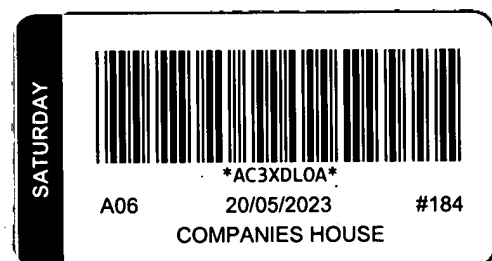


Registered number: 01302471

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022



ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

COMPANY INFORMATION

Directors Simon Donald Perkins
Rakesh Bhalla
Peter Michael Lowy
Stephen Julius Lowy
Leslie Jeffrey Zweigman

Company secretary Peter Michael Lowy

Registered number 01302471

Registered office 5 Richbell Place
London
WC1N 3LA

Independent auditors Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

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ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Introduction

The directors present the strategic report for the year ended 30 September 2022.

Business review

The Board are pleased with the performance of the Company for the year to 30 September 2022.

Total Revenues of £18.6m are in line with those achieved in the year to 31 March 2020 the last full year before the pandemic. Furthermore, and despite the labour shortage challenges and inflationary pressures on costs we achieved an operating profit of £84k compared to a loss of £(31)k for the 12 months to 31 March 2020.

Our core US student market returned strongly although we were unable to accommodate all of the demand due to insufficient stock. Since the year end we have increased our apartment stock by 20% and are looking forward to an extremely positive 2023.

The Residence brand continued to grow, adding a further block of 13 apartments in Central London during the year.

We are focused on driving the business forward and are confident that with the pandemic behind us we can look forward to growing profitability.

Principal risks and uncertainties

The financial risk management within the Group is governed by policies by the Board of Directors and senior management. These policies cover interest rate risk and areas such as cash management.

Group's exposure to various risks:

Credit risk

The Group is not exposed to credit risk. All cash is deposited with its UK banks. The principal amount disclosed within debtors are amounts due from UK based customers and entities.

Market risk – Foreign exchange risk

The Group is not exposed to foreign exchange risk as all of its income is derived from activities undertaken in the UK and all of its trade and other suppliers' invoice in sterling. The Group does occasionally invoice in euro's where the provision of service takes place in Europe. As a result, its supplier will similarly invoice in euro's thereby providing a natural hedge.

Interest rate risk

The Group's CBILS and other short-term debt is priced at a variable rate and although there is current volatility with rates increasing, the Group consider this to be a short-term position and in line with the market expectations are expecting the base rate to reduce over the next 12m. The Group continues to review its hedging strategy in this regard but at the moment the Board consider the initial premium outweighs the financial risk over the term.

The Group's exposure to interest rate risk is therefore considered to be manageable.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Financial key performance indicators

Total Turnover for the year was £18.6m compared to £13.7m for the 18-month period to 30 September 2021.

The Directors consider several key performance indicators for the Group on a monthly basis in order to assess overall performance. Whilst the results for the year (including the profit/loss) and financial position are outlined on pages 8 to 11, the directors consider the most significant KPI's to be as stated below:

Accommodation revenue £15.5m (18m to 30 Sept 2021: £12.5m) – 24% increase.

Revenue from the provision of academic services £3.1m (18m to 30 Sept 2021: £0.8m) – a £2.3m increase.

Other Revenue £0 (18m to 30 Sept 2021: £0.4m).

Total revenue £18.6m (18m to 30 Sept 2021: £13.7m) – 36% increase.

Gross Profit £5.24m (2021: £446k) – £4.8m increase.

Operating Profit / (Loss) £76k (2021: £(4.5)m) – £4.57m increase.

Cash at Bank £3.39m (2021: £2.77m) – £620k increase.

This report was approved by the board on 12 May 2023 and signed on its behalf.

P. M. Lowy

Peter Michael Lowy
Director

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors present their report and the financial statements for the year ended 30 September 2022.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £9,685 (2021 - loss £4,509,461).

Directors

The directors who served during the year were:

Simon Donald Perkins
Rakesh Bhalla
Peter Michael Lowy
Stephen Julius Lowy
Leslie Jeffrey Zweigman

Disclosure of information to auditors

Auditors

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

This report was approved by the board on 12 May 2023 and signed on its behalf.

P. M. Lowy

Peter Michael Lowy
Director

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

Opinion

We have audited the financial statements of Anglo American Educational Services Limited (the 'Company') for the year ended 30 September 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2022 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

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 Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept, 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED (CONTINUED)

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.

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:

We consider the most significant laws and regulations that have a direct impact on the financial statements to be:

- FRS102 and Companies Act 2006 compliance: We reviewed of the financial statement disclosures and perform testing on balances and disclosures.

- Tax regulation: We inspected correspondence with regulators and tax authorities, and reviewed the companies tax computations;

We considered the following areas to be those where the financial statements are most susceptible to fraud:

- Revenue recognition: We evaluated management's controls designed to prevent and detect irregularities in revenue, we completed a cash reconciliation to agree the revenue recognised to bank receipts and we completed cut off testing on receipts around the period end.

- Management override of controls: We evaluated management's controls designed to prevent and detect irregularities and we sampled and tested journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and we challenging assumptions and judgements made by management in their critical accounting estimates.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

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 Auditors' 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.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGLO AMERICAN EDUCATIONAL
SERVICES LIMITED (CONTINUED)

Andrew Ball

Andrew Ball (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG
Date: 12 May 2023

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

		12 months ended 30 September 2022 £	18 months ended 30 September 2021 £
	Note		
Turnover	4	18,606,505	13,689,154
Cost of sales		(13,363,526)	(13,242,323)
Gross profit		5,242,979	446,831
Administrative expenses		(5,159,427)	(5,582,266)
Exceptional administrative expenses		(4,565)	(258,854)
Other operating income	5	6,000	936,469
Operating profit/(loss)	6	84,987	(4,457,820)
Interest payable and similar expenses	8	(97,133)	(51,641)
Loss before tax		(12,146)	(4,509,461)
Tax on loss	9	21,831	-
Profit/(loss) for the financial year		9,685	(4,509,461)

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 12 to 25 form part of these financial statements.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED
REGISTERED NUMBER: 01302471

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	1,040,385	966,557
		<u>1,040,385</u>	<u>966,557</u>
Current assets			
Debtors: amounts falling due within one year	12	7,638,761	6,620,762
Cash at bank and in hand	13	845,495	756,281
		<u>8,484,256</u>	<u>7,377,043</u>
Creditors: amounts falling due within one year	14	(8,673,918)	(7,850,400)
Net current liabilities		<u>(189,662)</u>	<u>(473,357)</u>
Total assets less current liabilities		<u>850,723</u>	<u>493,200</u>
Creditors: amounts falling due after more than one year	15	(1,414,816)	(1,844,763)
Provisions for liabilities			
Deferred tax	9	(91,364)	(91,364)
Dilapidation provision	18	(777,785)	-
		<u>(869,149)</u>	<u>(91,364)</u>
Net liabilities		<u>(1,433,242)</u>	<u>(1,442,927)</u>
Capital and reserves			
Called up share capital	19	1,000	1,000
Profit and loss account		(1,434,242)	(1,443,927)
		<u>(1,433,242)</u>	<u>(1,442,927)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 May 2023.

P. M. Lowy

Peter Michael Lowy
Director

The notes on pages 12 to 25 form part of these financial statements.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2020	1,000	3,065,534	3,066,534
Comprehensive income for the period			
Loss for the period	-	(4,509,461)	(4,509,461)
At 1 October 2021	1,000	(1,443,927)	(1,442,927)
Comprehensive income for the year			
Profit for the year	-	9,685	9,685
At 30 September 2022	1,000	(1,434,242)	(1,433,242)

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. General information

Anglo American Educational Services Limited is a private company (limited by shares), which is incorporated and domiciled in England and Wales (registration number: 01302471).

The principal activity of the Company is that of the supply of student accommodation and educational services.

The registered office is 5 Richbell Place, London, WC1N 3LA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Lowy Anglo Limited as at 30 September 2022 and these financial statements may be obtained from 5 Richbell Place, London, WC1N 3LA.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.3 Going concern

The Company has prepared the financial statements on a going concern basis.

The Directors continue to assess the Company's trading and cashflow forecasts and the risks to its businesses taking account of inflationary costs pressures and other pressures present within the hospitality and leisure industry. Upon review of the trading and cashflow forecasts for the 12 months from the signing date of these financial statements, the Directors noted cashflow challenges which have been discussed during frequent board meetings.

Subsequently, the Directors have identified several viable methods to ensure sufficient cashflow is available for the next 12 months post the signing date of these financial statements, all of which can be completed at relatively short notice. For these reasons, they continue to adopt the going concern basis in preparing these financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.5 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT which settled through the Tour Operators Margin Scheme (TOMS). The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue represents amounts receivable for the supply of student accommodation and educational services. Revenue is recognised on occupation of the properties and when services are provided.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.6 Leases

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

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

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

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.8 Finance costs

Finance costs are charged to profit or loss 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.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line or reducing balance method.

Depreciation is provided on the following basis:

Leasehold improvements	- over the life of the lease
Motor vehicles	- 25% reducing balance method
Fixtures and fittings	- 12.5% reducing balance method

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 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..

2.16 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.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

3. Judgements in applying accounting policies 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 the assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be reliant. 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 estimates are 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.

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors, such as technological innovation and maintenance are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The Company is required to evaluate the carrying values of tangible fixed assets for impairment whenever circumstances indicate, in management's judgment, that the carrying value of such assets may not be recoverable. An impairment review requires management to make subjective judgments concerning the cash flows, growth rates and discount rates of the cash generating units under review.

The Directors have also assessed the listing of aged accruals to ensure these are included at their true value and the Company still has a commitment to settle these. The Directors have reason to believe that these amounts remain payable by the Company and therefore these remain on the balance sheet as at 30 September 2022.

4. Turnover

The whole of the turnover is attributable to the Company's principal activity and arose within the United Kingdom.

5. Other operating income

	12 months ended 30 September 2022 £	18 months ended 30 September 2021 £
Government grants receivable	6,000	467,095
Sundry income	-	469,374
	<u>6,000</u>	<u>936,469</u>

The Company received grants amounting to £nil (2021 - £443,095) in relation to the Coronavirus Job Retention Scheme. The Company also received grants amounting to £6,000 (2021 - £24,000) in relation to the Retail, Hospitality and Leisure Grant Fund.

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

6. Operating profit/(loss)

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

	12 months ended 30 September 2022 £	<i>18 months ended 30 September 2021 £</i>
Auditors remuneration	9,750	8,000
Other operating lease rentals	<u>8,506,055</u>	<u>13,264,993</u>

7. Employees

Staff costs were as follows:

	12 months ended 30 September 2022 £	<i>18 months ended 30 September 2021 £</i>
Wages and salaries	2,475,546	2,492,610
Social security costs	196,499	172,521
Cost of defined contribution scheme	82,460	143,468
	<u>2,754,505</u>	<u>2,808,599</u>

The average monthly number of employees, including the directors, during the year was as follows:

	12 months ended 30 September 2022 No.	<i>18 months ended 30 September 2021 No.</i>
Employees	<u>89</u>	<u>78</u>

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

8. Interest payable and similar expenses

	12 months ended 30 September 2022 £	18 months ended 30 September 2021 £
Finance leases and hire purchase contracts	97,133	51,641
	<u>97,133</u>	<u>51,641</u>

9. Taxation

	12 months ended 30 September 2022 £	18 months ended 30 September 2021 £
Corporation tax		
Current tax on profits for the year	(21,831)	-
	<u>(21,831)</u>	<u>-</u>
Total current tax	<u>(21,831)</u>	<u>-</u>

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

9. Taxation (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	12 months ended 30 September 2022 £	18 months ended 30 September 2021 £
Loss on ordinary activities before tax	(12,146)	(4,509,461)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(2,308)	(856,798)
Effects of:		
Expenses not deductible for tax purposes	60,342	59,618
Fixed asset differences	(5,467)	87,870
Adjustments to tax charge in respect of prior periods	(21,831)	(34,813)
Non-taxable income	-	(2,850)
Remeasurement of deferred tax for changes in tax rates	-	(182,952)
Movement in deferred tax not recognised	(53,422)	929,925
Other permanent differences	855	-
Total tax charge for the year/period	(21,831)	-

Factors that may affect future tax charges

On 24 May 2021 a change to the future corporation tax rate was substantively enacted. The corporation tax rate is to increase from 19% to 25% for the tax years starting on or after 1 April 2023. The deferred tax at 31 March 2022 has been calculated based on these rates.

10. Exceptional items

	12 months ended 30 September 2022 £	18 months ended 30 September 2021 £
Exceptional items	4,565	258,854

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

11. Tangible fixed assets

	Leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 October 2021	514,500	64,274	1,274,399	1,853,173
Additions	36,091	-	236,515	272,606
At 30 September 2022	550,591	64,274	1,510,914	2,125,779
Depreciation				
At 1 October 2021	208,990	63,227	614,399	886,616
Charge for the year on owned assets	102,900	1,047	94,831	198,778
At 30 September 2022	311,890	64,274	709,230	1,085,394
Net book value				
At 30 September 2022	238,701	-	801,684	1,040,385
At 30 September 2021	305,510	1,047	660,000	966,557

12. Debtors

	2022 £	2021 £
Trade debtors	976,922	1,230,210
Other debtors	5,809,224	4,604,652
Prepayments and accrued income	852,615	785,900
	7,638,761	6,620,762

13. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	845,495	756,281
	845,495	756,281

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank loans	400,000	133,332
Trade creditors	1,136,340	2,088,476
Amounts owed to group undertakings	16,083	53,950
Corporation tax	12,986	34,817
Other taxation and social security	188,397	53,308
Obligations under finance lease and hire purchase contracts	2,881	42,609
Other creditors	1,109,867	472,741
Accruals and deferred income	5,807,364	4,971,167
	<u>8,673,918</u>	<u>7,850,400</u>

15. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	1,414,816	1,778,817
Net obligations under finance leases and hire purchase contracts	-	65,946
	<u>1,414,816</u>	<u>1,844,763</u>

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

16. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	400,000	133,332
	<u>400,000</u>	<u>133,332</u>
Amounts falling due 1-2 years		
Bank loans	400,000	399,996
	<u>400,000</u>	<u>399,996</u>
Amounts falling due after more than 5 years		
Bank loans	1,014,816	1,378,821
	<u>1,014,816</u>	<u>1,378,821</u>
	<u><u>1,814,816</u></u>	<u><u>1,912,149</u></u>

17. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	2,881	42,609
Between 1-5 years	-	65,946
	<u>2,881</u>	<u>108,555</u>

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

18. Provisions

	Dilapidation provision £
Reclassification of provision for dilapidations of leases	777,785
At 30 September 2022	777,785

19. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
1,000 (2021 - 1,000) ordinary shares of £1 each	1,000	1,000

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £82,460 (2021 - £117,333). Contributions totalling £8,470 (2021 - £7,141) were payable to the fund at the reporting date and are included in creditors.

21. Commitments under operating leases

At 30 September 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	7,980,144	5,714,345
Later than 1 year and not later than 5 years	13,510,237	14,218,182
Later than 5 years	5,171,667	258,752
	26,662,048	20,191,279

ANGLO AMERICAN EDUCATIONAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

22. Related party transactions

During the period, the Company was charged £450,000 (2021 - £675,000) by Lowy Group Limited, a company under common control, in respect of management services provided. As at the period end, an amount of £69,757 (2021 - £3,591,445) was due to Lowy Group Limited.

There are no interest or repayment terms attached to any of the above balances.

The Company recharged housekeeping costs and other services amounting to £Nil (2021 - £32,900) to Burns Hotel Limited, a company under common control. An amount of £844,582 (2021 - £805,021) is due from the company.

The Company has a balance with Living Rooms Limited, a company under common control, due to the company amounting to £122,282. In the prior year, a balance of £145,375 was due from the company.

The Company has taken advantage of the exemptions available in accordance with FRS 102 section 33 not to disclose transactions entered into between two or more members of the group, as the Company is a wholly owned subsidiary of the group to which it is party to the transactions.

The Company has given unlimited guarantees in favour of other group companies and connected companies of certain borrowings of these companies.

23. Controlling party

The ultimate parent company is Lowy Anglo Limited, incorporated in England and Wales in which these financial statements are consolidated. Copies of the consolidated financial statements of Lowy Anglo Limited are available from its registered office; 5 Richbell Place, London, WC1N 3LA.

The ultimate controlling party is P. Lowy.