

Unaudited Financial Statements for the Year Ended 31st July 2020

for

Teachercentric Limited

Davis Grant Limited
Chartered Certified Accountants
Treviot House
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Ilford
Essex
IG1 1LR

**Contents of the Financial Statements
for the Year Ended 31st July 2020**

	Page
Balance Sheet	1
Notes to the Financial Statements	3

Teachercentric Limited (Registered number: 06055034)

**Balance Sheet
31st July 2020**

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	4		1,017		2,034
Tangible assets	5		48,771		22,933
Investments	6		822		822
			<u>50,610</u>		<u>25,789</u>
CURRENT ASSETS					
Debtors	7	1,129,173		954,548	
Cash at bank and in hand		<u>1,923,952</u>		<u>421,673</u>	
		3,053,125		1,376,221	
CREDITORS					
Amounts falling due within one year	8	<u>5,252,770</u>		<u>4,531,874</u>	
NET CURRENT LIABILITIES			<u>(2,199,645)</u>		<u>(3,155,653)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(2,149,035)		(3,129,864)
CREDITORS					
Amounts falling due after more than one year	9		(405,571)		-
PROVISIONS FOR LIABILITIES			<u>(9,266)</u>		<u>(3,298)</u>
NET LIABILITIES			<u>(2,563,872)</u>		<u>(3,133,162)</u>
CAPITAL AND RESERVES					
Called up share capital			2,657		2,067
Share premium			7,272,200		4,453,130
Other reserves			212,057		209,152
Advance subscriptions			-		500,000
Retained earnings			<u>(10,050,786)</u>		<u>(8,297,511)</u>
			<u>(2,563,872)</u>		<u>(3,133,162)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st July 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st July 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

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

The notes form part of these financial statements

Balance Sheet - continued
31st July 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Profit & Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 22nd December 2020 and were signed on its behalf by:

N K Gohil - Director

**Notes to the Financial Statements
for the Year Ended 31st July 2020**

1. STATUTORY INFORMATION

Teachercentric Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number:	06055034
Registered office:	Lower Ground Floor 60 Worship Street London EC2A 2EZ

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

Turnover

Turnover represents the total invoice value, excluding value added tax, of subscriptions and licences invoiced in the year less provisions for amounts relating to future periods.

Patents & licences

Patents & Licences are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of 5 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Improvements to property	- Straight line over the life of the lease
Plant and machinery	- 33% on cost and 25% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit & Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Notes to the Financial Statements - continued
for the Year Ended 31st July 2020

2. ACCOUNTING POLICIES - continued

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

The company has been negatively affected by the COVID-19 pandemic. However, via a range of different approaches including reducing costs and also finalising a Series A fundraise, the company is still in good financial shape. Our core customer target is schools, who are publicly funded and will continue to have a budget to spend on our offerings in spite of the pandemic. We hence are in a good position to carry on operating for the foreseeable future. Therefore the financial statements have been prepared on a going concern basis

Share-based payments

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Grant income

Grant income during the period has been accounted for using the accruals model.

The grant is recognised in income in the period the related costs are incurred by the entity for which the grant is intended to compensate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 43 (2019 - 42) .

Notes to the Financial Statements - continued
for the Year Ended 31st July 2020

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1st August 2019 and 31st July 2020	<u>9,816</u>
AMORTISATION	
At 1st August 2019	7,782
Charge for year	<u>1,017</u>
At 31st July 2020	<u>8,799</u>
NET BOOK VALUE	
At 31st July 2020	<u>1,017</u>
At 31st July 2019	<u>2,034</u>

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1st August 2019	124,621
Additions	45,360
Disposals	<u>(101,827)</u>
At 31st July 2020	<u>68,154</u>
DEPRECIATION	
At 1st August 2019	101,688
Charge for year	13,124
Eliminated on disposal	<u>(95,429)</u>
At 31st July 2020	<u>19,383</u>
NET BOOK VALUE	
At 31st July 2020	<u>48,771</u>
At 31st July 2019	<u>22,933</u>

Notes to the Financial Statements - continued
for the Year Ended 31st July 20206. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST OR VALUATION	
At 1st August 2019	
and 31st July 2020	<u>822</u>
NET BOOK VALUE	
At 31st July 2020	<u>822</u>
At 31st July 2019	<u>822</u>

Cost or valuation at 31st July 2020 is represented by:

	Shares in group undertakings £
Valuation in 2019	(32)
Cost	<u>854</u>
	<u>822</u>

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	697,957	600,471
Amounts owed by group undertakings	223,503	162,724
Other debtors	<u>207,713</u>	<u>191,353</u>
	<u>1,129,173</u>	<u>954,548</u>

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade creditors	206,787	115,520
Taxation and social security	474,438	239,664
Other creditors	<u>4,571,545</u>	<u>4,176,690</u>
	<u>5,252,770</u>	<u>4,531,874</u>

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020 £	2019 £
Other creditors	<u>405,571</u>	<u>-</u>

10. **LEASING AGREEMENTS**

The total financial lease commitments for the company is £148,778 (2019: £401,602)

Notes to the Financial Statements - continued
for the Year Ended 31st July 2020

11. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank loans	<u>756,426</u>	<u>-</u>

Bank loans are secured on the trademarks held within the company.

12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the year ending 31 July 2020 and 31 July 2019

Director 1	2020	2019
Amount advanced	28,006	23,640
Amount repaid	(33,716)	(1,887)

The loan to the directors are repayable on demand. Interest is charged on all loans at the official rate of interest set by HMRC.

13. RELATED PARTY DISCLOSURES

No interest is charged on the loan to the group undertaking.

14. SHARE BASED PAYMENTS TRANSACTIONS

The company operates an equity settled Enterprise Management Incentive (EMI) Share Option Scheme. The options are granted with a fixed exercise price determined at the grant of the option. The majority of the options vest over a period of up to 4 years following the date of the grant with the remainder vesting as performance milestones are achieved. The options are exercisable until up to the 10th anniversary from the date of grant. Employees are not entitled to dividends until the shares are exercised. Vesting of options is subject to continued employment with the company.

The company also operates an Unapproved Share Option Scheme. The options are granted with a fixed exercise price determined at the grant of the option. The majority of the options vest over a period of up to 4 years following the date of the grant with the remainder vesting as performance milestones are achieved. The options are exercisable until up to the 10th anniversary from the date of grant.

7,881 share options have been granted as at 31 July 2020.

The fair value of the options granted have been calculated using the Black Scholes model. The total charge for the period was £6,539 (2019: £7,067).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.