

FINANCIAL STATEMENTS CLAREMONT SCHOOL (ST. LEONARDS) LIMITED

For the year ended 31 August 2018

Registered Number: 02827000



COMPANY INFORMATION

Registered Number: 02827000

Registered Office: 101 Wigmore Street
London
W1U 1QU

Directors: M Beaumont (Resigned 18 May 2018)
S D R Brown (Appointed 30 January 2018)
D Mee (Appointed 30 January 2018)
M Skelton (Appointed 30 January 2018)
G Perrin (Appointed 30 January 2018)

Legal Form: Claremont School (St. Leonards) Ltd is a limited liability
company incorporated and domicile in England and Wales

Table of Contents

Directors' Report	2
Statement of directors' responsibilities in respect of the directors' report and the financial statements	4
Profit and loss account	5
Other Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	9
Notes to the financial statements.....	10

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their strategic report for the year ended 31 August 2018.

REVIEW OF BUSINESS

The profit for the year, before taxation, amounted to £2,752,288 (2017: £1,733,723).

The Directors are satisfied with the performance during the year, which has seen an increase in turnover of 28% on the prior year. This increase is a result of the new boarding school that opened during the year and increased pupil numbers across the school, continued growth is anticipated in the year ended 31 August 2019.

The company has again undertaken considerable capital expenditure during the year as part of ongoing redevelopment of the senior school, sixth form and boarding facilities.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's activities expose it to a variety of financial risks: market risk (including cash flow, interest rate risk and price risk), credit risk and liquidity risk.

Risk management is carried out by the Directors.

(a) Market Risk

Market risk is the risk that changes in market conditions, such as competition, price elasticity of demand and customer demand will affect the Company's performance. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(b) Credit Risk

Credit risk is the risk that any counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company actively reviews trade debtors for recoverability before trade commences and during the customer relationship to minimise credit risk exposure.

(c) Liquidity risk

The Company manages liquidity risk by maintaining adequate cash balances and borrowing facilities, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company also performs regular cash forecasting.

This report was approved by the board on 30 May 2019 and signed on its behalf.



Darren Mee
Director

Directors' Report

For the year ended 31 August 2018

The directors present their report and the financial statements for the year ended 31 August 2018.

Claremont School (St. Leonards) Ltd is a limited liability company incorporated and domiciled in England and Wales.

Principal Activities

The principal activity of the company is the provision of education.

Results and Dividends

The profit for the year, after taxation, amounted to £2,540,611 (2017: £1,386,269).

The directors have not proposed a dividend (2017: £96,000).

Directors

The Directors who served during the year were:

M Beaumont (Resigned 18 May 2018)
S D R Brown (Appointed 30 January 2018)
D Mee (Appointed 30 January 2018)
M Skelton (Appointed 30 January 2018)
G Perrin (Appointed 30 January 2018)

Political contributions

The Company did not make any political donations or incurred any political expenditure during the year.

Going concern

The company continues to achieve a net profit result and is in a strong net asset position. This is expected to continue for the foreseeable future.

The company has received written confirmation that continuing support will be provided by International Schools Partnership Limited and therefore it will be able to meet its financial obligations for the foreseeable future from the date of signing the financial statements. Accordingly, the Directors consider it is appropriate to prepare the financial statements on a going concern basis.

Brexit

The directors do not believe that Brexit will have a significant impact on the results or the operations of the Company.

Directors' Report (continued)

This report was approved by the board on 30 May 2019 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'Darren Mee', written over a large, stylized circular mark.

Darren Mee
Director

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

For the year ended 31 August 2018

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 101 *Reduced Disclosure Framework*.

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;
- Made judgements and accounting 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 relating to going concern;
- 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 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 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.

Profit and loss account

For the year ended 31 August 2018

	Notes	2018 £	2017 £
Turnover	2	9,733,159	7,598,037
Administrative Expenses		(6,925,784)	(5,817,128)
		<hr/> 2,807,375	<hr/> 1,780,909
Other Operating Income		<hr/> -	<hr/> 8,308
Operating Profit		<hr/> 2,807,375	<hr/> 1,789,217
Interest Receivable		4,019	4,889
Interest Payable	5	(59,106)	(60,383)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		<hr/> 2,752,288	<hr/> 1,733,723
Tax on profit on ordinary activities	6	(211,677)	(347,454)
		<hr/>	<hr/>
Profit for the financial year		<hr/> 2,540,611	<hr/> 1,386,269

All amounts relate to continuing operations.

The notes on pages 10 to 20 form part of these financial statements.

Other Comprehensive Income

For the year ended 31 August 2018

	2018 £	2017 £
Profit for the year	2,540,611	1,386,269
Other Comprehensive Income		
Freehold Revaluation	-	10,728,909
Income Tax relating to other comprehensive income	1,663,360	(1,663,360)
Other comprehensive income for the year, net of Income Tax	<u>1,663,360</u>	<u>9,065,549</u>
Total comprehensive income for the year	<u>4,203,971</u>	<u>10,451,818</u>

The notes on pages 10 to 20 form part of these financial statements.

Balance Sheet

As at 31 August 2018

	Note	2018 £	£	2017 £	£
Fixed Assets					
Tangible Assets	7		953,868		20,946,069
Current Assets					
Debtors	8	21,079,423		609,309	
Cash at bank and in hand		<u>2,102,730</u>		<u>2,201,887</u>	
		23,182,153		2,811,196	
Creditors: amounts falling due within one year	9	<u>(3,463,604)</u>		<u>(3,382,242)</u>	
Net Current Assets/(Liabilities)			<u>19,718,549</u>		<u>(571,046)</u>
Total Assets less Current Liabilities			20,672,417		20,375,023
Creditors: amounts falling due after more than one year	10		(945,887)		(3,197,265)
Deferred tax asset / liability	11		<u>47,745</u>		<u>(1,631,214)</u>
Net Assets			<u>19,774,275</u>		<u>15,546,544</u>
Capital and Reserves					
Called up share capital			102		100
Revaluation Reserve			-		9,776,898
Share Premium Account			23,758		-
Profit and Loss Account			<u>19,750,415</u>		<u>5,769,546</u>
Shareholders' Funds			<u>19,774,275</u>		<u>15,546,544</u>

Balance Sheet (Continued)

As at 31 August 2018

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved and authorised for issue by the Board on 30 May 2019 and were signed on its behalf by



Darren Mee
Director

The notes on pages 10 to 20 form part of these financial statements.

Statement of Changes in Equity

As at 31 August 2018

	Share Capital	Share Premium	Revaluation Reserve	Profit and Loss Account	Total
	£	£	£	£	£
Balance at 1 September 2016	100	-	711,349	4,479,277	5,190,726
Dividends	-	-	-	(96,000)	(96,000)
Profit for the year	-	-	-	1,386,269	1,386,269
Unrealised surplus on revaluation of property	-	-	10,728,909	-	10,728,909
Deferred tax on unrealised surplus on revaluation of property	-	-	(1,663,360)	-	(1,663,360)
Balance at 31 August 2017	100	-	9,776,898	5,769,546	15,546,544
Balance at 1 September 2017	100	-	9,776,898	5,769,546	15,546,544
Share Issue	2	23,758	-	-	23,760
Profit for the year	-	-	-	2,540,611	2,540,611
Transfer to profit and loss account – realised revaluation surplus	-	-	(11,440,258)	11,440,258	-
Reversal of deferred tax on revaluation surplus	-	-	1,663,360	-	1,663,360
Balance at 31 August 2018	102	23,758	-	19,750,415	19,774,275

On 9 January 2018, 2 shares with a nominal value of £1 were issued for £11,880 per share.

The directors have not proposed a dividend in the current year (2017: £96,000).

The notes on pages 10 to 20 form part of these financial statements.

Notes to the financial statements

As at 31 August 2018

1 Accounting Policies

1.1 Basis of preparation of financial statements

Claremont School (St. Leonards) Limited (the "Company") is a private company limited by shares incorporated, domiciled and registered in England in the UK. The registered number is 02827000 and the registered address is 101 Wigmore Street, London, W1U 1QU. The financial statements have been prepared under the historical cost convention and in accordance with FRS 101 Reduced Disclosure Framework. The entity qualifies to present information under the reduced disclosure framework as it is a part of a group that prepares publicly available consolidated financial statements and it is included in that consolidation. Permotio International Learning s.à r.l (6 Rue Eugene Ruppert, L-2453, Luxembourg) prepares the consolidated group accounts which are available from the Luxembourg Trade and Companies Register.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

- The company has taken advantage of the following disclosure exemptions as permitted by FRS101:
- The company has not prepared a cash flow statement and related notes
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.
- Disclosures in respect of transactions with wholly owned subsidiaries
- Disclosures of transactions with a management entity that provides key management personnel services to the company

The financial statements are presented in Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Significant Judgments and Estimates

The critical judgements that the directors have made in the process of applying the Company accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

i) Impairment of assets

In assessing whether there have been any indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and the experience of recoverability.

ii) Useful economic lives of property, plant and equipment. The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, economic utilisation and the physical condition of the assets.

Notes to the Financial Statements (Continued)

As at 31 August 2018

1.3 Going Concern

The company has received written confirmation that continuing support will be provided by International Schools Partnership Limited and therefore it will be able to meet its financial obligations for the foreseeable future from the date

of signing the financial statements. Accordingly, the Directors consider it is appropriate to prepare the financial statements on a going concern basis.

1.4 Turnover

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services supplied, stated net of discounts. The company recognises revenue when performance obligations have been satisfied. The total turnover of the company for the year has been derived from the provision of education.

1.5 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.6 Tangible fixed assets

Land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

All other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	- Nil
Plant and machinery	- 20% - 33% per annum of cost
Fixtures, fittings and equipment	- 15% per annum of cost
Buildings	- Straight line over the life of the lease
Assets under construction	- Nil

1.7 Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Notes to the Financial Statements (Continued)

As at 31 August 2018

1.8 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 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 is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.9 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes to the Financial Statements (Continued)

As at 31 August 2018

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.10 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. After initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. After initial recognition they are measured at amortised cost using the effective interest method.

Notes to the Financial Statements (Continued)

As at 31 August 2018

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

2 Turnover

All turnover, in both years, relates to the principal activity of the company and is generated from services performed in United Kingdom.

3 Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation	120,891	87,827
Auditor's remuneration	-	14,130

4 Staff Costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	3,895,430	3,314,199
Social security costs	325,997	274,346
Other pension costs	46,475	32,209
	<u>4,267,902</u>	<u>3,620,754</u>

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

	2018 Numbers	2017 Numbers
Teaching staff	154	118
Administrative staff	42	43
	<u>196</u>	<u>161</u>

During the year, directors received emoluments of £54,887 (2017: £10,000).

Post-employment benefits are accruing for 1 (2017: 1) directors under a defined contribution scheme.

Notes to the Financial Statements (Continued)

For the year ended 31 August 2018

5 Interest payable and other finance costs

	2018 £	2017 £
Hire purchase interest	128	362
Bank loan	58,978	60,021
	<u>59,106</u>	<u>60,383</u>

6 Taxation

	2018 £	2017 £
Analysis of tax charge in the year		
Current tax		
UK Corporation Tax charge on profit for the year	227,276	307,681
Adjustments in respect of prior periods	-	(200)
Total current tax	<u>227,276</u>	<u>307,481</u>
Deferred tax (see Note 11)		
Origination and reversal of timing differences	(16,626)	39,973
Adjustments in respect of prior periods	(2,634)	-
Effect of changes in tax rates	3,661	-
Total deferred tax	<u>(15,599)</u>	<u>39,973</u>
Tax on profit on ordinary activities	<u>211,677</u>	<u>347,454</u>
Factors affecting tax charge for the year		
Profit/(loss) on ordinary activities before tax	<u>2,752,288</u>	<u>1,733,723</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 – 19.58%)	522,935	339,480
Effects of:		
Fixed asset difference	-	(36,806)
Adjustments to brought forward values	-	(200)
Adjusted deferred tax to average rate	5,617	-
Expenses not deductible for tax purposes	4,244	5,007
Group relief surrendered / (claimed)	(318,485)	-
Movement in deferred taxation		39,973
Adjustments to tax charge in respect of prior periods	(2,634)	-
Tax charge for the year (see note above)	<u>211,677</u>	<u>347,454</u>

Notes to the Financial Statements (Continued)

For the year ended 31 August 2018

The tax rate for the current year is lower than the prior year, due to changes in the UK corporation tax rate, which decreased from 20% to 19% from 1 April 2018.

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2017 (on 6 September 2017). These include reductions to the main rate, to reduce the rate to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

7 Tangible Fixed Assets

	Freehold Property £	Fixtures, fittings & equipment £	Motor Vehicles £	Assets Under Construction (AUC) £	Total £
Cost					
At 1 September 2017	20,466,682	1,098,109	240,160	-	21,804,951
Additions	-	165,532	25,485	324,064	515,081
Disposals	(20,369,435)	-	(33,900)	-	(20,403,335)
At 31 August 2018	<u>97,247</u>	<u>1,263,641</u>	<u>231,745</u>	<u>324,064</u>	<u>1,916,697</u>
Depreciation					
At 1 September 2017	-	732,051	126,831	-	858,882
On disposals	-	-	(16,944)	-	(16,944)
Charge for the year	-	91,192	29,699	-	120,891
At 31 August 2018	<u>-</u>	<u>823,243</u>	<u>139,586</u>	<u>-</u>	<u>962,829</u>
Net book value					
At 31 August 2018	<u>97,247</u>	<u>440,398</u>	<u>92,159</u>	<u>324,064</u>	<u>953,868</u>
At 31 August 2017	20,466,682	366,058	113,329	-	20,946,069

The net carrying amount of assets held under finance leases included in plant and machinery is £9,722 (2017: £12,950).

Analysis of the land and buildings that have been revalued to show the carrying amount that would have been recognised if the assets had been carried under the cost model is as follows:

	2018 £	2017 £
Historical cost equivalent	9,923,491	9,737,774
	<u>9,923,491</u>	<u>9,737,774</u>

The property that was disposed of in the year, was last revalued in 2017 by an independent valuer, using arm's length market transactions for similar properties sold in the local area.

Notes to the Financial Statements (Continued)

For the year ended 31 August 2018

8 Debtors

	2018 £	2017 £
Trade debtors	247,634	258,084
Amounts owed by group undertakings	12,441,768	-
Other debtors	-	10,000
Directors' Current Accounts	290	-
Prepayments and accrued income	8,389,731	341,225
	<u>21,079,423</u>	<u>609,309</u>

Prepayments of £7,869,435 (2017: £NIL) are due after more than one year.

Amounts owed by group undertakings are unsecured, are due after five years and have an interest rate of 10.3313%.

9 Creditors: amounts falling due within one year

	2018 £	2017 £
Obligations under finance leases and hire purchase contracts	3,972	4,333
Trade creditors	417,841	346,583
Bank loans and overdrafts	-	152,470
Other, taxation and social security	86,274	76,099
Other creditors	59,518	-
Corporation tax	77,876	307,681
Directors' Current Accounts	-	967
Deferred income	2,818,123	2,494,109
	<u>3,463,604</u>	<u>3,382,242</u>

Notes to the Financial Statements (Continued)

For the year ended 31 August 2018

10 Creditors: amounts falling due after one year

	2018 £	2017 £
Bank Loans	-	2,282,043
Fees in advance	945,887	911,250
Obligations under finance leases and hire purchase contracts	-	3,972
	<u>945,887</u>	<u>3,197,265</u>

Obligations under finance leases and hire purchase contracts, included in note 8 and 9 above, are payable as follows:

	2018 £	2017 £
Repayable within one year	3,972	4,333
Repayable within one to five years	-	-
Total repayable	<u>-</u>	<u>3,972</u>
	<u>3,972</u>	<u>8,305</u>

Maturity of bank loans

	2018 £	2017 £
Repayable within one year	-	152,470
Repayable within one and five years	-	609,880
Total repayable	<u>-</u>	<u>1,672,163</u>
	<u>-</u>	<u>2,434,513</u>

The bank loan was fully paid off during the year. In the prior year, the bank loan held a legal charge over freehold property of Claremont Senior School. The loans interest was 2.29%.

Maturity of fees in advance

	2018 £	2017 £
Repayable within one year	2,818,123	2,494,109
Repayable within one and five years	935,002	911,250
Total repayable	<u>10,885</u>	<u>-</u>
	<u>3,764,010</u>	<u>3,405,359</u>

Notes to the Financial Statements (Continued)

For the year ended 31 August 2018

11 Deferred tax

Deferred tax (asset) / liabilities

	Fixed asset timing difference	Short term timing difference	Losses and other deductions	Total
At 1 September 2016	(72,119)	-	-	(72,119)
Charged / (credited) to the profit and loss account	39,973	-	-	39,973
Charged / (credited) directly to other comprehensive income	-	-	1,663,360	1,663,360
At 31 August 2017	<u>(32,146)</u>	<u>-</u>	<u>1,663,360</u>	<u>1,631,214</u>
Charged / (credited) to the profit and loss account	(2,354)	(13,245)	-	(15,599)
Charged / (credited) directly to other comprehensive income	-	-	(1,663,360)	(1,663,360)
At 31 August 2018	<u>(34,500)</u>	<u>(13,245)</u>	<u>-</u>	<u>(47,745)</u>

There are no unused tax losses or unused tax credits.

12 Related Party Transactions

The company has taken advantage of the exemption in FRS101 and has not disclosed transactions with group undertakings which are included in the consolidated financial statements of Permotio International Learning s.à r.l (Luxembourg); this is the next parent preparing consolidated financial statements.

During the year ended 31 August 2018, £5,699 expenses were incurred on behalf of directors and repayments of £4,441 were made by the directors. The directors current account balance at the current year end is a debtor of £290 (2017: creditor of £967).

Claremont School (St. Leonards) Ltd is a subsidiary of its immediate parent PIL Europe Holdings Ltd.

13 Ultimate Parent Undertaking and Controlling Party

At 31 August 2018 the immediate parent company is PIL Europe Holdings Limited and the ultimate parent company is Partners Group AG (Switzerland). Partners Group AG is considered to be the ultimate controlling party by virtue of its controlling shareholding.

The next parent preparing consolidated financial statements is Permotio International Learning s.à r.l (Luxembourg). The consolidated financial statements will be available from the Luxembourg Trade and Companies Register.

14 Share Capital and Reserves

	31 August 2018 £	31 August 2017 £
Allotted, called up and fully paid		
Share premium	23,758	-
Ordinary shares	102	100

Called-up share capital – represents the nominal value of shares that have been issued.

Profit and loss account – includes all current and prior period retained profits and losses.

Share premium – this reserve represents the amount paid by the shareholders in excess of the company's share capital nominal value.

Revaluation reserve – unrealised surplus on valuation of property held by the company.

15 First year adoption

This is the first year that the company has presented its results under FRS 101. The last financial statements under FRS102 were for the year ended 31 August 2017. The date of transition to FRS 101 was 1 September 2017.

There are no significant changes in accounting policies which require reconciling the profit for the financial year ended 31 August 2017 and the total equity as at 1 September 2017 and 31 August 2018 between FRS 102 as previously reported and FRS 101.