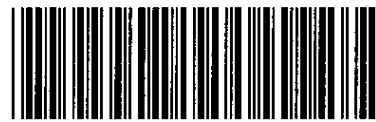

TES GLOBAL HOLDINGS LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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COMPANIES HOUSE

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COMPANIES HOUSE

TES GLOBAL HOLDINGS LIMITED

COMPANY INFORMATION

Directors

P Simpson
R Williams

Company secretary

P Simpson

Registered number

06141077

Registered office

26 Red Lion Square
London
England
WC1R 4HQ

TES GLOBAL HOLDINGS LIMITED

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TES GLOBAL HOLDINGS LIMITED
REGISTERED NUMBER: 06141077

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Investments	2	50	50
Amounts due from group undertakings	3	86,251	78,344
		<u>86,301</u>	<u>78,394</u>
Current liabilities			
Creditors: amounts falling due within one year	4	(42,135)	(40,906)
Net assets		<u><u>44,166</u></u>	<u><u>37,488</u></u>
Capital and reserves			
Called up share capital	5	132,672	132,672
Share premium account	6	3,564	3,564
Accumulated losses		(92,070)	(98,748)
		<u><u>44,166</u></u>	<u><u>37,488</u></u>

The Directors of the Company have elected not to include a copy of the profit and loss account within the financial statements.

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

For the period ended 31 August 2021, the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The shareholders have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 1 to 9 were approved by the Board of Directors on 5 April 2022 and signed on its behalf by



P Simpson
Director

The notes on pages 3 to 9 form part of these financial statements.

TES GLOBAL HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2021**

	Called up share capital	Share premium account	Accumulated losses	Total equity
	£000	£000	£000	£000
At 1 September 2020	132,672	3,564	(98,748)	37,488
Comprehensive income for the year				
Profit for the year	-	-	6,678	6,678
Total comprehensive income for the year	-	-	6,678	6,678
At 31 August 2021	<u>132,672</u>	<u>3,564</u>	<u>(92,070)</u>	<u>44,166</u>

	Called up share capital	Share premium account	Accumulated losses	Total equity
	£000	£000	£000	£000
At 1 September 2019	132,672	3,564	(108,505)	27,731
Comprehensive income for the year				
Profit for the year	-	-	9,757	9,757
Total comprehensive income for the year	-	-	9,757	9,757
At 31 August 2020	<u>132,672</u>	<u>3,654</u>	<u>(98,748)</u>	<u>37,488</u>

The notes on pages 3 to 9 form part of these financial statements.

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

1. Accounting policies

1.1 Reporting entity

Tes Global Holdings Limited (the "Company") is a limited company, incorporated in the United Kingdom and domiciled in England. The Company's registered office is 26 Red Lion Square, WC1R 4HQ. The Company's principal activity is that of a holding company.

1.2 Basis of preparation of financial statements

The financial statements of Tes Global Holdings Limited have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101).

The Company is a wholly owned subsidiary of Tes Global Group Limited and is included in the consolidated financial statements of Tes Topco Limited, which are publicly available. The Company has therefore taken the exemption from producing consolidated financial statements. The financial statements have been prepared in accordance with Companies Act 2006 as applicable to companies using FRS101, and under the historical cost convention.

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

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IAS 7 Statement of Cash Flows;
- the requirements in IAS 24 Related Party Disclosures, to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraph 33(c) of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations;
- the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements; and
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - i) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - ii) paragraph 118(e) of IAS 38 Intangible Assets

Accounting policies have been applied consistently throughout these financial statements, other than where new policies have been adopted.

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

1. Accounting policies (continued)

1.3 Going concern

The company is reliant on support from the ultimate parent company, Tes Topco Limited, for it to continue to trade and a group letter of support is in place to support the Company if required, as a result of COVID-19.

The directors have considered the trading position of the company and its business risks and have prepared a cash flow forecast for a period of 12 months from the date of approval of the financial statements for Caribou Bidco Limited and its subsidiaries which included this entity, including considering a severe but plausible downside case. The Company benefits from Tes group financial strength and funds are provided as required by the Company. A letter of support had been obtained from Tes Topco Limited who have confirmed that they will continue to support the Company and provide any further funds, if required, for a period of at least 12 months from the date of approval of these financial statements. The directors have reviewed the group forecasts and determined that the aforementioned support is available should it be needed.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of 12 months from the date of approving these financial statements. The Company, therefore, continues to adopt the going concern basis in preparing its financial statements.

1.4 Interest receivable and similar income and interest payable and similar expense

Finance income is recognised using the effective interest method. When a loan or receivable is impaired, the Company reduces the carrying value to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues to unwind the discount as interest income.

Finance costs are accrued on a time basis, by reference to the principal outstanding and the interest rate applicable.

1.5 Current taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

1.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.7 Trade and other receivables

Short term debtors are measured at transaction price, less any impairment. Loans receivables are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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

1. Accounting policies (continued)

1.8 IFRS 9 Expected credit loss

The Company has applied the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced. The current and forward-looking information on macroeconomic factors affecting the ability of customers to settle the receivables are also considered. The Company have assessed that no material adjustment to provisions is required to reflect the lifetime expected loss.

1.9 Trade and other payables

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.10 Financial instruments

Financial assets and liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than those at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or liability, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, current balances and other short-term, highly liquid investments with banks and similar institutions.

1.12 Called up share capital

Ordinary shares, A ordinary shares and preference shares are classified as equity and carry the same voting and dividend rights.

Incremental costs, directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Preference share dividends are discretionary and become payable when there are sufficient distributable reserves available.

1.13 Critical accounting estimates and judgements

The preparation of the Company's financial statements in accordance with FRS 101 requires decisions and estimates for some items, which might have an effect on their recognition and measurement in the statement of financial position and profit and loss. The actual amounts realised may differ from these estimates.

There were no critical accounting estimates or judgements required in the preparation of these financial statements.

TES GLOBAL HOLDINGS LIMITED

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

2. Investments

**Investments in
subsidiary
companies
£000**

Net book value

At 1 September 2020

50

At 31 August 2021

50

The investment in TSL Education SPV2 Limited has been fully impaired and the remainder of the carrying value represents the investment in Tes Finance Limited (formerly Tes Finance plc). The Directors believe that the carrying value of the investment is supported by its underlying net assets.

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Holding
Tes Finance Limited	Holding and finance company	100 %
TSL Education SPV 2 Ltd*	Holding and finance company	100 %
Tes Education Resources Limited	Digital resources platform	100 %
Electronic Blackboard Limited	Dormant	100 %
englishteaching.co.uk Limited	Dormant	100 %
Tes Global Limited	Digital education services	100 %
Tes Global Services Limited	Holding company	100 %
TSL Education US Holdings Limited	Holding company	100 %
TSL Education US, Inc^	Holding company	100 %
Tangient, LLC^	Software development services	100 %
Tes Aus Global Pty Limited^	Information provider	100 %
Tes Global Hong Kong Limited^	Digital education services	100 %
Tes Supply Limited	Holding company	100 %
Tes Bidco Limited	Holding company	100 %
ABC Teachers Limited	Teacher recruitment agency	100 %
Vision for Education Limited	Provision of supply teachers	100 %
Smart Education Limited	Provision of supply teachers	100 %
Smart Education (Australia) Pty Limited^	Provision of supply teachers	100 %
Smart Teachers Limited	Dormant	100 %
Hibernia College UK Limited	Provider of web-based education qualification	100 %
EduKey Education Limited	Provision of educational services	94 %
TSL Education Limited	Dormant	100 %
The Times Educational Supplement Limited	Dormant	100 %
Educational Exhibitions Limited	Dormant	100 %
The Times Higher Education Supplement Limited	Dormant	100 %
Educare Learning Limited	E- learning services	100 %

TES GLOBAL HOLDINGS LIMITED

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

2. Investments (continued)

Subsidiary undertakings (continued)

The following were subsidiary undertakings of the Company:

Name	Principal activity	Holding
Motivation Management Limited	Dormant	100%
Edval Timetables Pty Limited (Australia)	Holding company	100%
Edval Holdings Pty Limited (Australia)	Holding company	100%
Edval Education Pty Limited (Australia)	Software company	100%
Edval Education Limited (UK)	Software company	100%
Tutor In Limited (UK)	Software company	100%

*Denotes subsidiaries held directly by the company

^All companies are registered to 26 Red Lion Square, London, WC1R 4HQ except for:

- TSL Education US, Inc: 160 Greentree Drive, Suite 101, Dover, Delaware 19904 USA
- Tangient LLC: 818 West Seventh Street, Suite 930, Los Angeles, CA 90017 USA
- Tes Aus Global Pty Ltd: 250 Bay Street, Brighton, Vic, 3186, Australia
- Tes Global Hong Kong Ltd: 18th Floor, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong
- Smart Education (Australia) Pty Ltd: Level 18 530 Collins Street, Melbourne VIC 300, Australia

3. Trade and other receivables

	2021 £000	2020 £000
Due after more than one year		
Amounts owed by group undertakings	86,251	78,344
	<u>86,251</u>	<u>78,344</u>

Amounts owed by group undertakings are unsecured, repayable on demand and bear interest at a rate of 5% per annum (2020: 8%)

4. Trade and other payables amounts due within one year

	2021 £000	2020 £000
Amounts owed to group undertakings	40,568	38,617
Corporation tax	1,566	2,289
Deferred consideration	1	-
	<u>42,135</u>	<u>40,906</u>

TES GLOBAL HOLDINGS LIMITED

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

5. Share capital

	2021	2020
	£000	£000
Allotted, authorised, called up and fully paid		
40,843,385 (2020 - 40,843,385) Ordinary shares of £0.10 each	4,084	4,084
1,837,945 (2020 - 1,837,945) A Ordinary shares of £0.10 each	184	184
7,000 (2020 - 7,000) C Preference shares of £1.00 each	7	7
200 (2020 - 200) B Preference shares of £1.00 each	-	-
38,546,100 (2020 - 38,546,100) Class One Preference shares of £1.00 each	38,546	38,546
89,850,901 (2020 - 89,850,901) Preference shares of £1.00 each	89,851	89,851
	<u>132,672</u>	<u>132,672</u>

All shares rank pari passu in respect of voting rights, dividends and other distributions.

Preference share dividends are discretionary and become payable when there are sufficient distributable reserves available, therefore no dividends are accrued.

6. Share premium

	2021	2020
	£000	£000
Share premium	3,564	3,564
	<u>3,564</u>	<u>3,564</u>

7. Controlling party

The immediate parent undertaking is Tes Acquisition Limited, a company registered in England & Wales. The company and its immediate parent are both consolidated entities of Tes Topco Limited a company registered in England & Wales. As at the 31 August 2021, Tes Topco Limited is the ultimate parent company. Following the sale of Tes Topco Limited on 2 February 2022, Caribou Bidco Limited became the immediate parent company.

Copies of the smallest and largest parent in the group, Tes Topco Limited consolidated financial statements, which include the Company, are available from the Company Secretary, Tes Topco Limited, 26 Red Lion Square, London, WC1R 4HQ.

The directors consider that the ultimate controlling party of the Company is Providence Equity Partners LLC, headquartered in the US, on behalf of the funds under its management. As per Note 8, following a change of ownership on 2 February 2022, the ultimate controlling party then became Onex Partners V and immediate parent company, Caribou Topco Jersey Ltd.

TES GLOBAL HOLDINGS LIMITED

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

8. Events after the reporting period

On 5 December 2021, Caribou Bidco Limited, a Company owned and controlled by Onex Partners V agreed to purchase the entire share capital of TTCL and its subsidiaries from Tes Holdings Sarl, a company owned and controlled by Providence Equity Partners LLP. Following this initial exchange of contracts, the purchase was subsequently completed on 2 February 2022.

On completion of the sale to Onex, the Group's liabilities to the bank and its previous shareholders of £177,000k and £30,000k respectively, were settled in full. A new bank loan facility of £340,000k was drawn at completion by Caribou Bidco Limited.

No other material events affecting the Company have taken place subsequent to the reporting date.