

IXION SOCIAL ENTERPRISE LIMITED

Company registration number: 05028081

Annual report and financial statements

For the year ended 31 August 2019



IXION SOCIAL ENTERPRISE LIMITED

Contents	Pages
Directors, officers and advisers	1
Directors' report	2 - 3
Independent Auditors' report	4 - 5
Statement of comprehensive income and retained earnings	6
Balance sheet	7
Notes to the financial statements	8 - 10

IXION SOCIAL ENTERPRISE LIMITED

Directors, officers and advisers

Directors

R W Clifton
J M Oughton

Registered office

Black Country House
Rounds Green Road
Oldbury
B69 2DG

Registered number

05028081

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
2 Glass Wharf
Bristol
BS2 0FR

Company Secretary

S N King

IXION SOCIAL ENTERPRISE LIMITED

Directors' report for the year ended 31 August 2019

The directors present their report and the audited financial statements of Ixion Social Enterprise Limited (the "company") for the year ended 31 August 2019.

Directors

The directors of the company who were in office during the year and up to the signing of the financial statements were:

N O C Carey (appointed 10 May 2019, resigned 5 July 2019)
R W Clifton (appointed 23 July 2019)
A P Hodges (appointed 23 July 2019, resigned 23 August 2019)
J M Oughton (appointed 31 December 2018)
D G Phipps (resigned 30 April 2019)
R White (resigned 31 December 2018)

Of the directors who served during the year, R White and J M Oughton were Executive Directors. The remaining directors were Non-Executive.

Going concern

The directors are intending to wind the company up within twelve months of the date of approval of the financial statements. The directors expect all assets to realise book value when the company is wound up and ultimately struck off. No adjustments have been made to the carrying value of the assets as a result of the decision to wind the company up.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

IXION SOCIAL ENTERPRISE LIMITED
Directors' report for the year ended 31 August 2019

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The above report has been prepared in accordance with the special provisions relating to small companies within part 415A of the Companies Act 2006.

This report was approved by the board on 27th July 2020 and signed on its behalf by:



J M Oughton
Director

Independent auditors' report to the members of Ixion Social Enterprise

Report on the audit of the financial statements

Opinion

In our opinion, Ixion Social Enterprise Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 August 2019; the statement of income and retained earnings; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 August 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

IXION SOCIAL ENTERPRISE LIMITED
Statement of income and retained earnings

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for 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.

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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Colin Bates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
27th July 2020

IXION SOCIAL ENTERPRISE LIMITED
Statement of income and retained earnings

	Year ended 31 August 2019 £	13 month period ended 31 August 2018 £
Administrative expenses	(921)	(2,318)
Operating loss	(921)	(2,318)
Income from shares in group undertakings	-	373,450
Amounts written off investments	-	(387,516)
Loss for the financial year / period	(921)	(16,384)
Retained earnings:		
Retained earnings at the beginning of the financial year / period	757,102	773,486
Loss for the financial year / period	(921)	(16,384)
Retained earnings at the end of the financial year / period	756,181	757,102

The notes on pages 8 to 10 form part of these financial statements.

IXION SOCIAL ENTERPRISE LIMITED**Balance sheet as at 31 August 2019**

	Note	2019 £	2018 £
Current assets			
Debtors	4	623,213	623,707
Cash at bank and in hand		<u>132,968</u>	<u>133,395</u>
Net assets		<u><u>756,181</u></u>	<u><u>756,181</u></u>
Capital and reserves			
Profit and loss account		<u>756,181</u>	<u>757,102</u>
Total shareholders' funds		<u><u>756,181</u></u>	<u><u>757,102</u></u>

The company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS102 Section 1A – small entities.

The financial statements on pages 6 to 10 were authorised for issue by the board of directors on 27th July 2020 and signed on its behalf by:



J M Oughton
Director

IXION SOCIAL ENTERPRISE LIMITED

Notes to the financial statements

1 General information

Ixion Social Enterprises Limited (the "Company") is domiciled in England and Wales. The address of its registered office is Black Country House, Rounds Green Road, Oldbury, B69 2DG.

2 Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared on a basis other than going concern, under historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied consistently throughout the year:

Going concern

The directors are intending to wind the Company up within twelve months of the date of approval of the financial statements and accordingly the financial statements are prepared on a basis other than going concern. The directors expect all assets to realise book value when the Company is wound up and ultimately struck off. No adjustments have been made to the carrying value of the assets as a result of the decision to wind the company up.

Finance Costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

IXION SOCIAL ENTERPRISE LIMITED

Notes to the financial statements

Accounting policies (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Current and deferred taxation

The company does not provide for deferred taxation on short-term timing differences on the basis that the company plans to gift aid any taxable profits to its parent undertaking for the foreseeable future.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3 Employees

The average monthly number of employees, including directors, during the period was 2 (13 month period ended 31 August 2018: 2)

4 Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of Incorporation	Class of Shares	Holding	Principal activity
Ixon CG Limited	United Kingdom	Ordinary	100%	Delivery of employability contracts
Essex Business Supports Limited	United Kingdom	Ordinary	100%	Dormant company
Ixon Business limited	United Kingdom	Ordinary	100%	Dormant company

All companies are have registered offices at Black Country House, Rounds Green Road, Oldbury, B69 2DG.

5 Debtors

	2019 £	2018 £
Amounts owed by group undertakings	623,213	623,707

IXION SOCIAL ENTERPRISE LIMITED

Notes to the financial statements

6 Related parties

The company is a wholly owned subsidiary within Shaw Trust Limited (The). Accordingly, the company has taken advantage of the exemption provided in section 33 of FRS 102 from disclosing transactions and balances with other companies of the group.

7 Ultimate parent undertaking and controlling party

Ixon Holdings (Contracts) Limited is the sole member of the Company. The ultimate parent company is Shaw Trust Limited (The). The parent company of the smallest group of which this company is a member, for which group financial statements are prepared, is Shaw Trust Limited (The).

Financial statements of Shaw Trust Limited (The) are available from Black Country House, Rounds Green Road, Oldbury, B69 2DG.