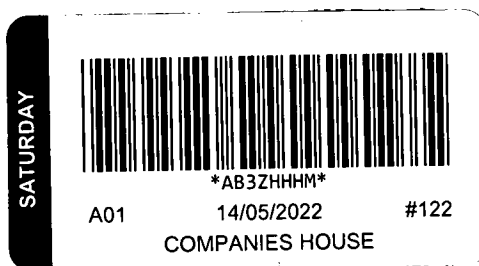


Registration number: 11997920

**GROVE EDUCATION PARTNERS MIDCO LIMITED**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**



GROVE EDUCATION PARTNERS MIDCO LIMITED

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**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	A N Hassan J A Pickles
<b>Registered Office</b>	5 <sup>th</sup> Floor South 14 - 16 Waterloo Place London SW1Y 4AR
<b>Solicitors</b>	Shoosmiths LLP Witan Gate House 500-600 Witan Gate West Milton Keynes MK9 1SH
<b>Bankers</b>	HSBC Bank plc 60 Queen Victoria Street London EC42 4TR
<b>Auditors</b>	Grant Thornton UK LLP 3 Callaghan Square Cardiff CF10 5BT

**GROVE EDUCATION PARTNERS MIDCO LIMITED****STRATEGIC REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

The directors present their Strategic report for the year ended 31 August 2021. The prior period results are for the period from 28 May 2019 to 31 August 2020.

**Review of the business**

The results for the period which are set out in the profit and loss account show turnover of £113,865,012 (2020 - £113,382,391) and an operating profit before amortisation of intangibles and exceptional items of £14,251,450 (2020 - £8,840,813). The directors are pleased with the results for the period and consider the financial position of the Group and Company at the period end to be satisfactory.

Group operating loss was £20,775,835 (2020 - £30,570,410) after charging amortisation of intangibles of £31,623,885 (2020 - £32,242,958) and exceptional items of £3,403,400 (2020 - £7,168,265).

As at 31 August 2021, the Group had total assets less current liabilities of £450,001,034 (2020 - £326,292,656) and net assets of £16,774,893 (2020 - £66,568,957).

**Key performance indicators**

Given the nature of the business, the Company's directors are of the opinion that key performance indicators are important. The Group uses a number of indicators to monitor and improve the development, performance or the position of the business. Indicators are reviewed and altered to meet changes in both the internal and external environments. The main key performance indicators used by the Group are turnover and EBITDA which can be seen above. The non financial key performance indicators used by the Group are pupil numbers.

The Group's key performance indicators during the year were as follows:

	<b>Unit</b>	<b>2021</b>	<b>2020</b>
Pupil numbers	<b>FTE</b>	<b>5,863</b>	<b>4,688</b>

**Principal risks and uncertainties**

The management of the business and the execution of the Group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Group are considered to relate to global economic conditions and the ongoing compliance with current and future legislation affecting the sector.

**Section 172 statement**

The directors believe that they have effectively implemented their duties under section 172 of the Companies Act 2006.

The Group is aware of the impact a good education can have on communities and is committed to extending the benefits to communities surrounding the nurseries, schools and colleges. The Group is aware of the environmental impact of the work that they do and strive to reduce their carbon footprint.

The Group is committed to maintaining an excellent reputation and to high standards. We are highly selective about which schools and organisations join the Group. Our family is small and close-knit. We carefully curate it to make sure we have harmony among our teams. This is why we place such an emphasis on our values.

– we lead with heart; we're a team; we love learning; we do it well.

Being part of the Group means we can all come together to share experience and expertise, supporting each other to achieve the extraordinary.

The directors recognise the importance of the wider stakeholders in delivering their strategy and achieving sustainability within the business. The main stakeholders in the Group and their importance to the business are considered below.

**Employees** – The directors believe the employees are a key stakeholder in the Group. The Group strives to develop an underlying culture where employees can thrive in their development. The single biggest factor the directors consider when deciding if a new organisation should join the Group is whether or not the people are a good fit. This means people who are educationalists through and through, people who share our values, and who come to school every day resolved to give their best for our students. The Group's engagement with employees is detailed in the directors' report.

**Children and parents** – The children and their parents are key stakeholders within our Group. Our mission is to be the best at helping children achieve their ambitions. Everything we do at Dukes is driven by a strong desire to nurture young people so they can achieve their true potential.

## **GROVE EDUCATION PARTNERS MIDCO LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

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Educational bodies – We know that if we want to inspire excellence in young learners, then we need to achieve excellence in everything we do. One way we accomplish this is by working closely with regulatory authorities and inspection bodies to ensure everyone in the Group delivers the highest possible standards. Additionally, the members of the Education Advisory Board come together regularly to discuss recent and future developments across the Group. Their expert support and guidance not only helps us meet best-practice standards, it encourages us to set newer, higher standards for all.

In ensuring that all our stakeholders are considered as part of every decision process we believe we act fairly between all members of the Group.

#### **Financial instruments**

##### **Objectives and policies**

The Group is exposed to the usual credit and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that price and liquidity risks are minimised by the predetermination of the Group funding facilities and terms. The board monitors the Group's trading results with a view to ensuring that the Group can meet its future obligations as they fall due.

##### **Price risk, credit risk, liquidity risk and cash flow risk**

The business' principal financial instruments comprise bank balances, bank overdrafts and loans, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. Loans comprise loans from the shareholders and from financial institutions. The interest rate and monthly repayments on the loans from financial institutions are variable. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments as disclosed in note 16 to the financial statements.

##### **Going concern**

The financial statements have been prepared on a going concern basis. In determining that this is appropriate, the directors have taken into account the following:

- The Group refinanced its bank debt facilities shortly after the year end. In addition to the £208.4 million of financing drawn under those facilities, the Group has access to a £15 million revolving credit facility with HSBC for working capital purposes and a further £27.6 million of committed facilities available to fund capital projects;
- The Group held £27 million of cash at 31 August 2021. Although the Group had net current liabilities of £45.7million, these include £67.1 million of deferred income and related creditors that will unwind as revenue is recognised rather than requiring cash settlement;
- The Group is trading profitably and generating cash.

With respect particularly to the Covid-19 pandemic, the directors note that the Group has traded profitably through the last 12 months covering an extensive winter lockdown affecting the schools' ability to open physical premises during the Spring Term and significantly restricted travel arrangements affecting overseas students attending both colleges and summer school events.

The directors have prepared forecasts for the next 12 months which indicate that the Group has sufficient resources available to trade as a going concern. These forecasts include a variety of scenarios including reverse stress test scenarios covering the inability of international summer schools to restart due to Covid restrictions, a significant fall

**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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in revenues from current trading levels with no corresponding reduction in costs, and a material increase in the SONIA interest rate.

In all these instances the Group remains within banking covenants and continues to operate within its existing banking facilities.

The directors, therefore, have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

**Future developments**

The external environment is expected to remain competitive, however the directors are confident that the Group will remain financially strong going forward.

Approved by the board on 22/2/2022..... and signed on its behalf by:



.....  
J Pickles  
Director

## **GROVE EDUCATION PARTNERS MIDCO LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

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The directors present their annual report and the consolidated financial statements for the year ended to 31 August 2021.

On 26 January 2021, the Group purchased the entire share capital of The Career Portal Limited and its subsidiary companies.

On 17 February 2021, the Group purchased the entire share capital of St Andrews Tutorial Services Limited.

On 26 February 2021, the Group purchased the entire share capital of Chiswick & Bedford Park Preparatory School Company Limited.

On 17 March 2021, the Group purchased the entire share capital of Hampton Court House Limited.

On 21 June 2021, the Group purchased the entire share capital of Garnet Topco Limited and its subsidiary companies.

#### **Post balance sheet events**

Following the year end, the Group refinanced its bank debt, repaying loans and interest outstanding of £156 million and drawing down new facilities totalling £208 million. The Group also acquired the entire issued share capital of Northwood Schools Ltd (and its subsidiary companies, Broomwood Hall School Limited and Northcote Lodge School Limited); the entire issued share capital of The Kindergartens Limited; and freehold properties in Clapham and Twickenham, all for a combined consideration of £69 million.

#### **Principal activity**

The principal activity of the Group is that of the provision of education services.

The principal activity of the Company is that of a non-trading holding company.

#### **Directors of the company**

The directors who held office during the period were as follows:

A N Hassan

J A Pickles

The directors confirm their understanding of their responsibilities as outlined on page 7.

#### **Employment of disabled persons**

The Group's policy is to consider the recruitment of disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

#### **Engagement with employees**

The Group encourages the involvement of employees in its management through regular departmental meetings. The employees of the Group are key stakeholders. The Group:

- (i) provides regular information on key performance indicators to the employees;
- (ii) involves employees in regular department meetings, ensuring that the views of employees can be taken into account in making decisions which are likely to affect their interests;
- (iii) encourages the involvement of employees in the Group's performance through regular communications, cross-group training programmes, and annual awards and celebrations;
- (iv) achieves a common awareness on the part of all employees of the financial and economic factors affecting the performance of the Group, through regular and transparent communication including an internal annual report.

The directors engage with all employees, from the senior leaders, heads of departments, pastoral leads, teachers and support staff in order to achieve a common goal in giving more to the students.

The directors have considered the needs and interests of all employees in the key decisions taken by the Group during the financial year.

#### **Engagement with suppliers, customers and others in a business relationship with the Group**

The directors consider relationships with suppliers, students and their parents and educational bodies to be key to the success of the Group. The directors have considered all these relationships, both present and future, in making the principal decisions on acquisitions and refinancing during the period.

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**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

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**Energy and carbon reporting**

None of the company's UK subsidiaries are large companies and, therefore, are not obliged to report under the SECR regulations. Accordingly, the company has excluded the data from these companies from its report. The parent company consumes less than 40MWh of energy per year and is, therefore, exempt from providing full disclosure in this directors' report'.

**Disclosure of information to the auditor**

Each of the persons who is a director at the date of approval of the financial statements confirms that:

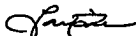
- 1) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware and
- 2) the director has taken all steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**Appointment of auditor**

Grant Thornton UK LLP have been appointed as auditor to the Company during the period, following the resignation of Hazlewoods LLP, and have expressed their willingness to continue in office.

Approved by the board on 22/2/2022 and signed on its behalf by:



.....  
J Pickles  
Director



**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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The directors are responsible for preparing the Directors' Report, Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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 FRS102 - "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; 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 the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROVE EDUCATION PARTNERS MIDCO LIMITED**

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**Opinion**

We have audited the financial statements of Grove Education Partners Midco Limited (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 August 2021, which comprise the consolidated profit and loss account, the consolidated and parent company balance sheets, the consolidated and company statement of changes in equity, the consolidated cashflow statements and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 August 2021 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and the parent company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and the parent company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROVE EDUCATION PARTNERS MIDCO LIMITED (CONTINUED)**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**

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

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

**Responsibilities of directors for the financial statements**

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

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent 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 Group or the parent company or to cease operations, or have no realistic alternative but to do so.

**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROVE EDUCATION PARTNERS MIDCO LIMITED (CONTINUED)**

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**Auditor's 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 auditor's 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 Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of how the Group is complying with significant legal and regulatory frameworks through inquiries of management;
- The Group is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified Financial Reporting Standard 102 and the Companies Act 2006, along with legislation relating to employment, health & safety, data protection and environmental issues, as those most likely to have a material effect if non-compliance were to occur;
- We communicated relevant laws and potential fraud risks to all engagement team members and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit;
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur. We considered the opportunity and incentives for management to perpetrate fraud, and the potential impact on the financial statements;
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the Group's operations, including the nature of its revenue sources, products, and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
  - the Group's control environment;
  - the Group's relevant controls over areas of significant risks; and
  - the Group's business processes in respect of classes of transactions that are significant to the financial statements.
- Audit procedures performed by the engagement team included:
  - identifying the significant risk of fraud within revenue recognition and undertaking substantive testing to obtain sufficient and appropriate audit evidence;

**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROVE EDUCATION PARTNERS MIDCO LIMITED (CONTINUED)**

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- o testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions; and
  - o identifying and testing related party transactions.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included:
  - o consideration of the engagement team's understanding of, and practical experience with, audit engagements of a similar nature and complexity;
  - o appropriate training, knowledge of the industry in which the Group operates; and
  - o understanding of the legal and regulatory requirements specific to the Group.
- We did not identify any material matters relating to non-compliance with laws and regulations or relating to fraud.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Grant Thornton UK LLP*

Rhian Owen  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
3 Callaghan Square  
Cardiff  
CF10 5BT

22/2/2022  
Date:.....

**GROVE EDUCATION PARTNERS MIDCO LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31 AUGUST 2021**

		<b>Year ended 31 August 2021</b>	<b>Period from 28 May 2019 to 31 August 2020 (As restated)</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	3	113,865,012	113,382,391
Other operating income	4	628,897	4,128,057
Cost of sales		(68,117,027)	(70,068,999)
<b>Gross profit</b>		<b>46,376,882</b>	<b>47,441,449</b>
Administrative expenses		(32,125,432)	(38,600,636)
<b>Operating profit before amortisation of intangibles and exceptional items</b>		<b>14,251,450</b>	<b>8,840,813</b>
Exceptional items	5	(3,403,400)	(7,168,265)
Amortisation of intangibles	11	(31,623,885)	(32,242,958)
<b>Group operating loss</b>	6	<b>(20,775,835)</b>	<b>(30,570,410)</b>
Interest receivable		-	16,500
Interest payable and similar charges	9	(25,387,062)	(23,465,905)
<b>Loss on ordinary activities before taxation</b>		<b>(46,162,897)</b>	<b>(54,019,815)</b>
Tax on loss on ordinary activities	10	(3,631,167)	566,696
<b>Loss for the financial period</b>		<b>(49,794,064)</b>	<b>(53,453,119)</b>

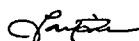
*The notes on pages 18 to 41 form an integral part of these financial statements.*

**GROVE EDUCATION PARTNERS MIDCO LIMITED**  
**(Registration number: 11997920)**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

		2021	2020
	Note	£	(As restated) £
<b>Fixed assets</b>			
Intangible fixed assets	11	309,498,284	259,635,631
Tangible fixed assets	12	186,276,608	108,626,134
		<u>495,774,892</u>	<u>368,261,765</u>
<b>Current assets</b>			
Debtors	14	29,296,269	19,100,238
Cash at bank and in hand		27,102,216	16,018,690
		<u>56,398,485</u>	<u>35,118,928</u>
Creditors: Amounts falling due within one year	15	(102,172,343)	(77,088,037)
Net current liabilities		<u>(45,773,858)</u>	<u>(41,969,109)</u>
<b>Total assets less current liabilities</b>		<u>450,001,034</u>	<u>326,292,656</u>
Creditors: Amounts falling due after more than one year	15	417,625,811	254,135,176
Provisions for liabilities	10	15,600,330	5,588,523
<b>Capital and reserves</b>			
Called up share capital	17	2	2
Share premium reserve		120,022,074	120,022,074
Profit and loss account		(103,247,183)	(53,453,119)
Equity attributable to owners of the Company		<u>16,774,893</u>	<u>66,568,957</u>
<b>Total capital, reserves and long term liabilities</b>		<u>450,001,034</u>	<u>326,292,656</u>

Approved by the board and authorised for issue on 22/2/2022 and signed on its behalf by:



.....  
J Pickles  
Director

*The notes on pages 18 to 41 form an integral part of these financial statements.*

**GROVE EDUCATION PARTNERS MIDCO LIMITED**  
**(Registration number: 11997920)**

**COMPANY ONLY BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	13	1	1
<b>Current assets</b>			
Debtors	14	229,502,523	129,023,254
<b>Total assets less current liabilities</b>		229,502,524	129,023,255
Creditors: Amounts falling due after more than one year	15	249,774,103	135,317,953
<b>Capital and reserves</b>			
Called up share capital	17	2	2
Share premium		120,022,074	120,022,074
Profit and loss account		(140,293,655)	(126,316,774)
<b>Total equity</b>		(20,271,579)	(6,294,698)
<b>Total capital, reserves and long term liabilities</b>		229,502,524	129,023,255

The loss for the financial period dealt with in the financial statements of the parent Company was a loss of £13,976,881 (2020 - £126,316,774).

22/2/2022

Approved by the board and authorised for issue on ..... and signed on its behalf by:



.....  
J Pickles  
Director

*The notes on pages 18 to 41 form an integral part of these financial statements.*



**GROVE EDUCATION PARTNERS MIDCO LIMITED****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Share capital £	Share premium £	Retained earnings £	Total £
Balance at 1 September 2020 (As previously stated)	2	120,022,074	(53,103,250)	66,918,826
Prior year adjustment	-	-	(349,869)	(349,869)
Balance at 1 September 2020 (As restated)	2	120,022,074	(53,453,119)	66,568,957
Loss for the period	-	-	(49,794,064)	(49,794,064)
Balance at 31 August 2021	2	120,022,074	(103,247,183)	16,774,893
Loss for the period (As restated)	-	-	(53,453,119)	(53,453,119)
Share capital subscribed	2	120,022,074	-	120,022,076
Balance at 31 August 2020	2	120,022,074	(53,453,119)	66,568,957

*The notes on pages 18 to 41 form an integral part of these financial statements.*

**GROVE EDUCATION PARTNERS MIDCO LIMITED****COMPANY ONLY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2021**

	<b>Share capital £</b>	<b>Share premium £</b>	<b>Retained earnings £</b>	<b>Total £</b>
Balance at 1 September 2020	2	120,022,074	(126,316,774)	(6,294,698)
Loss for the period	-	-	(13,976,881)	(13,976,881)
Balance at 31 August 2021	2	120,022,074	(140,293,655)	(20,271,579)
	<b>Share capital £</b>	<b>Share premium £</b>	<b>Retained earnings £</b>	<b>Total £</b>
Balance at 28 May 2019	1	-	-	1
Loss for the period	-	-	(126,316,774)	(126,316,774)
New share capital subscribed	1	120,022,074	-	120,022,075
Balance at 31 August 2020	2	120,022,074	(126,316,774)	(6,294,698)

*The notes on pages 18 to 41 form an integral part of these financial statements.*

**GROVE EDUCATION PARTNERS MIDCO LIMITED****CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 31 AUGUST 2021**

	<b>Year ended 31 August 2021</b>	<b>Period from 28 May 2019 to 31 August 2020 (As restated)</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
Loss for the period	(49,794,064)	(53,453,119)
Adjustments to cash flows for non-cash items:		
Depreciation and amortisation	35,879,701	36,605,920
Loss on disposal of tangible assets	-	24,083
Interest received	-	(16,500)
Finance costs	25,387,062	23,465,905
Income tax expense	3,631,167	(566,696)
	<b>15,103,866</b>	<b>6,059,593</b>
<b>Working capital adjustments:</b>		
Increase in debtors	(6,002,836)	(8,638,304)
Increase in creditors	2,939,467	16,970,303
	<b>12,040,497</b>	<b>14,391,592</b>
Cash generated from operations		
Income taxes paid	(436,545)	(612,025)
	<b>11,603,952</b>	<b>13,779,567</b>
<b>Net cash generated from operating activities</b>		
<b>Cash flows from investing activities:</b>		
Purchase of tangible assets	(16,042,740)	(20,751,664)
Acquisition of subsidiary undertakings and unincorporated businesses (net of cash acquired)	(62,282,100)	(144,312,373)
Interest received	-	16,500
Acquisitions of intangibles	-	(3,014,103)
	<b>(78,324,840)</b>	<b>(168,061,640)</b>
<b>Net cash flows from investing activities</b>		
<b>Cash flows from financing activities:</b>		
Interest paid	(9,735,445)	(20,292,906)
Advance of loan notes	100,500,000	135,499,455
Repayment of loans acquired with subsidiaries	(60,647,385)	(102,693,354)
Proceeds from issue of share capital	-	120,022,076
Debt costs paid	(1,012,756)	(11,734,508)
Advance of other loan	48,700,000	49,500,000
	<b>77,804,414</b>	<b>170,300,763</b>
<b>Net cash generated from financing activities</b>		
Net cash movement	11,083,526	16,018,690
Cash and cash equivalent at start of period	16,018,690	-
<b>Cash and cash equivalents at end of period</b>	<b>27,102,216</b>	<b>16,018,690</b>

*The notes on pages 18 to 41 form an integral part of these financial statements.*

**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021**

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**1 General Information**

The Company is a private company limited by share capital, incorporated in the United Kingdom under the Companies Act 2016 and registered in England and Wales.

The address of its registered office is:

5<sup>th</sup> Floor South  
14 - 16 Waterloo Place  
London  
United Kingdom  
SW1Y 4AR

**2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below.

**Statement of compliance**

The financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

**Basis of preparation**

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

**Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 August 2021.

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the Profit and loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****Prior period adjustment**

During the current year an adjustment in the prior year accounts has been identified. A pre-acquisition adjustment has been made in a subsidiary company to make a fair value provision for an onerous lease where the company is tied into a lease at above market rates.

An adjustment has been made to recognise an onerous lease provision in the prior period of £10,195,902, comprising an initial provision of £10,940,037 less unwinding in the year, and an adjustment of £744,135 has been made to the prior year profit and loss account in exceptional items in respect of that unwinding. A corresponding adjustment has been made to the goodwill on acquisition in the prior period of £9,843,034, comprising an increase in goodwill of £10,940,037 less additional amortisation for the period, and an adjustment of £1,094,004 has been made to the prior year profit and loss account for the additional amortisation.

**Parent company profit**

As permitted by section 408 of the Companies Act 2006, the parent profit and loss account has not been included in these financial statements. The Group loss for the period includes a loss of £13,976,881 (2020 - 126,316,774) dealt with in the profit and loss account of the parent company.

**Going concern**

The financial statements have been prepared on a going concern basis. In determining that this is appropriate, the directors have taken into account the following:

- The Group refinanced its bank debt facilities shortly after the year end. In addition to the £208.4 million of financing drawn under those facilities, the Group has access to a £15 million revolving credit facility with HSBC for working capital purposes and a further £27.6 million of committed facilities available to fund capital projects;
- The Group held £27 million of cash at 31 August 2021. Although the Group had net current liabilities of £45.7 million, these include £67.1 million of deferred income and related creditors that will unwind as revenue is recognised rather than requiring cash settlement;
- The Group is trading profitably and generating cash.

With respect particularly to the Covid-19 pandemic, the directors note that the Group has traded profitably through the last 12 months covering an extensive winter lockdown affecting the schools' ability to open physical premises during the Spring Term and significantly restricted travel arrangements affecting overseas students attending both colleges and summer school events.

The directors have prepared forecasts for the next 12 months which indicate that the Group has sufficient resources available to trade as a going concern. These forecasts include a variety of scenarios including reverse stress test scenarios covering the inability of international summer schools to restart due to Covid restrictions, a significant fall in revenues from current trading levels with no corresponding reduction in costs, and a material increase in the SONIA interest rate.

In all these instances the Group remains within banking covenants and continues to operate within its existing banking facilities.

The directors, therefore, have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

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

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying 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.

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.

**Intangible assets**

Intangible assets acquired in an acquisition, are based on a fair valuation of the underlying assets purchased. The fair value is estimated and an estimate made of their remaining useful lives. Management believes that the assigned values and useful lives, as well as the underlying assumptions, are reasonable, though different assumptions and assigned lives could have a significant impact on the reported amounts.

**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021**

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**Critical accounting judgements and key sources of estimation uncertainty (continued)**

**Depreciation and amortisation**

Tangible and intangible assets are depreciated and amortised over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

**Deferred consideration**

The balance sheet includes amounts which are payable for the acquisition of subsidiaries which are dependent on the future performance of the trade acquired. The amounts payable are recognised based on estimates of the future results of the entity.

**Impairment of investments**

The investments in subsidiaries are held at cost less impairment. Any impairment of investment value is based on a judgement. The directors have used their best judgement and knowledge of the businesses to assess the need for any impairment, based on the expected future financial performance and position of the subsidiary.

**Provisions against intercompany debtors**

Intercompany debtors are recognised at the initial transaction amount. A provision for impairment is established when there is evidence that the subsidiary company may not be able to generate sufficient funds to repay the intercompany debt. The directors have used their best judgement and knowledge of the businesses to assess the need for any provision, based on the expected future financial performance and position of the subsidiary.

**Revenue recognition**

Revenue represents amounts receivable for school and nursery fees, events, and other services delivered during the year.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

School and nursery fees are recognised on a straight line basis over the academic year (1 September to 31 August) to which they relate. Revenue for events or other services is recognised when the event has taken place or the service has been delivered. Revenue for services delivered over a number of months, including subscription and sponsorship revenue, is recognised proportionally to the delivery of the service.

Revenue is measured at the fair value of the consideration received or receivable, net of any rebates or discounts.

**Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

**Exceptional items**

Exceptional items are considered to be significant in both nature and quantum, details of which have been included in note 5.

**Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

**Intangible fixed assets**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****Amortisation**

Amortisation is provided on intangible assets so as to write off the cost of assets, over their estimated useful lives as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	10 years straight line
Intellectual property	10 years straight line
Trademarks and patents	5 years straight line
Website costs	2 years straight line

**Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Individual freehold properties are carried at current year fair value. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Revaluation gains and losses are recognised in the Statement of Comprehensive Income unless losses exceed the previously recognised gain or reflect a clear consumption of economic benefits, in which case losses are recognised in profit and loss.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

**Depreciation**

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold property	No depreciation
Leasehold property	2%-10% straight line / Over the life of the lease
Fixtures and fittings	15% - 33% straight line
Office equipment	15% - 33% straight line
Computer equipment	33% straight line
Academic materials	33% reducing balance
Motor vehicles	25% reducing balance

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**Trade debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debtors.

**Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

**GROVE EDUCATION PARTNERS MIDCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021**

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**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 are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

**Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

**Tax**

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

The current 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 taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Group. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due.



**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****Financial instruments****Classification**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the Company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

**Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial assets or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

**Impairment**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, and impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**3 Turnover**

The total turnover of the Group for the period is from continuing operations and has been derived from its principal activity wholly undertaken in the UK.

**4 Other operating income**

The analysis of the Group's other operating income for the period is as follows:

	<b>Year ended 31 August 2021</b>	<b>Period from 28 May 2019 to 31 August 2020</b>
	<b>£</b>	<b>£</b>
CJRS grant income receivable	628,897	4,128,057

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****5 Exceptional items**

	Year ended 31 August 2021	Period from 28 May 2019 to 31 August 2020 (As restated)
	£	£
Costs of reorganisation and restructuring	970,696	1,875,804
Rental cost of new sites being developed	-	1,831,479
Other one-off costs	153,986	616,192
Onerous lease provisions	2,041,023	2,601,926
Loss on previous disposal of subsidiary company	-	242,864
Exceptional maintenance costs	237,695	-
	<b>3,403,400</b>	<b>7,168,265</b>

**6 Operating loss**

	Year ended 31 August 2021	Period from 28 May 2019 to 31 August 2020 (As restated)
	£	£
Operating loss is stated after charging/(crediting):		
Amortisation	31,623,885	32,242,958
Depreciation	4,255,816	4,362,962
Loss on disposal of tangible assets	-	24,083
Operating leases – property	8,234,189	10,939,619
<b>Auditor's remuneration</b>		
Audit services (parent company only)	2,500	2,000
Audit services (remaining Group)	203,500	84,250
Other compliance services	-	35,350
Taxation compliance	-	28,400
Other non-audit services	-	131,585
	<b>206,000</b>	<b>281,585</b>

In addition to the above the auditors were paid £nil (2020 - £309,000) in relation to financial due diligence and acquisitions advice which are included as part of the costs of investments in note 11. The auditors were also paid £nil (2020 - £50,000) in relation to financial work on the refinancing of the Group and these costs are included within debt costs.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****7 Staff costs**

The aggregate employee benefit expenses were as follows:

	Year ended 31 August 2021	Period from 28 May 2019 to 31 August 2020
	£	£
Wages and salaries	49,181,170	49,110,993
Social security costs	4,698,803	4,667,073
Expense of defined contribution pension scheme	2,984,946	2,491,259
	<u>56,864,919</u>	<u>56,269,325</u>

The average number of persons employed by the Group (including directors) during the period, analysed by category was as follows:

	Year ended 31 August 2021	Period from 28 May 2019 to 31 August 2020
	No.	No.
Teaching and support staff	<u>1,604</u>	<u>1,510</u>

**8 Directors' remuneration**

The directors' remuneration for the period was as follows:

	Year ended 31 August 2021	Period from 28 May 2019 to 31 August 2020
	£	£
Remuneration	400,000	427,500
Contributions to money purchase pension schemes	10,500	11,625
	<u>410,500</u>	<u>439,125</u>

During the period the number of directors who were receiving benefits and share incentives was as follows:

	Year ended 31 August 2021	Period from 28 May 2019 to 31 August 2020
	No.	No.
Accruing benefits under money purchase pension schemes	<u>2</u>	<u>2</u>

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021**

In respect of the highest paid director:

	<b>Year ended 31 August 2021</b>	<b>Period from 28 May 2019 to 31 August 2020</b>
	<b>No.</b>	<b>No.</b>
Remuneration	225,000	220,000
Contribution to money purchase pension schemes	6,000	6,500
	<b>231,000</b>	<b>226,500</b>

**9 Interest payable and similar charges**

	<b>Year ended 31 August 2021</b>	<b>Period from 28 May 2019 to 31 August 2020</b>
	<b>£</b>	<b>£</b>
Finance charges adjacent to interest	2,409,141	6,491,182
Loan note interest	13,529,246	1,722,514
Bank interest payable	9,448,675	15,252,209
	<b>25,387,062</b>	<b>23,465,905</b>

**10 Taxation**

	<b>Year ended 31 August 2021</b>	<b>Period from 28 May 2019 to 31 August 2020</b>
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK corporation tax	(8,291)	52,269
UK corporation tax adjustment to prior periods	(221,909)	(124,222)
	<b>(230,200)</b>	<b>(71,953)</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	3,861,367	(494,743)
	<b>3,631,167</b>	<b>(566,696)</b>

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****10 Taxation (continued)**

Tax on loss on ordinary activities for the period is higher than the standard rate (2020 – higher than the standard rate) of corporate tax in the UK of 19% (2020 – 19%).

The differences are reconciled below:

	Year ended 31 August 2021	Period from 28 May 2019 to 31 August 2020 (As restated)
	£	£
Loss on ordinary activities before taxation	(46,162,897)	(54,019,815)
Corporation tax at standard rate	(8,770,950)	(10,263,765)
Non-deductible expenses (predominantly goodwill amortisation on consolidation and interest)	8,482,717	9,572,686
Capital allowances and depreciation	536,838	39,542
Tax adjustment to prior periods	(221,909)	(124,222)
Tax losses (carried) / brought forward previously not recognised	(127,438)	209,063
Change in deferred tax rate	3,731,909	-
<b>Total tax expense</b>	<b>3,631,167</b>	<b>(566,696)</b>

**Deferred tax**

Deferred tax assets and liabilities

**31 August 2021**

**Liability  
£**

Revaluation of property	13,674,111
Intangible assets	768,557
Fixed asset timing differences	2,258,757
Tax losses carried forward	(1,101,095)
	<b>15,600,330</b>

**31 August 2020**

Revaluation of property	4,904,266
Intangible assets	694,793
Fixed asset timing differences	744,108
Tax losses carried forward	(754,644)
	<b>5,588,523</b>

There is no expiry date on timing differences, unused tax losses or tax credits.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****11 Intangible fixed assets**

	<b>Intellectual Property</b>	<b>Trademarks, patents &amp; expenses</b>	<b>Website costs</b>	<b>Goodwill</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 September 2020	3,009,049	7,068	42,690	288,819,782	291,878,589
Additions	-	-	-	81,486,538	81,486,538
Disposals	-	-	(33,388)	-	(33,388)
At 31 August 2021	<u>3,009,049</u>	<u>7,068</u>	<u>9,302</u>	<u>370,306,320</u>	<u>373,331,739</u>
<b>Amortisation</b>					
At 1 September 2020	100,302	1,958	12,967	32,127,731	32,242,958
Charge for the year	300,905	2,356	25,579	31,295,045	31,623,885
Disposals	-	-	(33,388)	-	(33,388)
At 31 August 2021	<u>401,207</u>	<u>4,314</u>	<u>5,158</u>	<u>63,422,776</u>	<u>63,833,455</u>
<b>Net book value</b>					
At 31 August 2021	<u>2,607,842</u>	<u>2,754</u>	<u>4,144</u>	<u>306,883,544</u>	<u>309,498,284</u>
At 31 August 2020	<u>2,908,747</u>	<u>5,110</u>	<u>29,723</u>	<u>256,692,501</u>	<u>259,635,631</u>

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****11 Intangible fixed assets (continued)**

On 26 January 2021, Dukes Applications Limited acquired 100% of the issued share capital of The Career Portal Limited and subsidiary undertakings, obtaining control.

The companies contributed £984,515 of revenue and £276,428 of profit to the Group's loss for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	<b>Fair value on acquisition £</b>
<b>Assets and liabilities acquired</b>	
Financial assets	673,588
Tangible assets	7,506
Financial liabilities	<u>(231,351)</u>
Total identifiable assets	449,743
Goodwill	<u>6,483,860</u>
Total consideration	<u>6,933,603</u>
<b>Satisfied by:</b>	
Cash	3,560,882
Deferred consideration	3,200,000
Costs of acquisition	<u>172,721</u>
Total consideration transferred	<u>6,933,603</u>
<b>Cashflow analysis:</b>	
Cash consideration	3,733,603
Less: cash and cash equivalent balances acquired	<u>(491,461)</u>
Net cash outflow arising on acquisition	<u>3,242,142</u>

The useful life of goodwill is 10 years.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****11 Intangible fixed assets (continued)**

On 17 February 2021, Dukes Colleges Limited acquired 100% of the issued share capital of St Andrew's Tutorial Services Limited, obtaining control.

The company contributed £1,221,873 of revenue and £122,143 of losses to the Group's loss for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	<b>Fair value on acquisition £</b>
<b>Assets and liabilities acquired</b>	
Financial assets	298,640
Tangible assets	8,477,565
Financial liabilities	<u>(1,581,154)</u>
Total identifiable assets	7,195,051
Goodwill	<u>2,341,917</u>
Total consideration	<u>9,536,968</u>
<b>Satisfied by:</b>	
Cash	9,127,815
Costs of acquisition	<u>409,153</u>
Total consideration transferred	<u>9,536,968</u>
<b>Cashflow analysis:</b>	
Cash consideration	9,536,968
Less: cash and cash equivalent balances acquired	<u>(112,869)</u>
Net cash outflow arising on acquisition	<u>9,424,099</u>

The useful life of goodwill is 10 years.



**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****11 Intangible fixed assets (continued)**

On 26 February 2021, Dukes Schools Limited acquired 100% of the issued share capital of Chiswick & Bedford Park Preparatory School Company Limited, obtaining control.

The company contributed £1,187,913 of revenue and £269,798 of profit to the Group's loss for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	<b>Fair value on acquisition £</b>
<b>Assets and liabilities acquired</b>	
Financial assets	1,637,608
Tangible assets	4,574,331
Financial liabilities	<u>(1,733,350)</u>
Total identifiable assets	4,478,589
Goodwill	<u>3,193,442</u>
Total consideration	<u>7,672,031</u>
<b>Satisfied by:</b>	
Cash	7,508,121
Costs of acquisition	<u>163,910</u>
Total consideration transferred	<u>7,672,031</u>
<b>Cashflow analysis:</b>	
Cash consideration	7,672,031
Less: cash and cash equivalent balances acquired	<u>(1,582,750)</u>
Net cash outflow arising on acquisition	<u>6,089,281</u>

The useful life of goodwill is 10 years.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****11 Intangible fixed assets (continued)**

On 17 March 2021, Dukes Schools Limited acquired 100% of the issued share capital of Hampton Court House Limited and its related company Fredic Ltd, obtaining control.

The company contributed £2,297,255 of revenue and £47,883 of loss to the Group's loss for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	<b>Fair value on acquisition £</b>
<b>Assets and liabilities acquired</b>	
Financial assets	3,671,357
Tangible assets	13,980,477
Financial liabilities	<u>(8,441,378)</u>
Total identifiable assets	9,210,456
Goodwill	<u>16,146,954</u>
Total consideration	<u>25,357,410</u>
<b>Satisfied by:</b>	
Cash	22,833,405
Deferred consideration	2,050,000
Costs of acquisition	<u>474,005</u>
Total consideration transferred	<u>25,357,410</u>
<b>Cashflow analysis:</b>	
Cash consideration	23,307,410
Less: cash and cash equivalent balances acquired	<u>420,385</u>
Net cash outflow arising on acquisition	<u>23,727,795</u>

The useful life of goodwill is 10 years.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****11 Intangible fixed assets (continued)**

On 21 June 2021, Dukes Schools Limited acquired 100% of the issued share capital of Garnet Topco Limited and its subsidiary companies, obtaining control.

The companies contributed £2,659,242 of revenue and £216,644 of profit to the Group's loss for the period between the date of acquisition and the balance sheet date.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	<b>Fair value on acquisition £</b>
<b>Assets and liabilities acquired</b>	
Financial assets	4,481,858
Tangible assets	39,573,672
Financial liabilities	<u>(74,962,638)</u>
Total identifiable liabilities	(30,907,108)
Goodwill	<u>54,532,152</u>
Total consideration	<u>23,625,044</u>
<b>Satisfied by:</b>	
Cash	22,937,484
Costs of acquisition	<u>687,560</u>
Total consideration transferred	<u>23,625,044</u>
<b>Cashflow analysis:</b>	
Cash consideration	23,625,044
Less: cash and cash equivalent balances acquired	<u>(3,826,261)</u>
Net cash outflow arising on acquisition	<u>19,798,783</u>

The useful life of goodwill is 10 years.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****12 Tangible assets**

	<b>Land &amp; Buildings</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 September 2020	107,778,748	5,169,599	40,749	112,989,096
Acquisitions	65,789,188	824,364	-	66,613,552
Additions	13,528,059	2,091,349	-	15,619,408
Disposals	(645,234)	(55,883)	-	(701,117)
At 31 August 2021	186,450,761	8,029,429	40,749	194,520,939
<b>Depreciation</b>				
At 1 September 2020	2,209,492	2,141,263	12,207	4,362,962
Charge for the period	2,755,489	1,490,354	9,973	4,255,816
Disposals	(318,564)	(55,883)	-	(374,447)
At 31 August 2021	4,646,417	3,575,734	22,180	8,244,331
<b>Net book value</b>				
At 31 August 2021	181,804,344	4,453,695	18,569	186,276,608
At 31 August 2020	105,569,256	3,028,336	28,542	108,626,134

Land and buildings includes freehold property of £155,153,329 (2020 - £79,041,421) and leasehold property of £26,651,015 (2020 - £26,527,835).

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****13 Investments****Company****Investments in  
subsidiary  
£****Cost and carrying amount**

As at 31 August 2020 and 31 August 2021

1**Details of undertakings**

Details of the investments in which the Group holds 20% or more of the nominal value of any class of share capital are as follows:

<b>Company</b>	<b>Registered office</b>	<b>Class</b>	<b>Shares held 2021</b>	<b>Shares held 2020</b>
<b>Associates</b>				
Grove Education Partners Bidco Limited	England & Wales	Ordinary	100%	100%
Dukes Education Holdings Ltd	England & Wales	Ordinary	100%	100%
DEG Investments Limited	England & Wales	Ordinary	100%	100%
Dukes Education Finance Limited	England & Wales	Ordinary	100%	100%
DEG Bidco Limited	England & Wales	Ordinary	100%	100%
Dukes Education Group Ltd	England & Wales	Ordinary	100%	100%
Dukes Colleges Ltd	England & Wales	Ordinary	100%	100%
Dukes Summer Schools Ltd	England & Wales	Ordinary	100%	100%
Dukes Applications Ltd	England & Wales	Ordinary	100%	100%
Summer Boarding Courses Ltd	England & Wales	Ordinary	100%	100%
Dukes Education Limited	England & Wales	Ordinary	100%	100%
Fine Arts College Ltd	England & Wales	Ordinary	100%	100%
RIC Trading Ltd	England & Wales	Ordinary	100%	100%
CSFC Ltd	England & Wales	Ordinary	100%	100%
M.M. Oxford Study Services Ltd	England & Wales	Ordinary	100%	100%
Application Research Ltd	England & Wales	Ordinary	100%	100%
Oxbridge Applications Ltd	England & Wales	Ordinary	100%	100%
Jon Tabbert Associates Ltd	England & Wales	Ordinary	100%	100%
Dukes Publishing Ltd	England & Wales	Ordinary	100%	100%
Dukes Medical Ltd	England & Wales	Ordinary	100%	100%
Apply2Uni Ltd	England & Wales	Ordinary	100%	100%
Dukes Pathways Ltd	England & Wales	Ordinary	100%	100%
Dukes Education Group (Hong Kong) Limited	England & Wales	Ordinary	100%	100%
Augustus College Ltd	England & Wales	Ordinary	100%	100%
Sussex Summer Schools Limited	England & Wales	Ordinary	100%	100%
Rochester Independent College Ltd	England & Wales	Ordinary	100%	100%
Twickenham Park Day Nursery Ltd	England & Wales	Ordinary	100%	100%
Dukes Schools Ltd	England & Wales	Ordinary	100%	100%
Knightsbridge School Limited	England & Wales	Ordinary	100%	100%
Little Dukes Ltd	England & Wales	Ordinary	100%	100%
Miss Daisy's Nurseries Ltd	England & Wales	Ordinary	92.5%	92.5%
Miss Daisy's Nursery Schools Ltd	England & Wales	Ordinary	92.5%	92.5%

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021**

<b>Company</b>	<b>Registered office</b>	<b>Class</b>	<b>Shares held 2021</b>	<b>Shares held 2020</b>
<b>Associates</b>				
Miss Daisy's Nursery School Brook Green Ltd	England & Wales	Ordinary	92.5%	92.5%
Miss Daisy's Nursery School Hyde Park Ltd	England & Wales	Ordinary	100%	100%
Minerva Education Holdco Limited	England & Wales	Ordinary	100%	100%
Minerva Education Finance Limited	England & Wales	Ordinary	100%	100%
Palatinate Schools Holdings Limited	England & Wales	Ordinary	100%	100%
Palatinate Schools Limited	England & Wales	Ordinary	100%	100%
Eaton Square Schools Limited	England & Wales	Ordinary	100%	100%
Sancton Wood School Limited	England & Wales	Ordinary	100%	100%
The Lyceum School Ltd	England & Wales	Ordinary	100%	100%
Broomfield House School Ltd	England & Wales	Ordinary	100%	100%
Riverside Nursery Schools Ltd	England & Wales	Ordinary	100%	100%
Active Education Group Limited	England & Wales	Ordinary	100%	100%
Schools of Sport Limited	England & Wales	Ordinary	100%	100%
Varsity Language Schools Limited	England & Wales	Ordinary	100%	100%
The Ultimate Activity Company Limited	England & Wales	Ordinary	100%	100%
Okeford Education Limited	England & Wales	Ordinary	100%	100%
Reflections Nurseries Ltd	England & Wales	Ordinary	100%	100%
Hampstead Schools Limited	England & Wales	Ordinary	100%	100%
Bright Beginnings Twickenham Ltd	England & Wales	Ordinary	100%	100%
Little Inspirations Day Nurseries Ltd	England & Wales	Ordinary	100%	100%
DEG Schools Ltd	England & Wales	Ordinary	100%	100%
Bassett House School	England & Wales	Ordinary	100%	100%
Bassett Road (No. 1)	England & Wales	Ordinary	100%	100%
Bassett Road (No. 2)	England & Wales	Ordinary	100%	100%
House Schools Group	England & Wales	Ordinary	100%	100%
Orchard House School	England & Wales	Ordinary	100%	100%
Newton Grove (No. 1)	England & Wales	Ordinary	100%	100%
Newton Grove (No. 2)	England & Wales	Ordinary	100%	100%
Prospect House School	England & Wales	Ordinary	100%	100%
Hopes and Dreams Babysitters Ltd	England & Wales	Ordinary	100%	100%
Hopes and Dreams (City) Limited	England & Wales	Ordinary	100%	100%
Dukes Schools (Twickenham) Ltd	England & Wales	Ordinary	100%	100%
Radnor House School Limited	England & Wales	Ordinary	100%	100%
Radnor House School (Property) Limited	England & Wales	Ordinary	100%	100%
St Andrew's Tutorial Services Limited	England & Wales	Ordinary	100%	0%
Bassett House School 2 Ltd	England & Wales	Ordinary	100%	0%
Prospect House School 2 Ltd	England & Wales	Ordinary	100%	0%
Orchard House School 2 Ltd	England & Wales	Ordinary	100%	0%
The Career Portal Limited	England & Wales	Ordinary	100%	0%
The Medic Portal Limited	England & Wales	Ordinary	100%	0%
The Lawyer Portal Limited	England & Wales	Ordinary	100%	0%
Examfit Ltd	England & Wales	Ordinary	100%	0%
Hampton Court House Limited	England & Wales	Ordinary	100%	0%

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021**


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Chiswick and Bedford Park Preparatory School Company Limited	England & Wales	Ordinary	100%	0%
Garnet TopCo Limited	England & Wales	Ordinary	100%	0%
Garnet MidCo Limited	England & Wales	Ordinary	100%	0%
Garnet BidCo Limited	England & Wales	Ordinary	100%	0%
Vale School (1980) Limited	England & Wales	Ordinary	100%	0%
Eaton House School Belgravia Limited	England & Wales	Ordinary	100%	0%
Eaton House School Limited	England & Wales	Ordinary	100%	0%

The principal activity of the following is that of a dormant company:

Dukes Pathways Limited  
Dukes Medical Limited  
Augustus College Ltd  
Rochester Independent College Ltd  
Oxbridge Applications Limited  
M.M. Oxford Study Services Limited  
Jon Tabbert Associates Limited  
Apply2Uni Ltd  
Application Research Limited  
Bassett Road (No. 1)  
Bassett Road (No. 2)  
Newton Grove (No. 1)  
Newton Grove (No. 2)  
Dukes Publishing Ltd  
Bassett House School 2 Ltd  
Prospect House School 2 Ltd  
Orchard House School 2 Ltd

The principal activity of the following is that of a holding company:

Grove Education Partners Bidco Limited  
Dukes Education Holdings Limited  
DEG Investments Limited  
Dukes Education Finance Limited  
DEG Bidco Limited  
Dukes Education Group Limited  
Dukes Colleges Limited  
Dukes Summer Schools Limited  
Dukes Applications Limited  
Dukes Schools Limited  
Minerva Education Holdco Limited  
Minerva Education Finance Limited  
Palatinate Schools Holdings Limited  
Little Dukes Limited  
DEG Schools Limited  
Dukes Schools (Twickenham) Limited  
Miss Daisy's Nurseries Ltd  
The Career Portal Limited  
Garnet Topco Limited  
Garnet Midco Limited  
Garnet Bidco Limited  
Vale School (1980) Limited

The principal activity of all the remaining companies is that of the provision of education services.

All subsidiaries are indirectly held other than Grove Education Partners Bidco Limited.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****14 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	19,615,096	12,725,668	-	-
Amounts owed by Group undertakings	98,187	27,001	229,502,523	129,023,254
Other debtors and prepayments	9,582,986	6,347,569	-	-
	<u>29,296,269</u>	<u>19,100,238</u>	<u>229,502,523</u>	<u>129,023,254</u>

**15 Creditors**

<b>Due within one year</b>	<b>Note</b>	<b>Group</b>		<b>Company</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>(As restated) £</b>	<b>£</b>	<b>£</b>
Trade creditors		6,584,274	4,949,309	-	-
Corporation tax		-	96,858	-	-
Other taxes and social security costs		4,262,851	3,721,229	-	-
Other creditors and accruals		21,813,519	12,427,495	-	-
Onerous lease provision		2,395,278	1,085,830	-	-
Deferred income and fee deposits		67,116,421	54,807,316	-	-
		<u>102,172,343</u>	<u>77,088,037</u>	<u>-</u>	<u>-</u>
<b>Due after more than one year</b>					
Loans and borrowings	16	405,817,504	241,978,643	249,774,103	135,317,953
Other creditors		2,000,000	2,000,000	-	-
Onerous lease provision		9,808,307	10,156,533	-	-
		<u>417,625,811</u>	<u>254,135,176</u>	<u>249,774,103</u>	<u>135,317,953</u>

Details of debt including security are disclosed in note 16 to the financial statements.

Other creditors due within one year and after more than one year includes deferred consideration payable of £4,155,483 (2020 - £458,188) and £2,000,000 (2020 - £2,000,000) respectively, in respect of acquisitions made.



**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****16 Loans and borrowings**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>(As restated)</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Non-current loans and borrowings</b>				
Other loan	155,991,467	106,660,689	-	-
Loan notes	249,774,103	135,317,954	249,774,103	135,317,953
Bank loan	51,934	-	-	-
	<u>405,817,504</u>	<u>241,978,643</u>	<u>249,774,103</u>	<u>135,317,953</u>

**Group**

The loan notes outstanding of £249,774,103 (2020 - £135,317,954) include accrued interest of £15,251,760 (2020 - £1,722,514) and are stated after deducting £1,477,111 (2020 - £1,904,015) of costs associated with the raising of this finance, which are being released to the profit and loss account over the term of the debt in accordance with FRS 102. Total loan notes excluding accrued interest and capitalised debt costs were £235,999,454 (2020 - £135,499,454) at 31 August 2021.

The loan notes are repayable in full on 30 May 2029. Interest is charged at 8% per annum. The interest is accrued and not payable in cash.

Other loans outstanding of £155,991,467 (2020 - £106,660,689) are stated after deducting £2,708,533 (2020 - £3,339,311) of costs associated with the raising of this finance, which are being released to the profit and loss accounts over the term of the debt in accordance with FRS 102. Total other loans excluding capitalised debt costs were £158,700,000 (2020 - £110,000,000) at 31 August 2021.

The other loans are secured by a fixed and floating charge debenture over the property owned by the Group, together with a cross guarantee between the Group companies. The other loans are repayable in full on 28 September 2024. Interest is charged at 6.7% above LIBOR.

Post year end the Group has refinanced its bank debt. The Group has repaid the other loan debt above and has new loans in place with a gross value of £208,372,899. The new loans have an interest rate of SONIA plus 5.25% and are repayable on 25 November 2028.

**17 Share capital and reserves**

	<b>2021</b>		<b>2020</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	2	2	2	2

**18 Reserves****Profit and loss account**

The profit and loss account represents the accumulated profits and losses since incorporation and post acquisition profits and losses in respect of acquired entities.

**Share premium**

The share premium represents the premium paid on all shares issued.

**GROVE EDUCATION PARTNERS MIDCO LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 AUGUST 2021****19 Pension schemes****Defined contribution pension scheme**

The Group operates a defined contribution pension scheme. In addition, certain other of the Group's employees belong to the Teacher's Pension Scheme for England and Wales (TPS) which is a defined benefit scheme. Under the definition set out in Financial Reporting Standard (FRS 102), the TPS is a multi-employer pension scheme. The company is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the company has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension cost charge for the period represented contributions payable by the Group to both schemes and amounted to £2,984,946 (2020 - £2,699,611).

Contributions totalling £342,395 (2020 - £434,645) were payable to the scheme at the end of the period and are included in creditors.

**20 Financial commitments****Operating Leases**

The total of future minimum lease payments is as follows:

	2021 £	2020 £
Not later than one year	14,006,387	10,939,619
Later than one year and not later than five years	43,895,038	35,863,217
Later than five years	114,189,917	104,041,759
	<u>172,091,342</u>	<u>150,844,595</u>

**21 Statement of net debt**

	At 1 September 2020 £	Non Cash- flows £	Cash flows £	At 31 August 2021 £
<b>Cash and cash equivalents</b>	16,018,690	-	11,083,526	27,102,216
<b>Borrowings</b>				
Due after more than one year				
Other loans	(106,660,689)	(1,674,737)	(47,707,975)	(156,043,401)
Loan notes	(135,317,954)	(13,976,880)	(100,479,269)	(249,774,103)
	<u>(241,978,643)</u>	<u>(15,651,617)</u>	<u>(148,187,244)</u>	<u>(405,817,504)</u>
<b>Total net debt</b>	<u>(225,959,953)</u>	<u>(15,651,617)</u>	<u>(137,103,718)</u>	<u>(378,715,288)</u>

## GROVE EDUCATION PARTNERS MIDCO LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 AUGUST 2021

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#### 22 Related party transactions

During the year £100,000,000 (2020 - £89,999,454) of loan notes were issued to a significant shareholder. The interest rate is 8% and the loans are repayable in full on 30 May 2029. Interest accrued during the period was £10,366,157 (2020 - £1,229,862). At the balance sheet date, the amount owed to the shareholder was £208,341,640 (£97,975,484).

During the period the key management shareholders lent the Group £500,000 (2020 - £500,000) in the form of loan notes redeemable in May 2029. Interest is accruing on the loan notes at the rate of 8% per annum. Interest accrued during the period was £387,623 (2020 - £58,657). At the balance sheet date, the amount owed to the key management was £5,560,429 (2020 - £4,672,806).

#### Summary of transactions with key management

Key management personnel are considered to be the directors of the company and key management personnel compensation is disclosed in note 8 to the financial statements.

#### 23 Post balance sheet events

Following the year end, the Group refinanced its bank debt, repaying loans and interest outstanding of £156 million and drawing down new facilities totalling £208 million. The Group also acquired the entire issued share capital of Northwood Schools Ltd (and its subsidiary companies, Broomwood Hall School Limited and Northcote Lodge School Limited); the entire issued share capital of The Kindergartens Limited; and freehold properties in Clapham and Twickenham, all for a combined consideration of £69 million.

#### 24 Financial guarantee

Grove Education Partners Midco Limited has given a guarantee under section 479A of the Companies Act 2006 to guarantee all outstanding liabilities of the subsidiary companies listed below as at 31 August 2021. The subsidiary companies are therefore exempt from the requirement of the Act relating to the audit of individual accounts. The subsidiary companies that the guarantee applies to are:

Summer Boarding Course Ltd  
 Dukes Education Limited  
 Miss Daisys Nursery School Brook Green Limited  
 Miss Daisy's Nursery School Hyde Park Ltd  
 Riverside Nursery Schools Ltd  
 Active Education Group Limited  
 Schools of Sport Limited  
 Varsity Language Schools Limited  
 The Ultimate Activity Company Limited  
 Okeford Education Limited  
 Bright Beginnings Twickenham Ltd  
 Little Inspirations Day Nurseries Ltd  
 Hopes and Dreams Babysitters Limited  
 Twickenham Park Day Nursery Limited  
 The Career Portal Limited  
 The Medic Portal Limited  
 The Lawyer Portal Limited  
 Examfit Limited

#### 25 Parent and ultimate parent undertaking

The immediate and ultimate parent company is Grove Education Partners Holdco Limited, incorporated in Guernsey. Grove Education Partners Holdco Limited is considered to have no single controlling party.