 20 October 2024. Of the loan notes outstanding £877,734 (2022: £250,000) is repayable within one year. Interest on the loan notes is charged at 2.50% (2022: 2.50%). The loan notes are secured by a debenture over the assets of the group ranking after bank security.

20 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023 £	Liabilities £	Assets 2023 £	Assets £
Group				
Accelerated capital allowances	344,419	248,333	-	-
Tax losses	(99,706)	(195,675)	-	-
Revaluations	295,005	295,005	-	-
Short term timing differences	(53,744)	(53,723)	-	-
	<u>485,974</u>	<u>293,940</u>	<u>-</u>	<u>-</u>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

20 Deferred taxation

(Continued)

	Liabilities 2023 £	Liabilities £	Assets 2023 £	Assets £
Company				
Tax losses	-	-	29,055	47,394
Short term timing differences	-	-	48,458	48,458
	<u>-</u>	<u>-</u>	<u>77,513</u>	<u>95,852</u>
			Group 2023 £	Company 2023 £
Movements in the year:				
Liability/(Asset) at 31 March 2022			293,940	(95,852)
Charge to profit or loss			192,034	18,339
			<u>485,974</u>	<u>(77,513)</u>

21 Retirement benefit schemes

	2023 £	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	542,163	456,536

A defined contribution pension scheme is operated for qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

At the balance sheet date the group owed £37,151 (2022: £35,182) to the pension scheme.

22 Share capital

Group and company	2023 Number	Number	2023 £	£
Ordinary share capital				
Issued and fully paid				
A Ordinary shares of £1 each	95,000	95,000	95,000	95,000
B Ordinary shares of £1 each	5,000	5,000	5,000	5,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

Each class of share ranks pari passu in all respects, with the exception that variable dividends may be paid.

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

23 Revaluation reserve

Revaluation reserve represents the accumulated revaluation gains on fixed assets held by the group. Deferred tax is provided on the reserve at the applicable rate of corporation tax. This is a non-distributable reserve.

24 Profit and loss reserves

Profit and loss account represents accumulated comprehensive income for the year and prior periods net of equity dividends paid and received.

25 Financial commitments, guarantees and contingent liabilities

The company has given an unlimited guarantee over the assets of the company to HSBC Bank plc in respect of the borrowings of Impact Development Training Limited, Cragwood International Limited, Impact (UK) Limited, Impact Employee Trust Limited and Kelsick Limited. At the balance sheet date the borrowings amounted to £Nil (2022: £90,495).

26 Operating lease commitments

Lessee

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

	Group 2023		Company 2023	
	£	£	£	£
Within one year	199,751	189,912	-	-
Between two and five years	253,703	243,578	-	-
In over five years	416,925	44,250	-	-
	<u>870,379</u>	<u>477,740</u>	<u>-</u>	<u>-</u>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

27 Financial risk management objectives and policies

The group and company holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, the group and company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from the group and company's operations.

Transactions in financial instruments result in the group and company assuming or transferring to another party one or more of the financial risks described below.

Interest rate risk

The group and company is exposed to fair value interest rate risk on its borrowings and cash flow interest rate risk on bank overdrafts and loans. The group and company has entered into both fixed and variable interest rate agreements on its loans so as to minimise its exposure to changes in interest rates.

Credit risk

Investments of cash surpluses and borrowings are made through banks and companies which must fulfil credit rating criteria approved by the board. All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts whenever considered necessary.

Liquidity risk

The group and company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group and company has sufficient liquid resources to meet the operating needs of the business.

Currency risk

The group and company's principal foreign currency exposures arise from trading with overseas companies. The group and company seeks to invoice and be invoiced in its principal trading currency wherever possible so as to minimise its exposure to foreign currency movements.

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	
	£	£
Aggregate compensation	1,382,604	1,256,641

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

28 Related party transactions

(Continued)

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Sales 2023 £	Sales £	Purchases 2023 £	Purchases £
Group				
Entities over which the group has control, joint control or significant influence	437	20,465	34,100	43,353
Other related parties	-	-	-	63,898
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Charged management charges 2023 £	by £	Interest accrued at 2.50% on 2023 £	amounts owed to £
Group				
Entities over which the entity has control, joint control or significant influence	-	32,227	-	-
Key management personnel	-	-	17,556	26,400
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Company

Key management personnel	-	-	17,556	26,400
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

During the year the group received dividends amounting to £59,226 (2022: £79,851) from companies over which it has control, joint control or significant influence.

During the year the group charged management charges of £34,841 (2022: £Nil) to companies over which the entity has significant influence.

The following amounts were outstanding at the reporting end date:

Amounts due to related parties

	2023 £	£
Group		
Key management personnel	1,155,363	1,290,537
	<u> </u>	<u> </u>
Company		
Entities over which the company has control, joint control or significant influence	1,971,570	1,571,285
Key management personnel	1,089,120	1,071,564
	<u> </u>	<u> </u>

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

28 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2023 Balance £	Balance £
Group		
Entities over which the group has control, joint control or significant influence	50,148	113,105
Company		
Entities over which the company has control, joint control or significant influence	1,401,488	1,447,488

Other information

The company has taken advantage of the exemption contained in Section 33 of Financial Reporting Standard 102 'Related Party Disclosures' from disclosing transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

29 Cash generated from group operations

	2023 £	£
Profit for the year after tax	1,029,386	1,178,788
Adjustments for:		
Share of results of associates and joint ventures	(58,432)	(62,117)
Taxation charged	416,427	294,031
Finance costs	234,394	175,157
Investment income	(73,222)	(117,206)
Loss on disposal of tangible fixed assets	4,744	6,265
Amortisation and impairment of intangible assets	296,824	322,425
Depreciation and impairment of tangible fixed assets	310,685	294,427
Movements in working capital:		
Increase in stocks	(29,956)	(34,097)
Increase in debtors	(709,220)	(305,705)
Decrease in creditors	(42,452)	(538,864)
Cash generated from operations	1,379,178	1,213,104

IMPACT DEVELOPMENT TRAINING INTERNATIONAL LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

30 Analysis of changes in net debt - group

	31 March 2022	Cash flows	Exchange rate	30 March 2023
	£	£	movements	£
			£	
Cash at bank and in hand	2,796,619	(452,345)	136,807	2,481,081
Bank overdrafts	(90,495)	90,495	-	-
	<u>2,706,124</u>	<u>(361,850)</u>	<u>136,807</u>	<u>2,481,081</u>
Borrowings excluding overdrafts	(6,047,311)	250,114	-	(5,797,197)
Obligations under finance leases	(4,010)	4,010	-	-
	<u>(3,345,197)</u>	<u>(107,726)</u>	<u>136,807</u>	<u>(3,316,116)</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.