



BKSB Limited

Annual report and financial statements

Registered number 03311079

31 July 2020

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Company information

Directors	N McDonald (Chair) R I Baggaley (resigned 27 August 2019) H K Atwal P A Webber A E Broadhead J Creed (resigned 13 February 2020) A Cropley S Sutton C Heaton (appointed 13 February 2020)
Secretary	M Bagshaw
Auditor	Mazars LLP Park View House 58 The Ropewalk Nottingham NG1 5DW
Bankers	Lloyds Bank Plc 1 st Floor Butt Dyke House 33 Park Row Nottingham NG1 6GY
Solicitor	Eversheds LLP 1 Royal Standard Place Nottingham NG1 6FZ
Registered office	I2 Centre Hamilton Court Mansfield NG18 5FB
Registered number	03311079

Strategic report

BKSB Limited is wholly owned by West Nottinghamshire College in Mansfield, Nottinghamshire. It was incorporated on 31 January 1997. The principal activity of the company is to develop and promote English and Mathematics software products collectively known as bksb. BKSB India Private Limited is a wholly owned subsidiary of BKSB Limited that provides software support functions to BKSB Limited as well as a small level of sales within India. It has not been consolidated in these accounts on the grounds of materiality and BKSB Limited is exempt under CA2006 s401 from the obligation to prepare group accounts.

Business review

BKSB Limited operates out of premises in Mansfield, Nottinghamshire from where its core products are developed and marketed. Product delivery and hosting is by way of a managed cloud service. The key performance measures that the Board of Directors and sole shareholder uses to monitor progress of the company against its objectives are:

- Margins at operational level;
- Turnover growth and customer acquisition in each of the core markets;
- Mix of customers and type of business;
- Solvency;
- Staff turnover; and
- Staff skills development.

During the year ended 31 July 2020 ('2020') the company agreed its business strategy and plans. This focuses the business on building on its strengths in providing assessment and learning products, widening the product offer and growing its market share of the training sector. Revenue was in line with expectations, with a continued pattern of strong retention of customers and generation of new business. New sales were particularly focused on the training provider and corporate where bksb grew its market share. Educational Institutions, Training Providers and Corporate organisations continue to be the key clients. The business maintained a strong cashflow throughout the year, with significant balances at the year end. Staff Turnover in year continued to be low as bksb maintained its highly skilled team.

Future prospects

The market BKSB Limited operates in continues to grow and it is viewed that the company has significant opportunity to grow within the market.

BKSB Limited's strategy is to grow the business through:

- Developing the current product portfolio for compliance with future curriculum developments;
- Developing new products to cover the needs and requirements of existing and new customers;
- Expanding operational capacity;
- Further geographical coverage;
- Developing the skills of existing employees; and

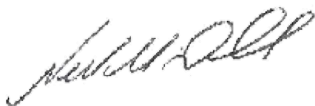
Principal risks and uncertainties

Activities continue to generate healthy returns but are subject to the usual market and commercial risks. The company takes measures to mitigate these risks, such as changes in the regulatory environment of our main customers and assuring the capacity to maintain a consistently high level of product availability. A range of KPIs, such as sales volumes and growth by customer group, product availability and customer usage are maintained at both a financial and operational level to assist the directors in monitoring the company's performance. The business continues to perform in line with expectations

N Mc Donald

Director

Date 4th December 2020



I2 Centre
Hamilton Court
Mansfield
NG18 5FB

Directors' report

The directors present their directors' report and financial statements for the year ended 31 July 2020. The report is limited to items relevant to small companies inline with the small companies exemption Companies Act 2006 s419.

Results and dividends

The profit for the year before taxation amounted to £1,624,479 (2019: £1,195,145). The directors do not recommend a dividend in respect of the year ended 31 July 2020 (2019: *Nil*).

Principal activities and review of the business

The company's principal activity during the year continued to be that of developing and promoting the English and mathematics software products of bksb. The directors have reviewed the balance sheet at 31 July 2020 and events thereafter. They consider the results for the year ended and the position at 31 July 2020 to be positive.

Going concern

The company's business activities, together with the factors likely to affect its future development, its financial position and the principle risks and uncertainties are described above. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

COVID has had minimal impact on the business, the sale of licenses for online learning solutions has remained strong in all markets, this demand has continued upto the date of the report. There is growing interest from existing and new customers in growing the use of online learning following the increased use of this method of learning during COVID.

Directors

The directors who held office during the year were as follows:

H K Atwal
P A Webber
A E Broadhead
J M Creed (Resigned 13 February 2020)
A Cropley
N J McDonald
S Sutton
R I Baggaley (Resigned 27 August 2019)
C Heaton

Disclosure of information to auditor

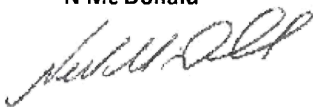
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Mazars LLP will therefore continue in office.

By order of the board

N Mc Donald



Director

Date: 9th December

12 Centre
Hamilton Court
Mansfield
NG18 5FB

Statement of directors' responsibilities in respect of the Strategic report, the Directors' report, and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 estimates that are reasonable and prudent ;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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

Mazars
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Independent auditor's report to the members of BKSB Limited

We have audited the financial statements of BKSB Limited ("the Company") for the year ended 31 July 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 July 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of BKSB Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



David Hoose
for and on behalf of Mazars, Statutory Auditor

Chartered Accountants
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

5/2/2021

Profit and Loss Account
for the year ended 31 July 2020

	<i>Note</i>	2020	2019
		£	Restated £
Turnover	2	3,495,121	3,418,606
Cost of sales		(1,658,201)	(1,682,666)
		<hr/>	<hr/>
Gross profit		1,836,919	1,735,940
Administrative expenses		(254,185)	(594,258)
		<hr/>	<hr/>
Operating profit	3	1,582,734	1,141,682
Other interest receivable and similar income	6	41,745	53,463
Interest payable and similar charges	7	-	-
		<hr/>	<hr/>
Profit before other gains and losses		1,624,479	1,195,145
Gain on disposal of assets		-	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		1,624,479	1,195,145
Taxation on profit on ordinary activities	8	(22,665)	-
		<hr/>	<hr/>
Profit and total comprehensive income for the financial year		1,601,814	1,195,145
		<hr/>	<hr/>

The financial position for 2019 has been restated to remove the Local Government Pension Scheme (LGPS) liability.

All amounts relating to continuing activities.

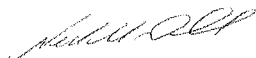
The notes on pages 10 to 22 form part of the financial statements.

Balance sheet
at 31 July 2020

	<i>Note</i>	2020	2019
		£	Restated £
Fixed assets			
Tangible assets	<i>9</i>	34,007	21,719
Investments	<i>10</i>	0	0
		<hr/> 34,007	<hr/> 21,719
Current assets			
Debtors	<i>11</i>	1,421,415	2,546,050
Cash at bank and in hand		3,313,215	1,755,186
		<hr/> 4,734,630	<hr/> 4,301,236
Creditors: amounts falling due within one year	<i>12</i>	4,743,637	3,301,954
		<hr/> (9,007)	<hr/> 999,282
Net current assets			
		<hr/> 25,000	<hr/> 1,021,001
Total assets less current liabilities			
Provision for liabilities	<i>15</i>	-	-
Provision for deferred taxation		-	-
		<hr/> 25,000	<hr/> 1,021,001
Net assets		<hr/> 25,000	<hr/> 1,021,001
Capital and reserves			
Called up share capital	<i>13</i>	25,000	25,000
Profit and loss account		-	996,001
		<hr/> 25,000	<hr/> 1,021,001
Shareholder's funds		<hr/> 25,000	<hr/> 1,021,001

The notes on pages 10 to 21 form part of the financial statements.

These financial statements were approved by the board of directors on 4th December 2020 and were signed on its behalf by:



N McDonald
Director

Company registered number: 03311079

Statement of Changes in Equity
at 31 July 2020

	Called-up share capital £000	Profit and loss account £000	Total equity £000
Balance at 31 July 2018	25,000	19	25,019
Balance at 1 August 2018 as originally stated	25,000	19	25,019
Prior year adjustment		868,412	868,412
Balance at 1 August 2018 as restated		868,431	893,431
Total comprehensive income for the year restated			
Profit for the year restated	-	1,195,145	1,195,145
Gift aid payment restated	-	(1,067,575)	(1,067,575)
Current tax credit	-	-	-
Total comprehensive income for the year restated	-	127,570	127,570
Dividends	-	-	-
Balance at 31 July 2019 restated	25,000	996,001	1,021,001
Balance at 1 August 2019	25,000	996,001	1,021,001
Total comprehensive income for the year			
Profit or loss	-	1,601,814	1,601,814
Gift aid payment	-	(2,597,815)	(2,597,815)
Current tax credit	-	-	-
Total comprehensive income for the year	-	(996,001)	(996,001)
Dividends	-	-	-
Balance at 31 July 2020	25,000	-	25,000

Share Capital

Share capital represents the nominal value of allotted and fully paid ordinary share capital.

Profit and Loss

The profit and loss account represents cumulative profits or losses net of gift aid paid. The notes on pages 10 to 24 form part of the financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

bksb Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The presentation currency of these financial statements is sterling.

The amendments to FRS 102 issued in September 2015 have been applied, together with those relating to gift aid included in the Triennial Review of FRS 102, issued in December 2017. The effect of the adoption of the gift aid amendments was to change its tax treatment such that a corporation tax charge in the Profit and Loss Account and an associated tax credit in the Statement of Changes in Equity are no longer required

The Company's ultimate parent undertaking, West Nottinghamshire College includes the Company in its consolidated financial statements. The consolidated financial statements of West Nottinghamshire College are prepared in accordance with FE HE SORP (2019) and are available to the public and may be obtained from West Nottinghamshire College. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of West Nottinghamshire College include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 19.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

In preparing these accounts the directors believe it is appropriate to adopt the going concern assumption based on the continued profitability of the company and their forecasts that the company will continue to have sufficient resources for its ongoing operations. COVID has had minimal impact upon the business to date with sales and costs inline with expectations. As at the date of this report the business continues to perform well and due to the growth in demand for online learning resulting from COVID confidence in the future demand for its products.

Notes (continued)

1 Accounting policies (continued)

Foreign currencies

The presentation currency of these financial statements is Sterling.

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured as the fair value of the consideration received, excluding any discounts and VAT. Revenue from licenced sales is included to the extent of the proportion of the licence fee attributable to the current financial period. Any income arising for licence fees relating to future periods is deferred within creditors.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows

Leasehold property	-	Over the life of the lease
Plant and machinery	-	3 years on straight line basis
Fixtures and fittings	-	5 years on a straight line basis
Computer equipment	-	3years on a straight line basis

The carrying values of tangible fixed assets are reviewed for impairment when events of changes in circumstances indicate the carrying value may not be recoverable.

Basic financial instruments

Financial Assets- Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. The assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period the financial assets are assessed for evidence of impairment. If an asset is impaired, the impairment loss is recognised in the profit and loss. Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial Liabilities- Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. Financial Liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Notes *(continued)*

1 Accounting policies *(continued)*

Operating leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Taxation

on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current taxation

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxation

Deferred taxation is provided in full in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in either an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is recognised as recoverable only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The deferred tax balance has not been discounted.

Pensions

The Company's employees belong to the Local Government Pension Scheme (LGPS) which is a defined benefit pension scheme managed by Nottinghamshire County Council. bksb employees are deemed membership as the company is wholly owned by West Nottinghamshire College. bksb's contributions are pooled in this multi employer scheme and liabilities are not separately identified. West Nottinghamshire College accounts for the liability of the defined benefit scheme as the scheme employer. Bksb accounts for contributions made to the scheme.

Notes (continued)

2 Turnover

Turnover, which is stated net of value added tax, represents the provision of goods and services which fall within the company's ordinary activities. The amount of turnover that relates to license sales in Australia is £325,000 (2019: £302,000).

3 Operating profit

	2020	2019
	£	£
Operating profit is stated after charging:		
Auditor's remuneration:		
Audit of the company's financial statements	6,100	5,750
Other fees - taxation services	-	-
Depreciation	10,181	6,626
	<u>10,181</u>	<u>6,626</u>

4 Director's remuneration

	2020	2019
	£	£
Directors' emoluments	94,507	92,918
Company contribution to defined benefit pension scheme	14,428	12,933
	<u>108,935</u>	<u>105,851</u>

The highest paid director received remuneration of £94,507 (2019: £92,918).

During the year retirement benefits were accruing to the highest-paid director with Employer contributions of £14,428 (2019: £12,933) in respect of a defined benefit scheme.

The company has applied the exemptions available in respect of the disclosure of Key Management Personnel compensation.

5 Staff Costs

	2020	2019 (restated)
	£	£
Wages and salaries	1,015,126	949,557
Social security costs	91,609	83,927
Other pension costs	129,120	116,860
	<u>1,235,855</u>	<u>1,150,344</u>

The average monthly number of employees (including directors) during the year was made up as follows:

	No.	No.
Operations	19.1	16.6
Sales	7.5	7.1
Finance and administration	2.4	1.4
	<u>29.0</u>	<u>27.8</u>

Notes (continued)

6 Other interest receivable and similar income

	2020	2019
	£	£
Interest	41,745	53,463
	<u> </u>	<u> </u>

7 Interest payable and similar charges

	2020	2019
	£	(restated) £
Interest Payable	0	0
	<u> </u>	<u> </u>

8 Taxation

Total tax expense recognised in the statement of comprehensive income and equity

The tax assessed in the year is £0 (2019: £0) the standard rate of corporation tax in the UK for small companies of 19% (2019: 19%). The difference are explained below:

The tax charge is made up as follows:

	2020	2019
	£	Restated £
Current tax		
UK corporation tax on the profit for the year	-	-
Under provision in prior years	22,665	-
	<u> </u>	<u> </u>
Total current tax	22,665	-
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	-	-
Effect of changes in tax rates	-	-
	<u> </u>	<u> </u>
Total deferred tax	-	-
	<u> </u>	<u> </u>
Total tax expense	22,665	-
	<u> </u>	<u> </u>

8 Taxation (continued)

	2020	2019
	£	Restated £
Profit on ordinary activities before tax	1,624,479	1,195,145
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	308,651	227,078
Effects of		
Giftaid	(308,651)	(227,078)
Transfers of taxable losses from fellow subsidiaries	-	-
Adjustments in respect of previous years	22,665	-
Other disallowed items	-	-
Rate Change in deferred taxation	-	-
Change in rate of corporation tax	-	-
Taxation within total comprehensive income for the year	22,665	-
Deferred tax assets/(liabilities)	2020	2019
	£	£
Holiday Pay Accrual	-	-
Accelerated Capital Allowances	-	-
	-	-
Pension (Shown as a deduction from pension provision)	-	-
Total of balances related to deferred tax	-	-

Notes (continued)

9 Tangible fixed assets

	Plant & Equipment £	Total £
Cost		
At 1 August 2019	97,388	97,388
Additions	22,470	22,470
Disposals	-	-
At 31 July 2020	119,858	119,858
Depreciation		
At 1 August 2019	75,670	75,670
Charge for year	10,181	10,181
On disposals	-	-
At 31 July 2020	85,851	10,182
Net book value		
At 31 July 2020	34,007	34,007
At 1 August 2019	21,719	21,719

Notes (continued)

10 Investments

	2020 £	2019 £
Investment in BKSB India Private Limited	-	-

The company owns 100% of the ordinary share capital of its subsidiary BKSB India Private Limited. The share capital is held at its nominal value. The investment has been written-off in year in full.

11 Debtors

	2020 £	2019 £
Trade debtors	632,521	707,319
Prepayments	60,388	42,650
Deferred Taxation	(3,919)	(3,919)
Amounts owed by group undertakings	732,425	1,800,000
	<u>1,421,415</u>	<u>2,546,050</u>

Amounts owed by group undertakings are trading balances repayable on demand and are non-interest bearing.

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	77,322	7,537
Corporation tax	22,665	18,702
Social security and other taxes	177,015	145,274
Deferred Taxation	-	-
Amounts owed to group undertakings	2,585,693	1,054,886
Accruals and deferred Income	1,880,942	2,075,555
	<u>4,743,637</u>	<u>3,301,954</u>

Amounts owed by group undertakings are trading balances repayable on demand and are non-interest bearing.

13 Issued share capital

	2020 £	2019 £
Allotted and called up		
Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

Notes (continued)

14 Pensions

The Company's employees belong to the Local Government Pension Scheme (LGPS) which is a defined benefit pension scheme managed by Nottinghamshire County Council. bksb employees are deemed membership as the company is wholly owned by West Nottinghamshire College. bksb's contributions are pooled in this multi-employer scheme and liabilities are not separately identified and it is therefore accounted for as a defined contribution scheme. West Nottinghamshire College accounts for the liability of the defined benefit scheme as the scheme employer. bksb accounts for contributions made to the scheme.

	2020 £	2020 £	2019 £	2019 £
Total Pension cost for the Year				
Local Government Pension Scheme: Contributions Paid	176,825		150,349	
Charge to the Statement of Comprehensive Income		<u>176,825</u>		<u>150,349</u>
Total Pension cost for the year		<u>176,825</u>		<u>150,349</u>

15 Provision for Liabilities

	2020 £	2019 Restated £
Net defined benefit (liability)/asset at 31 July	-	-
Deferred tax assets	-	-
Provision for Liabilities	<u>-</u>	<u>-</u>

16 Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1a of the provisions of FRS102 Related Party Disclosures, on the grounds that it is a wholly owned subsidiary of a group headed by West Nottinghamshire College, whose financial statements are publicly available.

17 Ultimate parent undertaking and controlling party

The immediate parent undertaking is West Nottinghamshire College, a company incorporated under the Further and Higher Education Act 1992 which is also the ultimate controlling party. Copies of the ultimate parent undertaking's financial statements may be obtained from West Nottinghamshire College, Derby Road, Mansfield, Notts, NG18 5BH.

18 Distributions

	2020 £	2019 Restated £
Gift Aid payments made to West Nottinghamshire College	2,597,815	1,067,575
Total Distributions	<u>2,597,815</u>	<u>1,067,575</u>

19 Accounting estimates and judgements

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below

Useful economic lives of tangible assets - The annual depreciation charge for tangible assets is sensitive to change in the estimated useful economic lives of the assets so these are re-assessed annually and amended when necessary to reflect current estimates. See note 9 for the carrying amount of the property, plant and equipment, and note 1 for the useful economic lives for each class of assets.

Impairment of debtors - The company makes an estimate for the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 11 for the net carrying amount of the debtors and associated impairment provision.

Critical accounting judgements in applying the Company's accounting policies

There are no such judgements in either the current or prior year.

20 Prior year adjustment

There is a prior year restatement to transfer the Local Government Pension Scheme (LGPS) liability from bksb to College.

It has been agreed with the Scheme's Actuary that bksb is not an admitted body in its own right and is considered part of the College in the calculation of assets and liabilities.

In determining the share of the Scheme's assets and liabilities the Actuary has historically taken a proportionate view as bksb's share is not separately identifiable.

The prior year restatement derecognises the liability in bksb's opening balance at 1 August 2018 and adds it to the liability recognised by the College.

The change to distributable reserves has allowed gift aid payments made up to 30 April 2020 to be reflected in 2019.

