

Company Registration No. 01344504 (England and Wales)

CHRISTIE'S EDUCATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



CHRISTIE'S EDUCATION LIMITED

COMPANY INFORMATION

Directors	J S Hay A C Falconer T Herbert T J Norman
Secretary	C Zissler
Company number	01344504
Registered office	8 King Street St James's London SW1Y 6QT
Auditor	KPMG LLP 15 Canada Square London E14 5GL

CHRISTIE'S EDUCATION LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditor's report to the members of Christie's Education Limited	4 - 7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 21

CHRISTIE'S EDUCATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Principal activities

The principal activities of Christie's Education Limited are the provision of education courses in fine and decorative arts and wine.

Business review

During the year, the Company made a loss before taxation of £4,473,000 (2019: £2,827,000) and the loss after taxation for the year was £3,883,000 (2019: £2,244,000) as detailed on page 8.

Following a consultation process and business review in late 2019, it was decided in early 2020 that Christie's would restructure its education model to focus on reaching larger international audiences. As a result, Christie's will discontinue its higher education programmes in London from 2021, and expand its activities in continuing education and tutored online courses.

In 2021, Christie's Education will fulfil its obligations to the current higher education students so they successfully complete their studies. All relevant academic staff and support will remain in place until the conclusion of these programmes.

Covid-19

On 11 March 2020, the World Health Organisation (WHO) declared the Coronavirus (Covid-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, resulting in enforced lockdowns and social distancing measures by governments across the world.

The Company assessed the impact of Covid-19 on its operations and financial resources and concluded that it was appropriate to continue to prepare the financial statements on a going concern basis. Going concern is further discussed at Note 1.2 to the financial statements.

Directors

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

J S Hay
A C Falconer
T Herbert
T J Norman

Strategic report

The Company is defined as small as per the requirements of the Companies Act 2006 and therefore has applied the exemption to prepare a Strategic Report.

Auditor

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

CHRISTIE'S EDUCATION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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 they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

On behalf of the board

DocuSigned by:

Jane Hay

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Jane Hay.....

Director

Company Registration No. 01344504

Date: 16 June 2021

CHRISTIE'S EDUCATION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use 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.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and 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.

CHRISTIE'S EDUCATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHRISTIE'S EDUCATION LIMITED

Opinion

We have audited the financial statements of Christie's Education Limited ("the company") for year ended 31 December 2020 which comprise the Statement of comprehensive income, Balance sheet, Statement of changes in equity and Statement of cash flows and related notes, including 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 December 2020 and of its loss 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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

CHRISTIE'S EDUCATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHRISTIE'S EDUCATION LIMITED

Fraud and breaches of laws and regulations - ability to detect

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading the Christie's Education Limited board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit as part of the Risk Assessment Planning Meeting (RAPD).

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a risk related to revenue recognition because the nature of the Company's business is to provide education courses in fine and decorative arts and wine, which involves simple, consistent transactions based on set course fees.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unrelated accounts if any.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

CHRISTIE'S EDUCATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHRISTIE'S EDUCATION LIMITED

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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 strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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 3, 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.

CHRISTIE'S EDUCATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHRISTIE'S EDUCATION LIMITED

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.

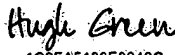
The purpose of our audit work and to whom we owe our responsibility

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.

Hugh Green (Senior Statutory Auditor)
for and on behalf of KPMG LLP

Statutory Auditor
Chartered Accountants

Date: 17 June 2021 | 11:32 PDT

DocuSigned by:

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15 Canada Square
London
E14 5GL

CHRISTIE'S EDUCATION LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £'000	2019 £'000
Turnover	3	1,069	1,694
Administrative expenses and other expenses		(5,542)	(4,521)
Loss before taxation		(4,473)	(2,827)
Taxation	7	590	583
Loss for the financial year		(3,883)	(2,244)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes to the accounts on pages 12 - 21 form part of these financial statements.

CHRISTIE'S EDUCATION LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2020**

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	8		402		1,975
Current assets					
Stocks	9	4		4	
Debtors	10	2,179		1,312	
Cash at bank and in hand		106		1,047	
		2,289		2,363	
Creditors: amounts falling due within one year	11	(969)		(2,945)	
Net current assets/(liabilities)			1,320		(582)
Total assets less current liabilities			1,722		1,393
Provisions for liabilities	12		(1,212)		-
Net assets			510		1,393
Capital and reserves					
Called up share capital	13		9,300		6,300
Profit and loss reserves			(8,790)		(4,907)
Total equity			510		1,393

The notes to the accounts on pages 12 - 21 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 16 June 2021 and are signed on its behalf by:

DocuSigned by:

Tim Norman

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Tim Norman

Director

Company Registration No. 01344504

CHRISTIE'S EDUCATION LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2020**

		Share capital	Profit and loss reserves	Total
	Notes	£'000	£'000	£'000
Balance at 1 January 2019		3,300	(2,663)	637
Year ended 31 December 2019:				
Loss and total comprehensive income for the year		-	(2,244)	(2,244)
Issue of share capital	13	3,000	-	3,000
Balance at 31 December 2019		6,300	(4,907)	1,393
Year ended 31 December 2020:				
Loss and total comprehensive income for the year		-	(3,883)	(3,883)
Issue of share capital	13	3,000	-	3,000
Balance at 31 December 2020		<u>9,300</u>	<u>(8,790)</u>	<u>510</u>

The notes to the accounts on pages 12 - 21 form part of these financial statements.

CHRISTIE'S EDUCATION LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £'000	£'000	2019 £'000	£'000
Cash flows from operating activities					
Cash absorbed by operations	15		(1,576)		(1,552)
Investing activities					
Purchase of tangible fixed assets		(17)		(189)	
Net cash used in investing activities			(17)		(189)
Financing activities					
Proceeds from issue of shares		3,000		3,000	
Intercompany (repayment)/funding		(2,348)		(1,987)	
Net cash generated from financing activities			652		1,013
Net decrease in cash and cash equivalents			(941)		(728)
Cash and cash equivalents at beginning of year			1,047		1,775
Cash and cash equivalents at end of year			106		1,047

The notes to the accounts on pages 12 - 21 form part of these financial statements.

CHRISTIE'S EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

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

Company information

Christie's Education Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8 King Street, St James's, London, SW1Y 6QT.

1.1 Basis of preparation

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The Company's ultimate parent undertaking, Financière Pinault SCA includes the Company in its consolidated financial statements. The consolidated financial statements of Financière Pinault SCA are prepared in accordance with International Financial Reporting Standards as adopted by the EU. 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:

- Reconciliation of the number of shares outstanding from the beginning to end of the period; and
- Key Management Personnel compensation.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

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

1.2 Going concern

Following a consultation process and business review in late 2019, it was decided in early 2020 that Christie's would restructure its education model to focus on reaching larger international audiences. As a result, Christie's will discontinue its higher education programmes in London from 2021, and expand its activities in continuing education and tutored online courses.

In 2020, the Company will fulfil its obligations to the current higher education students so they successfully complete their studies. All relevant academic staff and support will remain in place until the conclusion of these programmes.

The Company participates in the centralised treasury arrangements of Christie's International plc ("the Group") and so shares banking arrangements with its fellow group undertakings. These arrangements ensure adequate management of cash flows around the group.

The Directors have prepared a going concern assessment for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through funding from its intermediate parent company, Christie's International plc, to meet its liabilities as they fall due for that period.

CHRISTIE'S EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

This assessment is dependent on Christie's International plc providing additional financial support during that period. Christie's International plc has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the assessment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The Group has adequate financial resources and as a consequence, the Directors believe that the Group is well placed to manage its business risks. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months.

On this basis, and on their assessment of the Company's financial position, the Company's directors are confident that the company will be able to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Assets under construction are capitalised as costs are incurred and include all costs directly attributable to bringing the asset into working condition for its intended use. These include, where applicable, internal staff costs.

The Company assesses at each reporting date whether tangible assets are impaired.

Depreciation and residual values

Depreciation is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Category of Asset	Annual Rate
Leasehold improvements	Shorter of period lease or useful economic life
Furniture, fixtures and fittings	10% to 25%
Computer hardware & software	25%
Library	10%

Assets under construction are not depreciated until they are deemed to be available for use.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.4 Stocks

Stock represents miscellaneous items held for the tuition of, or for resale to, students and are stated at the lower of cost and net realisable value.

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

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CHRISTIE'S EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.6 Taxation

Tax 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 tax

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 tax

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

Unrealised tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.7 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.8 Retirement benefits

The Company operates a defined contribution scheme. A defined contribution plan is a post employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

CHRISTIE'S EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 Operating Leases

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

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

1.10 Foreign exchange

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

2 Judgements and key sources of estimation uncertainty

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

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

Provisions are estimates and the actual cost and timing of future cash flows are dependent on future events. The Company exercises judgement in recognising provisions. Judgements are necessary to assess the likelihood that a liability will arise and estimation is required to quantify the possible amount of any financial settlement.

3 Turnover

Turnover represents two thirds of amounts received and receivable (excluding value added tax) in respect of course fees for the 2019/2020 academic year.

All turnover is generated in the United Kingdom.

4 Operating loss

	2020	2019
	£'000	£'000
Operating loss for the year is stated after charging:		
Exchange (gains)/losses	-	3
Depreciation of tangible fixed assets	269	270
Loss on disposal of tangible fixed assets	1,321	-
Operating lease charges	425	463
<i>Auditor's remuneration:</i>		
Audit of these financial statements	5	6

CHRISTIE'S EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Employees

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

	2020	2019
Principals & Tutorial	7	7
Administration	11	16
	<u>18</u>	<u>23</u>

Their aggregate remuneration costs of these persons were as follows:

	2020 £'000	2019 £'000
Wages and salaries	991	1,710
Social security costs	76	110
Pension costs	58	67
	<u>1,125</u>	<u>1,887</u>

6 Directors' remuneration

The Directors did not receive any emoluments in their capacity as Directors during the year (2019: £nil).

CHRISTIE'S EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Taxation

	2020 £'000	2019 £'000
Current tax		
UK corporation tax on loss for the current period	(560)	(519)
Adjustments in respect of prior periods	(16)	(78)
Total current tax	(576)	(597)
Deferred tax		
Origination and reversal of timing differences	(32)	(7)
Adjustment in respect of prior periods	17	21
Adjustment in respect of prior periods - rate change	1	-
Total deferred tax	(14)	14
Total tax credit	(590)	(583)

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

	2020 £'000	2019 £'000
Loss before taxation	(4,473)	(2,827)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(850)	(537)
Tax effect of expenses that are not deductible in determining taxable profit	258	10
Adjustments in respect of prior years	2	(57)
Origination and reversal of timing differences	-	1
Total tax credit	(590)	(583)

Analysis of charge in period

The Finance Act 2020 introduced legislation that the UK corporation tax main rate will remain at 19% from 1 April 2020, cancelling the previously enacted reduction. Therefore, for the Company, the deferred tax rate applied as at 31 December 2020 was 19%.

CHRISTIE'S EDUCATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2020**8 Tangible fixed assets**

	Leasehold improvements	Furniture, fixtures and fittings	Computer hardware & software	Library	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 January 2020	2,526	675	530	296	258	4,285
Additions	-	-	-	14	3	17
Disposals	(2,525)	(640)	-	-	-	(3,165)
Transfer between category	-	7	(7)	-	-	-
At 31 December 2020	1	42	523	310	261	1,137
Depreciation and impairment						
At 1 January 2020	1,242	424	402	242	-	2,310
Charge for the year	150	30	72	17	-	269
Disposals	(1,391)	(453)	-	-	-	(1,844)
At 31 December 2020	1	1	474	259	-	735
Carrying amount						
At 31 December 2020	-	41	49	51	261	402
At 31 December 2019	1,284	251	128	54	258	1,975

9 Stocks

	2020 £'000	2019 £'000
Finished goods and goods for resale	4	4

CHRISTIE'S EDUCATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2020**10 Debtors**

	2020	2019
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	30	253
Corporation tax recoverable	560	519
Amounts due from fellow group undertakings	1,333	20
Deferred tax asset	4	-
Other debtors	133	36
Prepayments and accrued income	119	484
	<u>2,179</u>	<u>1,312</u>

The analysis of the deferred tax asset is as follows:

Difference between accumulated depreciation and capital allowances

	£'000
At 1 January 2020	(10)
Originating of timing difference through profit & loss	32
Adjustments in respect of prior periods	(18)
	<u>4</u>
At 31 December 2020	<u>4</u>

11 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade creditors	1	-
Amounts due to fellow group undertakings	-	1,035
Deferred tax liability	-	10
Accruals and deferred income	954	1,877
Other creditors	14	23
	<u>969</u>	<u>2,945</u>

12 Provisions for liabilities

	2020	2019
	£'000	£'000
Other provisions	<u>1,212</u>	<u>-</u>

CHRISTIE'S EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Called up share capital

	2020 £'000	2019 £'000
Allotted, called up and fully paid		
9,300,002 Ordinary Shares of £1 each (2019: £6,300,002)	9,300	6,300
	<u>9,300</u>	<u>6,300</u>

During the year, the Company issued 3,000,000 ordinary shares to Christie's International plc, the Company's immediate parent undertaking.

14 Pension scheme

The Company participates in a defined contribution pension scheme. The pension charge for the period represents contributions payable by the Company to the scheme and amounted to £58,000 (2019: £67,000).

15 Cash generated from operations

	2020 £'000	2019 £'000
Loss for the year after tax	(3,883)	(2,244)
Adjustments for:		
Taxation credited	(590)	(583)
Loss on disposal of tangible fixed assets	1,321	-
Depreciation of tangible fixed assets	269	270
Increase in provisions	1,212	-
Movements in working capital:		
Decrease/(increase) in debtors	488	(280)
(Decrease)/increase in creditors	(393)	1,285
Cash absorbed by operations	<u>(1,576)</u>	<u>(1,552)</u>

CHRISTIE'S EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

16 Operating lease commitments

The Company's future minimum operating lease payments as at 31 December 2020 are as follows:

	2020 £'000	2019 £'000
Within one year	379	463
Greater than one year and less than five years	411	1,850
Over five years	-	1,426
	<u>790</u>	<u>3,739</u>

17 Immediate and ultimate parent undertaking

The smallest and largest group in which the results of the Company are included is Financière Pinault SCA, a company incorporated in France and also the ultimate parent company of Christie's Education Ltd. The immediate parent undertaking is Christie's International plc which is incorporated in England and Wales and the registered office is 8 King Street, St James's, London, SW1Y 6QT.

The consolidated accounts of Financière Pinault SCA are available on request from its registered address, 12 rue François 1er, Paris 8, 75008, France.