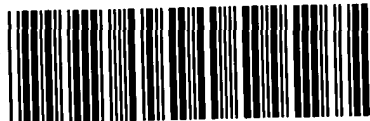


## **Kellis Group Limited**

**Director's Report and Unaudited Financial Statements  
for the year ended 31 December 2022**

**Company number: 04564484**

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# Kellis Group Limited

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# **Kellis Group Limited**

## **Company Information**

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### **Director**

R J Johnstone

### **Company secretary and registered office**

K Spedding  
Second Floor  
Sir Wilfrid Newton House  
Thornccliffe Park  
Chapelton  
Sheffield  
South Yorkshire  
S35 2PH

### **Registered number**

04564484

# **Kellis Group Limited**

## **Director's Report For the year ended 31 December 2022**

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The Director presents their report together with the unaudited financial statements of the Company for the year ended 31 December 2022.

### **Principal activity**

The Company did not trade during the year or subsequent to the year end.

### **Results and dividends**

The Statement of Comprehensive Income is set out on page 5 and shows a profit for the financial year of £30,175 (2021: £Nil).

No interim dividends were paid during the year (2021: £Nil). The Director does not recommend payment of a final dividend (2021: £Nil).

### **Going concern**

The Company's approach to assessing going concern is set out in detail within note 2 of the financial statements. Having regard to the post year end trading performance of the wider Education Placement Group Limited group and updated projections for 2023 and 2024, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and have further concluded that there is no material uncertainty over the going concern assumption. Thus, the financial statements have been prepared on a going concern basis.

### **Director**

The director, who served throughout the year and up to the date of signing the financial statements was as follows:

R J Johnstone

### **Qualifying third party indemnity provisions**

The Company has indemnified its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in place during the year and is in force at the date of approving the financial statements.

### **Events after the reporting period**

On 20 February 2023, as part of a process to simplify the Education Placement Group Limited group structure, the Board approved for six of the Company's subsidiary undertakings to be placed into a members voluntary liquidation. This process is currently ongoing. Further detail is provided within note 7 of the financial statements.

## **Kellis Group Limited**

### **Director's Report (continued) For the year ended 31 December 2022**

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#### **Small companies note**

In preparing this report, the Director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26 September 2023 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'R J Johnstone', written in a cursive style.

R J Johnstone  
Director

## **Kellis Group Limited**

### **Statement of directors' responsibilities in respect of the financial statements For the year ended 31 December 2022**

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The Directors are responsible for preparing the Director's 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 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;
- 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 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.

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.

## Kellis Group Limited

### Statement of Comprehensive Income For the year ended 31 December 2022

	Note	2022 £	2021 £
Administrative expenses		30,175	-
<b>Operating result before exceptional items</b>		-	-
Exceptional items included within administrative expenses	4	30,175	-
<b>Operating profit/result before taxation</b>		<u>30,175</u>	<u>-</u>
Tax on profit/result	6	-	-
<b>Profit/result for the financial year</b>		<u><u>30,175</u></u>	<u><u>-</u></u>

There was no other comprehensive income for 2022 (2021 - £nil).

The notes on pages 8 to 16 form an integral part of these financial statements.

**Statement of Financial Position**  
**As at 31 December 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Investments	7		101		101
<b>Current assets</b>					
Debtors: amounts falling due after more than one year	8	30,175		-	
<b>Creditors: amounts falling due within one year</b>	9	(70,000)		(70,000)	
<b>Net current liabilities</b>			(39,825)		(70,000)
<b>Total assets less current liabilities</b>			(39,724)		(69,899)
<b>Net liabilities</b>			(39,724)		(69,899)
<b>Capital and reserves</b>					
Called up share capital	10		1,000		1,000
Share premium account	11		9,000		9,000
Profit and loss account	11		(49,724)		(79,899)
<b>Total deficit</b>			(39,724)		(69,899)

The notes on pages 8 to 16 form an integral part of these financial statements.

The Board is satisfied that for the year ended 31 December 2022, the Company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 relating to small companies, and that the member has not required the Company to obtain an audit in accordance with section 476 of the Act.

The Director acknowledges their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 26 September 2023.



**R J Johnstone**  
Director



# Kellis Group Limited

## Statement of Changes in Equity As at 31 December 2022

	Called up share capital £	Share premium account £	Profit and loss account £	Total deficit £
<b>Balance at 1 January 2021</b>	<b>1,000</b>	<b>9,000</b>	<b>(79,899)</b>	<b>(69,899)</b>
Result for the year	-	-	-	-
Total comprehensive result for the year	-	-	-	-
<b>Balance at 31 December 2021 and 1 January 2022</b>	<b>1,000</b>	<b>9,000</b>	<b>(79,899)</b>	<b>(69,899)</b>
Profit for the year	-	-	30,175	30,175
Total comprehensive income for the year	-	-	30,175	30,175
<b>Balance at 31 December 2022</b>	<b>1,000</b>	<b>9,000</b>	<b>(49,724)</b>	<b>(39,724)</b>

The notes on pages 8 to 16 form an integral part of these financial statements.

## **Kellis Group Limited**

### **Notes to the financial statements For the year ended 31 December 2022**

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#### **1. General information**

Kellis Group Limited ('the Company') is a private company, limited by shares, and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the Company's operations and its principal activities are set out in the Director's Report.

#### **2. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and all the years presented, unless otherwise stated.

##### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The financial statements are presented in GBP which is the Company's functional currency and rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022, have had a material impact on the company.

As permitted by FRS 101, the Company has taken advantage of certain disclosure exemptions available under that standard. The key exemptions taken are as follows:

- IAS 1 – Information on management of capital
- IAS 7 – statement of cash flows
- IAS 8 - disclosures in respect of new standards and interpretations that have been issued but are not yet effective
- IAS 24 - disclosure of key management compensation and for related party disclosures entered into between two or more members of a group;
- IAS 16 - the requirement to present roll forward reconciliations in respect of share capital
- IFRS 7 – disclosures in respect of financial instruments

Where required, equivalent disclosures are given in the group accounts of Education Placement Group Limited. The group accounts of Education Placement Group Limited are available to the public and can be obtained as set out in note 13.

##### **Exemption from preparing consolidated financial statements**

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

## **Kellis Group Limited**

### **Notes to the financial statements For the year ended 31 December 2022**

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#### **2. Accounting policies (continued)**

##### **Going concern**

The Company's business activities are included in the Director's Report.

The Company's ultimate parent company, Education Placement Group Limited, has provided confirmation that it will continue to fund the financial liabilities of the Company for a period of at least 12 months from the date of signing these financial statements, and therefore, the validity of the going concern assumption depends on Education Placement Group Limited ("the Group") being able to manage its finances within its own available funding.

The business activities of Education Placement Group Limited are involved exclusively in the education sector in the United Kingdom, including the provision of temporary and permanent teaching staff to schools and initial teacher training. The funding arrangements of Education Placement Group Limited and its subsidiaries are managed centrally, on a group-wide basis.

In their consideration of going concern, the Directors have taken account of the financial forecasts for the next 12 months. In particular, they have considered both the sufficiency and continued availability of the Group's current banking facilities (which comprise an invoice finance facility and a secured term loan) and its ability to meet the banking covenants associated with these facilities. Post year end, these banking facilities were renewed and extended to 30 September 2024. As a result of this review, the Directors consider that the facilities available are adequate and that compliance with covenants will be achieved. Whilst outside the 12-month going concern assessment period, the Directors note that the Group's existing bank loan facilities mature at the end of September 2024 and have considered the implications for the future financial structure, noting the facilities will require further extension or repayment at that time. The Directors have considered the options available, prepared a prudent set of financial forecasts and have explored the funding market. Based on the forecast EBITDA run-rate and reduced funding requirement from ongoing amortisation of the existing terms loans, the Directors have every expectation, based on projected leverage, of being able to secure new banking facilities for the Group, as required.

Based on the above assessments, the Director has a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and have further concluded that there is no material uncertainty over the going concern assumption. Thus the financial statements have been prepared on a going concern basis.

##### **Exceptional items**

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

##### **Taxation**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

## **Kellis Group Limited**

### **Notes to the financial statements For the year ended 31 December 2022**

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#### **2. Accounting policies (continued)**

##### **Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **Financial assets**

Financial assets include the following items:

- Amounts owed by group undertakings, which are initially recognised at fair value and subsequently carried at amortised cost.

##### **Initial measurement**

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs directly attributable to its acquisition or issue. Trade receivables without a significant financing component are initially recognised at their transaction amount.

##### **Subsequent measurement**

Assets classified as at amortised cost are subsequently measured using the effective interest method. The effective interest rate is the rate that exactly discounts the future cash receipts through the life of the instrument to the net carrying amount on initial recognition. Interest income is recognised in the Statement of Comprehensive Income.

The Company measures loss allowances at an amount equal to lifetime expected credit loss (ECL) for trade receivables, with ECL being losses that arise from possible default events over the expected life of the financial instrument. ECLs are a probability weighted estimate of credit losses, measured as the present value of cash shortfalls, discounted at the effective interest rate of the financial asset. Lifetime ECLs are the ECLs from all possible default events over the expected life of the financial instrument and are based on quantitative and qualitative information, based on historical experience and forward-looking information. ECL losses are recognised through profit or loss within the Statement of Comprehensive Income.

##### **Derecognition of financial assets**

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or the Company transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership are transferred, or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

##### **Financial liabilities and equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

##### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Notes to the financial statements  
For the year ended 31 December 2022**

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**2. Accounting policies (continued)**

**Financial liabilities and equity (continued)**

*Financial liabilities*

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

*Other financial liabilities*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

*Derecognition of financial liabilities*

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 2 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

**Judgements**

Management have considered critical accounting judgements within the financial statements. Management have not identified any critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## Kellis Group Limited

### Notes to the financial statements For the year ended 31 December 2022

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#### 3. Critical accounting judgements and key sources of estimation uncertainty (continued)

##### Estimates and assumptions

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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management have considered the key sources of estimation uncertainty within the financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### *Expected credit losses*

The Company estimates expected credit losses on receivables held at amortised cost by considering the historic losses suffered from comparable counterparties, adjusted to reflect the impact arising from future possible changes. Further detail is provided in note 8.

#### 4. Exceptional items

	2022 £	2021 £
Impairment credit on balances due from group undertakings (note 8)	30,175	-

#### 5. Employees

The Company has no employees other than the Director.

No remuneration has been paid to the director in the current year or the prior year. Directors' emoluments have been borne by the Company's ultimate parent Education Placement Group Limited. The directors did not receive any emoluments in respect of their services to the Company (2021: £nil).

# Kellis Group Limited

## Notes to the financial statements For the year ended 31 December 2022

### 6. Taxation

	2022 £	2021 £
<b>UK corporation tax</b>		
Current tax on profit/result for the year	-	-

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 – the same as) the standard rate of corporation tax in the UK of 19% (2021 – 19%) as set out below:

	2022 £	2021 £
Profit/result before tax	30,175	-
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021- 19%)	5,733	-
<b>Effects of:</b>		
Gains not taxable for tax purposes	(5,733)	-
<b>Total tax charge for the year</b>	-	-

### 7. Investments

	£
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	205
<b>Provisions for impairment</b>	
At 1 January 2022 and 31 December 2022	104
<b>Net book value</b>	
At 31 December 2022 and 31 December 2022	101

The Company had the following wholly owned subsidiary undertakings as at 31 December 2022:

Name	Country of incorporation or registration	Proportion of Ownership Interest
Synarbor Support Services Limited	England	100%
Levy Direct Limited	England	100%
Global Education Limited	England	100%
Global IT & Finance Limited	England	100%
Kellis Limited	England	100%
Intercede 2500 Limited	England	100%
Intercede 3000 Limited	England	100%

## Kellis Group Limited

### Notes to the financial statements For the year ended 31 December 2022

#### 7. Investments (continued)

For all undertakings listed above the country of operation is the same as the country of incorporation or registration.

The registered office address for all of the undertakings listed above is: Second Floor, Sir Wilfrid Newton House, Thorncliffe Park, Chapeltown, Sheffield, S35 2PH.

Post year end, on 20 February 2023, as part of a process to simplify the Education Placement Group Limited group structure, the Board approved for all of the Company's subsidiary undertakings, except for Synarbor Support Services Limited, to be placed into a members voluntary liquidation. This process is currently ongoing.

#### 8. Debtors: amounts falling due after more than one year

	2022 £	2021 £
Amounts owed by group undertakings	<u>30,175</u>	<u>-</u>

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

For amounts owed by group undertakings, the Company measures expected credit losses (ECL) using a 12 month expected credit loss provision or a lifetime expected credit loss provision dependent on the assessment of the change in credit risk. The ECL provision is based on an assessment, on a company by company basis, of the likelihood that the group undertaking will be able to settle the debt. For balances assessed to be in stage 1, being where credit risk has not increased significantly since initial recognition, the assessment takes into account the company's net asset position, and financial forecasts for the next 12 months. For balances assessed to be in stage 2 or stage 3, being where credit risk has increased significantly since initial recognition or where the financial asset is credit impaired, the assessment takes into account a range of possible outcomes based on a weighted average probability that the outcomes will succeed or not.

The expected credit loss provision in respect of amounts owed by group undertakings was as follows:

	Gross Carrying Amount 2022 £	Loss Provision 2022 £	Gross Carrying Amount 2021 £	Loss Provision 2021 £
Stage 1	-	-	-	-
Stage 2	142,479	(112,304)	142,479	(142,479)
Stage 3	-	-	-	-
	<u>142,479</u>	<u>(112,304)</u>	<u>142,479</u>	<u>(142,479)</u>

Amounts owed by group undertakings have no fixed repayment date, and therefore an overdue ageing profile has not been provided.



## Kellis Group Limited

### Notes to the financial statements For the year ended 31 December 2022

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#### 9. Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	<u>70,000</u>	<u>70,000</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

#### 10. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

#### 11. Reserves

The Company's capital and reserves are as follows:

##### Called up share capital

Called up share capital represents the nominal value of the shares issued.

##### Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

##### Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

#### 12. Events after the reporting period

On 20 February 2023, as part of a process to simplify the Education Placement Group Limited group structure, the Board approved for six of the Company's subsidiary undertakings to be placed into a members voluntary liquidation. This process is currently ongoing. Further detail is provided within note 7 of the financial statements.

## **Kellis Group Limited**

### **Notes to the financial statements For the year ended 31 December 2022**

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#### **13. Ultimate parent undertaking and controlling party**

The Company's immediate parent undertaking is Synarbor Limited.

The Company's ultimate parent undertaking is Education Placement Group Limited, a company incorporated in the United Kingdom.

The registered office of Synarbor Limited and Education Placement Group Limited is 2nd Floor, Sir Wilfrid Newton House, Thorncliffe Park, Chapeltown, Sheffield, South Yorkshire, United Kingdom, S35 2PH.

The Company's ultimate controlling parties are R J Johnstone, J E Harley, G P Clarke, D G L Hargrave and D M Jones, who are also directors of the ultimate parent undertaking Education Placement Group Limited. R J Johnstone is also a director of the Company.

Education Placement Group Limited is the smallest and largest group to consolidate these financial statements.

Copies of the Education Placement Group Limited's group financial statements are publicly available and can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.