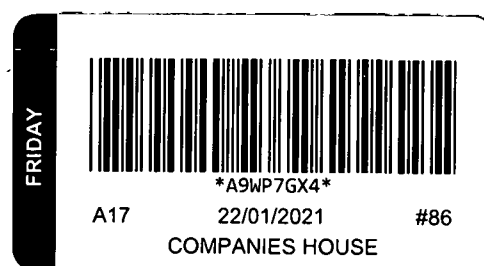


Company registration number: 03265839 (England and Wales)

**ITL TRAINING LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2020**



**ITL TRAINING LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**Company registration number** 03265839 (England and Wales)

**Company name** ITL Training Limited

**Board of directors** GH Meyerowitz  
J Sawyer

**Company secretary** C Raffinetti

**Registered office** 5th Floor  
18 Mansell Street  
London  
E1 8AA

**Independent auditors** PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
One Chamberlain Square  
Birmingham  
B3 3AX

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**Business bankers** National-Westminster-Bank-PLC  
52 Fawcett Street  
London  
SR1 1SB

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**ITL TRAINING LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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The directors present their annual report and the audited financial statements of ITL Training Limited (the "Company") for the year ended 30 June 2020.

**Principal activities**

The Company is a limited Company which is incorporated and domiciled in the United Kingdom. The principal activity of the Company of being a training organisation ceased in April 2019.

ITL Training Limited's main activity was to deliver training on behalf of The Education and Skills Funding Agency ("ESFA") through the Adult Education Budget and Apprenticeship funding streams. ESFA is an executive agency of the government of the United Kingdom, sponsored by the Department for Education. The Company delivered a range of training programmes, from Customer Services to Hospitality across England. During 2017 it was decided in light of the major reforms instigated by the Government with the launch of the Apprenticeship Levy to wind down delivery in 2017 and the Company ceased trading in April 2019. These changes reflected the significant reduction in funding for Apprenticeship Frameworks and the requirement for cash co-investment for SME's which was the predominant focus of the Company. As the directors intend to liquidate the Company following the settlement of the remaining net assets, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 2.

**Review and results of operations**

During the year the Company made a profit amounting to £3,538,000 (2019: loss of £8,935,000). No dividends have been paid or declared in the current year (2019: £nil).

**Business review**

The results for the year ended 30 June 2020 are shown on the Statement of Comprehensive Income on page 7. Apart from the matters referred to above, in the opinion of the directors, there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review.

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The Directors are conscious when writing this report and financial statements of the significant impact the Covid-19 is having on the world economy. The Directors do not expect Covid-19 to have an impact on the Company.

**Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks. The board reviews these risks and puts in place policies to mitigate them. As the directors of the Company have taken the decision to wind down the activity of the Company and intend to liquidate the Company following the settlement of the remaining net assets, the principal risk relates to the collection and settlement of the Company's assets and liabilities respectively.

**Financial risk management**

*Capital management*

The objective of the Company's capital management is ensure that it maintains strong credit ratings and capital ratios. This will ensure that the business is correctly supported and shareholder value is maximised.

*Liquidity risk*

Management monitors the Company's liquidity. The directors of the Company have taken the decision to wind down the activity of the Company and intend to liquidate the Company following the settlement of the remaining net assets.

**Directors**

The following directors held office during the year ended 30 June 2020 and up to the signing of the financial statements, unless otherwise stated:

GH Meyerowitz  
J Sawyer

**Going concern (break up basis)**

As in the prior year, the financial statements have not been prepared on a going concern basis. As the directors of the Company have taken the decision to wind down the activity of the Company and intend to liquidate the Company following the settlement of the remaining net assets, the principal risk relates to the collection and settlement of the Company's assets and liabilities respectively.

Accordingly the financial statements have therefore been prepared on a break-up basis in recognition of the voluntary liquidation approved by the ultimate Parent Company. Adjustments have been made to provide for any future liabilities which will arise and to reclassify long-term liabilities as current liabilities.

**Statement as to disclosure of information to auditors**

In so far as each of the directors holding office at the date of this report is aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Statement of directors' responsibilities in respect of the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**Small company exemptions**

This report has been prepared in accordance with special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006. The Company has also taken advantage of the small companies' exemption provided by section 414B of the Companies Act 2006, from preparing a Strategic Report.

**Directors indemnities**

The Directors have the benefit of a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006 which was in force throughout the last financial year and is currently in force.

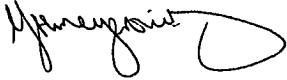
**ITL TRAINING LIMITED**  
**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**Independent auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors after these financial statements were sent to members, or after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

On behalf of the board



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GH Meyerowitz  
Director  
11 January 2021

# ***Independent auditors' report to the members of ITL Training Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, ITL Training Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 30 June 2020; the Statement of comprehensive income, the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **Basis for opinion**

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

### **Independence**

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

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

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

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### **Reporting on other information**

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

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

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

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

### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 June 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

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# ***Independent auditors' report to the members of ITL Training Limited (continued)***

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## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

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

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## **Other required reporting**

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### **Companies Act 2006 exception reporting**

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

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

We have no exceptions to report arising from this responsibility.

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### **Entitlement to exemptions**

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



Matthew Walker (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham  
18 January 2021

**ITL TRAINING LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Note	Year ended 30 Jun 2020 £'000	Six months ended 30 Jun 2019 £'000
Administrative reversal/(charge)		3,538	(8,966)
Other income	3	-	3
<b>Operating profit/(loss)</b>	4	<b>3,538</b>	<b>(8,963)</b>
<b>Profit/(loss) before tax</b>		<b>3,538</b>	<b>(8,963)</b>
Income tax credit	5	-	28
<b>Profit/(loss) for the year/period</b>		<b>3,538</b>	<b>(8,935)</b>
<b>Total comprehensive profit/(loss) for the year/period</b>		<b>3,538</b>	<b>(8,935)</b>

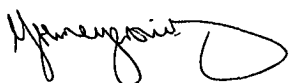
The Company's operations are discontinued in current year and prior period.

The notes on pages 10 to 17 are an integral part of the financial statements.

**ITL TRAINING LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	As at 30 Jun 2020 £'000	As at 30 Jun 2019 £'000
<b>ASSETS</b>			
<b>Current assets</b>			
Trade and other receivables	6	-	-
<b>Total current assets</b>		-	-
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	7	7	3,409
Provisions	8	-	136
<b>Total current liabilities</b>		7	3,545
<b>Net current liabilities</b>		7	3,545
<b>NET LIABILITIES</b>		<b>(7)</b>	<b>(3,545)</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	9	28	28
Share premium		21	21
Capital contribution		7,498	7,498
Accumulated losses		(7,554)	(11,092)
<b>TOTAL DEFICIT</b>		<b>(7)</b>	<b>(3,545)</b>

The financial statements on pages 7 to 17 were approved by the board of directors on 11 January 2021 and signed on its behalf by:



.....  
 GH Meyerowitz  
 Director

The notes on pages 10 to 17 are an integral part of the financial statements.

Company registration number: 03265839

**ITL TRAINING LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Share capital £'000	Share premium £'000	Capital contribution £'000	Accumulated losses £'000	Total deficit £'000
Balance at 1 July 2019	28	21	7,498	(11,092)	(3,545)
Profit for the year	-	-	-	3,538	3,538
Total comprehensive profit	-	-	-	3,538	3,538
<b>Balance at 30 June 2020</b>	<b>28</b>	<b>21</b>	<b>7,498</b>	<b>(7,554)</b>	<b>(7)</b>

	Share capital £'000	Share premium £'000	Capital contribution £'000	Accumulated losses £'000	Total deficit £'000
Balance at 1 January 2019	28	21	7,498	(2,157)	5,390
Loss for the period	-	-	-	(8,935)	(8,935)
Total comprehensive loss	-	-	-	(8,935)	(8,935)
<b>Balance at 30 June 2019</b>	<b>28</b>	<b>21</b>	<b>7,498</b>	<b>(11,092)</b>	<b>(3,545)</b>

The notes on pages 10 to 17 are an integral part of the financial statements.

## **1. GENERAL INFORMATION**

ITL Training Limited is a limited Company incorporated and domiciled in the United Kingdom. The principal activity of the Company of being a training organisation ceased in April 2019.

The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is: 5th Floor, 18 Mansell Street, London, England, E1 8AA.

## **2. ACCOUNTING POLICIES**

### **Significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the year/period presented, unless otherwise stated.

### **Basis of preparation**

The Company transitioned from EU adopted International Financial Reporting Standards (IFRS) to Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) for all periods presented. There were no material measurement or recognition adjustments on the adoption of FRS 101. The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- (c) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  - (iii) paragraph 118(e) of IAS 38 Intangible Assets.
- (d) the requirements of paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- (e) the requirements of IAS 7 Statement of Cash Flows; and
- (f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in relation to standards not yet effective.

Where required, equivalent disclosures are given in the group financial statements of International APM Group Pty Ltd. The group financial statements of International APM Group Pty Ltd are available to the public and can be obtained at the registered office.

### **Rounding of amounts**

The financial statements are presented in Pounds Sterling and all values are rounded to the nearest thousand, except where otherwise stated.

**2. ACCOUNTING POLICIES (continued)**  
**Going concern (break up basis)**

As in the prior year, the financial statements have not been prepared on a going-concern basis. As the directors of the Company have taken the decision to wind down the activity of the Company and intend to liquidate the Company following the settlement of the remaining net assets, the principal risk relates to the collection and settlement of the Company's assets and liabilities respectively.

Accordingly the financial statements have therefore been prepared on a break-up basis in recognition of the voluntary liquidation approved by the ultimate Parent Company. Adjustments have been made to provide for any future liabilities which will arise and to reclassify long-term liabilities as current liabilities.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

**New standards, amendments and IFRIC interpretations**

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 30 June 2020 that have had a material impact on the company's financial statements.

**Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, and contract assets (as defined in IFRS 15). Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

**Trade payables**

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

**Financial assets**

The Company classifies all its financial assets at amortised cost. The company classifies its financial assets as at amortised cost only when the business model of the Company is to collect contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest.

At initial recognition, the Company measures a financial asset at its fair value. Assets are subsequently measured at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in profit or loss when the assets are derecognised, modified or impaired. Financial assets measured at amortised cost include trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

## **2. ACCOUNTING POLICIES (continued)**

### **Provisions**

Provisions are recognised as a liability when a present obligation exists in respect of a past event and where the amount can be reliably estimated. Provisions are discounted where the time value of money is considered material.

### **Income tax**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance date.

### **Deferred tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting, nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax is not discounted.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

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### **Significant accounting estimates and judgements**

The preparation of these financial statements requires the use of estimates and judgements that affect the carrying amounts of assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses during the reporting year/period. Although these estimates and judgements are based on management's best knowledge of the amount, events or actions, ultimately actual results may differ from those estimates.

#### *Impairment of intercompany receivables*

In respect of the recoverability of inter-company receivables, consideration of economic, market and internal factors is incorporated into the assessment of the respective company's future growth plans and prospects.

In assessing impairment, judgements are required to establish whether there have been any indicators of impairment either internal or external.

**3. OTHER INCOME**

	Year ended 30 Jun 2020 £'000	Six months ended 30 Jun 2019 £'000
Other	-	3

**4. OPERATING PROFIT/(LOSS)**

	Year ended 30 Jun 2020 £'000	Six months ended 30 Jun 2019 £'000
Operating profit/(loss) is stated after charging/(releasing):		
Depreciation of owned property, plant and equipment	-	66
(Reversal)/impairment of intercompany receivables	(3,538)	8,892
Auditors' remuneration – audit*	-	4

\*Audit fees for the audit of the Company's 2020 annual financial statements for the year were £3,000, which were borne by Ingeus UK Limited, its immediate Parent Company.

Impairment of intercompany receivables relates to receivables which are considered doubtful at year/period end.

**Number of employees**

The average monthly number of employees during the year/period was:

	Year ended 30 Jun 2020 Number	Six months ended 30 Jun 2019 Number
Operational and administration	-	-

	Year ended 30 Jun 2020 £'000	Six months ended 30 Jun 2019 £'000
<b>Employment costs (including directors):</b>		
Wages and salaries	-	-
Social security costs	-	-
Other pension costs	-	-

The Company uses employees from other group entities and all employee costs are recharged. The Company does not directly employ staff.

**4. OPERATING PROFIT/(LOSS) (continued)**

**Directors**

The directors of the Company are also employees of fellow group companies.

For the year ended 30 June 2020, J Sawyer is also a director of a number of other subsidiaries for which he carries on work; he is paid by the former ultimate Parent Company, International APM Group Pty Limited (of which he is not a director) and the former ultimate parent company makes no recharge to the subsidiaries; for his role of a director of each of the subsidiaries. J Sawyer's emoluments were paid by Ingeus Europe Limited for the period ended 30 June 2019. J Sawyer, the total remuneration is included in the aggregate of directors' remuneration disclosed in the financial statements of the Ingeus Europe Limited for the period ended 30 June 2019.

During the year/period ended 30 June 2020 and 30 June 2019, GH Meyerowitz's emoluments were paid by the former ultimate Parent Company, International APM Group Pty Limited. No recharge was made to the Company for costs borne for the year ended 30 June 2020 for GH Meyerowitz as it is not possible to make an accurate apportionment of his remuneration in respect of each of the subsidiaries.

**5. INCOME TAX**

	Year ended 30 Jun 2020 £'000	Six months ended 30 Jun 2019 £'000
<b>Current year tax</b>		
UK Corporation tax	-	-
Adjustment in respect of prior periods	-	(28)
<b>Current income tax credit</b>	-	(28)
<b>Income tax credit</b>	-	(28)

The income tax is lower (2019: lower) than the standard rate of tax at 19.00% (2019: 19.00%).  
The differences are explained below:

5. INCOME TAX (continued)

	Year ended 30 Jun 2020 £'000	Six months ended 30 Jun 2019 £'000
<b>Factors affecting the income tax for the year</b>		
Profit/(loss) before taxation	<u>3,538</u>	<u>(8,963)</u>
Profit/(loss) before taxation multiplied by standard corporation tax at 19.00% (2019: 19.00%)	672	(1,703)
Effects of:		
Income not taxable	(666)	-
Utilisation of unrecognised losses	(6)	-
Expenses not deductible	-	1,708
Effects of group relief	-	(6)
Amounts not recognised	-	1
Adjustments in respect of prior periods	<u>-</u>	<u>(28)</u>
<b>Total Income tax</b>	<u>-</u>	<u>(28)</u>

On 17 March 2020, UK Budget resolutions were passed setting the UK corporation tax rate at 19% from 1 April 2020, reversing the 17% rate enacted in Finance Act 2016. To the extent that deferred tax assets / (liabilities) have been recognised, these have been calculated based on the rate of 19% substantively enacted at balance date.

	Year ended 30 Jun 2020 £'000	Six months ended 30 Jun 2019 £'000
<b>Unrecognised deferred tax:</b>		
Fixed assets	-	-
Losses	<u>14</u>	<u>20</u>
	<u>14</u>	<u>20</u>

6. TRADE AND OTHER RECEIVABLES

	30 Jun 2020 £'000	30 Jun 2019 £'000
Amounts owed by group undertakings	5,384	8,892
Allowance for doubtful debts	<u>(5,384)</u>	<u>(8,892)</u>
	<u>-</u>	<u>-</u>

Amounts owed by group undertakings are unsecured, do not incur interest and are repayable on demand.

## 7. TRADE AND OTHER PAYABLES

	30 Jun 2020 £'000	30 Jun 2019 £'000
Amounts owed to group undertakings	7	3,409
	<u>7</u>	<u>3,409</u>

Amounts owed to group undertakings are unsecured, do not incur interest and are repayable on demand.

## 8. PROVISIONS

	Lease dilapidations £'000
Balance at 1 July 2019	136
Amounts utilised	(100)
Release of the provision	(36)
<b>At 30 June 2020</b>	<u>-</u>
At 30 June 2020 Current liabilities	<u>-</u>
At 30 June 2019 Current liabilities	<u>136</u>

### Lease dilapidations

This provision represents the estimated lease dilapidation costs on the Company's operating lease tenancies.

## 9. SHARE CAPITAL

	30 Jun 2020 £'000	30 Jun 2019 £'000
In issue at 1 July and 30 June 27,500 (2019: 27,500) Ordinary shares of £1 each	28	28

There are no restrictions on dividends or repayments of capital.

The following describes the nature and purpose of each reserve within equity:

<i>Share premium</i>	Amount subscribed for share capital in excess of nominal value.
<i>Accumulated losses</i>	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

## 10. RELATED PARTY TRANSACTIONS

	Transaction value for the		Balance outstanding as at	
	Year ended 30 Jun 2020 £'000	Six months ended 30 Jun 2019 £'000	30 Jun 2020 £'000	30 Jun 2019 £'000
<b>Transactions on behalf of related party</b>				
Ingeus Europe Limited	5,044	10	3,848	8,892
Invisage Limited	-	2	-	-
Ingeus UK Limited	4,945	22	1,536	(3,409)
Ingeus Europe Limited	7	-	(7)	-
Impairment on receivables	(3,508)	(8,892)	(5,384)	(8,892)

The balances outstanding listed above are the net balance of payables and receivables due to or from each related party entity.

All amounts owed are unsecured, do not incur interest charges and are repayable on demand. The receivable balances were fully provided for at the year ended 30 June 2020.

## 11. SECURITY GRANTED OVER CERTAIN MATERIAL ASSETS

The Company has granted security over certain material assets and granted a qualifying floating charge over all or substantially all of its assets as security over the debts of the ultimate Parent Company to the security beneficiaries set out in the ultimate Parent Company's facility agreement.

## 12. ULTIMATE AND CONTROLLING PARTY

The immediate Parent Company of ITL Training Limited is Ingeus UK Limited, a Company registered in England and Wales. The ultimate Parent Company is APM Human Services International Pty Ltd and is the ultimate Parent Company and controlling party at balance date. The former ultimate Parent Company, International APM Group Pty Ltd heads the largest group to consolidate the results of ITL Training Limited. The smallest group for which consolidated financial statements are prepared is Ingeus UK Limited. Copies of the financial statements are available to the public and can be obtained from the Company's registered address.

The consolidated financial statements for International APM Group Pty Ltd can be obtained from the Australian Securities & Investments Commission via GPO Box 9827, Melbourne, Victoria 3001, Australia or via their website at <http://www.asic.gov.au/asic/asic.nsf>.