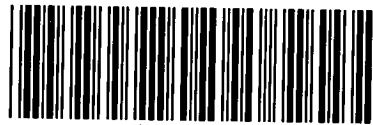


Company Registration No. 09106739 (England and Wales)

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | L A Gold M S Johar G Sebasky |
| Secretary | T Gough |
| Company number | 09106739 |
| Registered office | Dryden House St Johns Street Huntingdon Cambridgeshire PE29 3NU |
| Auditor | Mercer & Hole Silbury Court 420 Silbury Boulevard Central Milton Keynes Buckinghamshire MK9 2AF |

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

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ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company continued to be that of a holding company.

Results and dividends

The results for the year are set out on page 7.

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

Directors

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

LA Gold
M S Johar
G Sebasky

Auditor

Mercer & Hole were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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 company's auditor 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 company's auditor is aware of that information.

Going concern

The COVID-19 outbreak and the resulting lockdown measures taken by government to contain the virus have led to significant business interruption and uncertainty in the sector in which the company's trading subsidiaries Active IQ Limited and Premier Training International Limited (PTI) operate. For Active IQ the initial risk of the ability of training providers and employers in switching delivery and assessment models is now focused on a return to increasing operational capacity back to pre-pandemic levels. For PTI with the change in consumer habits as society starts to move away from a home-based life the business will need to continually pivot and adapt with the ongoing challenges.

As explained in note 1.2 the directors believe the company continues to operate as a going concern with the existing financial support from the US parent and the current base assumptions in management's forecast do not indicate any further financial support will be required.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

On behalf of the board



.....
M S Johar
Director

Date: 22 June 21.....

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

Opinion

We have audited the financial statements of Ascend Global Intermediate Holdings Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss 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 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 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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.

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

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.

Mercer & Hole

Andrew Lawes MA MSc FCA (Senior Statutory Auditor)
For and on behalf of Mercer & Hole

Chartered Accountants
Statutory Auditor

25 JUNE 2021

Silbury Court
420 Silbury Boulevard
Central Milton Keynes
Buckinghamshire
MK9 2AF

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

| | Notes | 2020 £ | 2019 £ |
|---------------------------------------|-------|------------------|--------------------|
| Administrative expenses | 7 | - | (4,752,350) |
| Interest payable and similar expenses | 5 | (183,996) | (183,996) |
| Loss before taxation | | (183,996) | (4,936,346) |
| Tax on loss | 6 | - | (48,006) |
| Loss for the financial year | | (183,996) | (4,984,352) |

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

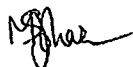
ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-------------|--------------|-------------|--------------|
| Fixed assets | | | | | |
| Investments | 7 | | 6,402,388 | | 6,402,388 |
| Current assets | | | | | |
| Creditors: amounts falling due within one year | 9 | (4,259,119) | | (4,075,123) | |
| Net current liabilities | | | (4,259,119) | | (4,075,123) |
| Net assets | | | 2,143,269 | | 2,327,265 |
| Capital and reserves | | | | | |
| Called up share capital | 10 | | 27,761,393 | | 27,761,393 |
| Capital contribution reserve | 11 | | 4,075,000 | | 4,075,000 |
| Profit and loss reserves | | | (29,693,124) | | (29,509,128) |
| Total equity | | | 2,143,269 | | 2,327,265 |

The financial statements were approved by the board of directors and authorised for issue on 22 June 21 and are signed on its behalf by:



M S Johar
Director

Company Registration No. 09106739

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

| | Share capital £ | Capital contribution reserve £ | Profit and loss reserves £ | Total £ |
|---|-----------------------|---|-------------------------------------|-------------|
| Balance at 1 January 2019 | 27,761,393 | 4,075,000 | (24,524,776) | 7,311,617 |
| Year ended 31 December 2019: Loss and total comprehensive income for the year | - | - | (4,984,352) | (4,984,352) |
| Balance at 31 December 2019 | 27,761,393 | 4,075,000 | (29,509,128) | 2,327,265 |
| Year ended 31 December 2020: Loss and total comprehensive income for the year | - | - | (183,996) | (183,996) |
| Balance at 31 December 2020 | 27,761,393 | 4,075,000 | (29,693,124) | 2,143,269 |

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Ascend Global Intermediate Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Dryden House, St Johns Street, Huntingdon, Cambridgeshire, PE29 3NU.

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 £.

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

This 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:

- 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': The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A;
- Section 26 'Share based Payment': Share based payment arrangements required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Ascend Global Holdings Limited as at 31 December 2020. These consolidated financial statements are available from its registered office, Dryden House, St Johns Street, Huntingdon, England, PE29 3NU.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Ascend Global Intermediate Holdings Limited is a wholly owned subsidiary of Ascend Global Holdings Limited and the results of Ascend Global Intermediate Holdings Limited are included in the consolidated financial statements of Ascend Global Holdings Limited which are available from Dryden House, St Johns Street, Huntingdon, England, PE29 3NU.

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.2 Going concern

The financial statements are prepared on the assumption that the company is a going concern, which assumes the company will continue in operational existence for the foreseeable future.

The base case cashflow forecast shows that the company has sufficient resources to continue in operational existence and meet its liabilities as they fall due up to June 2022 on the assumption that the US parent does not require repayment of the intercompany balance over this period. A letter of support has been received in this respect.

The COVID-19 outbreak developed rapidly in 2020 resulting in government measures taken through in to 2021 and the macroeconomic uncertainty has caused disruption to economic activity. It is unknown what the longer impact on the company may be. The impacts of COVID-19 on society, and as a consequence business, may evolve in various directions. If the macroeconomic changes continue for a longer period of time, this may put pressure on the liquidity of the company.

Management seeks to obtain the best possible information to assess these risks and implement appropriate measures to respond. The assumptions used in the modelling for the base case cashflow forecast have considered available information regarding the impact of customer demand on revenues and changing risk on customer collections.

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. 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 company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

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

1.4 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.

1.5 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

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 company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities 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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, 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.

Derecognition of financial liabilities

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

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Equity instruments

Equity instruments issued by the company 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 company.

1.7 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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 when the company has 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.

2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Auditor's remuneration

| | 2020 | 2019 |
|---|-------|-------|
| | £ | £ |
| Fees payable to the company's auditor and associates: | | |
| For audit services | | |
| Audit of the financial statements of the company | 3,500 | 3,890 |

Auditors' remuneration was borne by a fellow group company in the year and not recharged to the company.

4 Employees

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

| | 2020 | 2019 |
|-----------|--------|--------|
| | Number | Number |
| Directors | 3 | 3 |

5 Interest payable and similar expenses

| | 2020 | 2019 |
|--|---------|---------|
| | £ | £ |
| Interest payable to group undertakings | 183,996 | 183,996 |

6 Taxation

| | 2020 | 2019 |
|--|------|--------|
| | £ | £ |
| Deferred tax | | |
| Origination and reversal of timing differences | - | 48,006 |

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Taxation

(Continued)

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

| | 2020 £ | 2019 £ |
|--|-----------|-------------|
| Loss before taxation | (183,996) | (4,936,346) |
| Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%) | (34,959) | (937,906) |
| Tax effect of expenses that are not deductible in determining taxable profit | - | 902,947 |
| Adjustments in respect of prior years | - | 50 |
| Group relief | 34,959 | 34,959 |
| Deferred tax not recognised | - | 47,956 |
| Taxation charge for the year | - | 48,006 |

7 Fixed asset investments

| | Notes | 2020 £ | 2019 £ |
|-----------------------------|-------|-----------|-----------|
| Investments in subsidiaries | 8 | 6,402,388 | 6,402,388 |

Movements in fixed asset investments

| | Shares in subsidiaries £ |
|--------------------------------------|--------------------------------|
| Cost or valuation | |
| At 1 January 2020 & 31 December 2020 | 34,903,000 |
| Impairment | |
| At 1 January 2020 & 31 December 2020 | 28,500,612 |
| Carrying amount | |
| At 31 December 2020 | 6,402,388 |
| At 31 December 2019 | 6,402,388 |

Administrative expenses in the prior year relate to an impairment provision of £4,752,350 made in that year.

8 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

ASCEND GLOBAL INTERMEDIATE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Subsidiaries

(Continued)

| Name of undertaking | Registered office | Nature of business | Class of shares held | % Held | |
|--|--|-------------------------------------|----------------------|--------|----------|
| | | | | Direct | Indirect |
| Premier Training International Limited | Dryden House, St Johns Street, Huntingdon, England, PE29 3NU | Fitness training instructor courses | Ordinary | - | 100.00 |
| Active IQ Academy Limited | Dryden House, St Johns Street, Huntingdon, England, PE29 3NU | Training provider | Ordinary | - | 100.00 |
| Active IQ Limited | Dryden House, St Johns Street, Huntingdon, England, PE29 3NU | Approved awarding body | Ordinary | - | 100.00 |
| Ascend Learning UK Limited | Dryden House, St Johns Street, Huntingdon, England, PE29 3NU | Holding company | Ordinary | 100.00 | - |
| Premier Global Limited | Dryden House, St Johns Street, Huntingdon, England, PE29 3NU | Dormant | Ordinary | - | 100.00 |

9 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|-----------|-----------|
| Amounts owed to group undertakings | 4,259,119 | 4,075,123 |

Within amounts owed to group undertakings are loans from Ascend Learning UK Limited, Premier Training International Limited, Active IQ Limited and Active IQ Academy Limited which total £3,066,609 (2019: £3,066,609). Interest on these loans is charged at a rate of 6% per annum and there is no fixed repayment dates for these loans. All other amounts owed to group undertakings are unsecured and interest free.

10 Share capital

| | 2020 Number | 2019 Number | 2020 £ | 2019 £ |
|----------------------------|----------------|----------------|------------|------------|
| Ordinary share capital | | | | |
| Issued and fully paid | | | | |
| Ordinary shares of £1 each | 27,761,393 | 27,761,393 | 27,761,393 | 27,761,393 |

11 Capital contribution reserve

In 2018 the directors of the ultimate parent company Ascend Learning LLC agreed to make a Capital Contribution of £2,000,000 to the UK trading group. The capital contribution had no obligation for repayment and conveyed no rights to additional shares in the capital of the company.

Also in 2018, an intercompany balance of £2,075,000 was formally converted to a Capital Contribution.

12 Ultimate controlling party

The company's ultimate parent company is Ascend Learning LLC, a limited liability company resident in the United States of America. In the opinion of the directors the ultimate controlling party is a private equity fund managed by the Blackstone Group, through partnerships resident in the United States and Canada Pension Plan Investment Board, through corporations resident in the United States and Canada. The parent undertaking of the largest group and the smallest group, which includes the company and for which group financial statements are prepared, is Ascend Global Holdings Limited, a company incorporated in Great Britain. Copies of the group financial statements of Ascend Global Holdings Limited are available from Dryden House, St Johns Street, Huntingdon, PE29 3NU.