

REGISTERED NUMBER: 06323699

INSPIRING LEARNING LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

THURSDAY



AC8MU2C8

A04

27/07/2023

#164

COMPANIES HOUSE

INSPIRING LEARNING LIMITED

Contents of the financial statements for the year ended 31 October 2022

	Page
Company information	1
Strategic report	2
Directors' report	3
Profit and Loss Account	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8

INSPIRING LEARNING LIMITED

Company information for the year ended 31 October 2022

Directors:	A Williamson N Hales
Banker:	National Westminster Bank plc 135 Bishopsgate London EC2M 3UR
Solicitor:	Harper James 10 Fitzroy Square London W1T 5HP
Registered office:	1 Jubilee Street, 2 nd Floor Brighton East Sussex BN1 1GE

INSPIRING LEARNING LIMITED

Strategic report for the year ended 31 October 2022

The directors present their strategic report for Inspiring Learning Limited ('the company') for the year ended 31 October 2022.

BUSINESS REVIEW

The company acts as a holding company to a number of subsidiary companies providing inspiring learning experiences for young people including educational school trips and adventure holidays and owns the leasehold of a property utilised in the group. The directors do not anticipate any material changes in the company's activities in the ensuing year.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors of Graduation Topco Limited manage the group's operations on a group wide basis. The group consists of all companies held directly or indirectly by Inspiring Learning Limited. For this reason, the company's directors believe that disclosure of the principal risks and uncertainties of the company and analysis using key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business of Inspiring Learning Limited. The development, performance and position of Graduation Topco Limited group, which includes this company, is discussed in the annual report of Graduation Topco Limited which does not form part of this report.



N Hales
Director
24 July 2023

INSPIRING LEARNING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2022

The directors present their report and the unaudited financial statements for Inspiring Learning Limited ('the company') for the year ended 31 October 2022.

RESULTS AND DIVIDENDS

The loss for the year amounted to £29,000 (2021: £41,000). The directors have not recommended the payment of a dividend (2021: £nil).

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a variety of financial risks that include liquidity risk. Given the size of the company the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Liquidity risk

The company has access to funding from other group companies such as to ensure it is able to settle its debtors as they fall due.

Credit risk

The Directors consider the key risk to the Company to be the recoverability of its investment in its subsidiary. The Directors monitor this closely and are confident that its investment is recoverable.

Credit risk on receivable balances is considered to be low given that all balances held are with other Group companies.

DIRECTORS

The directors, who held office throughout the year and up to the date of signing the financial statements, were as follows:

A Williamson
N Hales

DIRECTORS' AND OFFICERS' INDEMNITY INSURANCE

The company maintains liability insurance for its directors and officers, with a cover limit for each claim or series of claims against them in that capacity which was in force during the financial year and also at the date of approval of the financial statements. The directors have also been granted a qualifying third party provision under section 234 of the Companies Act 2006. Neither the company's indemnity nor insurance provides cover in the event that a director is proved to have acted fraudulently or dishonestly.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the strategic report and the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

INSPIRING LEARNING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.
- the members have not required the company to obtain an audit of its accounts for the year 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

POLITICAL CONTRIBUTIONS

The company made no political donations or incurred any political expenditure during the year (2021: £nil).



N Hales
Director
One Jubilee Street, 2nd Floor
Brighton
East Sussex
BN1 1GE

24 July 2023

INSPIRING LEARNING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2022

		2022	2021
	Note	£'000	£'000
Administration costs		(12)	(28)
Exceptional costs	5	(17)	(13)
Total administrative expenses		(29)	(41)
Operating (loss)/ profit	5	(29)	(41)
(Loss)/ profit before taxation		(29)	(41)
Tax on profit/(loss)	7	-	-
(Loss)/ profit for the financial year		(29)	(41)

There were no other items of comprehensive income.

The results for the current year and prior year relate entirely to continuing operations.

The notes on pages 8 to 14 form an integral part of these financial statements.

INSPIRING LEARNING LIMITED

BALANCE SHEET AS AT 31 OCTOBER 2022

		2022	2021
	Note	£'000	£'000
Fixed assets			
Investments	8	20,912	20,912
Current assets			
Debtors	9	4,185	4,100
Creditors: amounts falling due within one year	10	(23,758)	(23,644)
Net current liabilities		(19,573)	(19,544)
Total assets less current liabilities and net assets		1,339	1,368
Capital and reserves			
Called up share capital	11	10,296	10,296
Profit and loss account		(8,957)	(8,928)
Total equity		1,339	1,368

The notes on pages 8 to 14 form an integral part of these financial statements

For the year ended 31 October 2022 the company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year 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 5 to 14 were approved by the board of directors on 24 July 2023 and were signed on its behalf by:



N Hales
Director

Registered number: 06323699

INSPIRING LEARNING LIMITED

STATEMENT OF CHANGES IN EQUITY

	Called-up share capital	Retained Earnings	Total
	£'000	£'000	£'000
At 1 November 2020	10,296	(8,887)	1,409
Loss for the year	-	(41)	(41)
At 31 October 2021	10,296	(8,928)	1,368
Loss for the year	-	(29)	(29)
At 31 October 2022	10,296	(8,957)	1,339

The notes on pages 8 to 14 form an integral part of these financial statements.

INSPIRING LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

1. COMPANY INFORMATION

Inspiring Learning Limited is a private company limited by shares and is incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the company's principal activities are set out in the strategic report on page 2.

2. STATEMENT OF COMPLIANCE

The individual financial statements of Inspiring Learning Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. ACCOUNTING POLICIES

The principal accounting policies applied to the preparation of these financial statements are set out below. These policies have been consistently applied to all of the years shown unless otherwise stated.

Basis of preparation

The financial statements of Inspiring Learning Limited have been prepared under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

The functional currency of Inspiring Learning Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The following basis of preparation wording has been included in the group accounts:

The Group has net assets of £9,698,000 (2021: net assets of £15,503,000) and net current liabilities of £3,873,000 (2021: £4,879,000). The Group made a loss for the year of £5,805,000 (2021: loss of £14,151,000) which is primarily driven by interest expense of £4,157,000 (2021: £3,380,000).

Notwithstanding the net current liability position the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The directors have performed a going concern assessment covering a period for at least twelve months from the date of approval of these financial statements. In doing so they have considered cash flow forecasts prepared for the period up to March 2024.

The directors have considered the level of bank facilities available to the Company and the Group, and its compliance with bank covenant tests both during the period and for future periods.

The Group meets its day-to-day working capital requirements from the positive cash flows generated by its trading activities and its available cash resources (£3,372,000 as of 31 October 2022) (2021: £2,324,000). During the year, these were supplemented when required by additional drawings under the Group's revolving credit facility. At 31 October 2022 this amounted to £7.0m of which is fully drawn. The revolving credit facility repayment date was extended on 7 February 2023 and is not due for repayment until 30 April 2024.

INSPIRING LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

4. ACCOUNTING POLICIES (CONTINUED)

Going concern (continued)

During the year, the Group's long term funding loans (see note 24) comprised term loans of £27,202,000 (2021: £21,068,000) (net of deferred financing fees) with term loans which are not due for repayment before October 2024.

The base forecast reflects continuing growth from existing customers as well as revenue from new customers compared to the year to 31 October 2022, principally driven off contracted and known revenue and an increase in the base cost. The directors have also considered a severe but plausible downside scenario which assumed a significant reduction in EBITDA compared to actual experience in the year to 31 October 2022.

These forecasts indicate, taking into account of reasonable possible downsides, the Company and the Group will comply with the loan covenants and have sufficient funds to meet its liabilities as they fall due for that period.

Consequently, the directors are confident that the Company and Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

Exemptions for qualifying entities under FRS 102

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

(i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and its parent undertaking, Graduation Topco Limited, includes the Company's cash flows in its own consolidated financial statements;

(ii) from disclosing transactions with other group companies that are wholly owned within the Group, as per FRS 102 paragraph 33.1;

(iii) from certain financial instrument disclosures required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, on the basis that equivalent disclosures are included in the consolidated financial statement disclosures of the group in which the entity is consolidated;

(iv) from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Consolidated financial statements

The company is exempt from preparing consolidated financial statements under section 400 of the Companies Act 2006 on the grounds that its results and those of its subsidiaries, are included in the financial statements of its parent undertaking Graduation Topco Limited, a company incorporated in England and Wales. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

Exceptional items

Exceptional items are those significant items which are separately disclosed by virtue of their size or incidence to enable a full understanding of the Company's financial performance.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

INSPIRING LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

3. ACCOUNTING POLICIES (CONTINUED)

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Investments

Investments in the subsidiary undertakings are included at cost less any provision for impairment.

Impairment of investments

The company makes an estimate of the fair value of investments. When assessing impairment of investments, management considers factors including the carrying amount of assets, current projections and future cashflows.

4. CRITICAL JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Critical judgements in applying the company's accounting policies

The directors believe that there are no critical judgements involved in applying the company's accounting policies that warrant disclosure.

b) Key accounting estimates and assumptions

Impairment of investments

Investments held as fixed assets are shown at cost less provision for impairment.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

In assessing the carrying value, the Directors have considered the forecast performance of the trading business underlying the investment.

INSPIRING LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

5. OPERATING PROFIT

	2022	2021
	£'000	£'000
Operating profit/loss is stated after charging:		
Exceptional costs	(17)	(13)

The exceptional costs of £17,000 for the year ended 31 October 2022 relate to legal fees in relation to incorporation of an entity.

6. EMPLOYEES AND DIRECTORS' INFORMATION

There were no persons employed by the company during the year (2021: none).

None of the directors received any remuneration for their services to the company during the year under review (2021: £nil).

7. INCOME TAX

No current deferred tax arose in the year under review (2021: £nil).

a) Reconciliation of tax charge

Tax assessed for the period is higher (2021: higher) than the standard rate of corporation tax in the UK for the year ended 31 October 2022 of 19% (2021: 19%). The differences are explained below:

	2022	2021
	£'000	£'000
(Loss)/ profit on ordinary activities before tax	(29)	(41)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021 – 19%)	(5)	(8)
Effects of:		
Difference in UK CT & DT rates	(2)	-
Unrecognised losses carried forward	7	8
Tax charge for the year	-	-

b) Tax rate changes

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The deferred tax asset at 31 October 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related temporary differences (2021: 25%).

INSPIRING LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

8. INVESTMENTS

	£'000
Cost at 1 November 2021 & 31 October 2022	20,912

At 31 October 2022 the subsidiaries incorporated in England & Wales and 100% owned were as follows:

Entity name	Principal activity	County of incorporation
Outdoor Educational (Holdings) Limited *	Dormant	United Kingdom
Kingswood Educational Group Limited	Dormant	United Kingdom
Camp Beaumont Day Care Limited	Day care camps	United Kingdom
Kingswood Day Camps Limited *	Dormant	United Kingdom
Kingswood Learning and Leisure Group Limited *	Educational visits	United Kingdom
Britannia Coach Services Limited	Coach travel supporting educational visits	United Kingdom
The Ultimate Adventure Centre Limited	Educational visits	United Kingdom
Kingswood Colomendy Limited	Educational visits	United Kingdom
Skern Lodge Limited	Educational visits	United Kingdom
Kingswood Centre Limited	Dormant	United Kingdom
Kingswood (Isle of Wight) Limited	Dormant	United Kingdom
London Day Camps Limited	Dormant	United Kingdom
CB (Oldco) Limited *	Dormant	United Kingdom

The registered addresses for the listed subsidiaries is as follows:
One Jubilee Street, Brighton, England, BN1 1GE

* Directly held

At 31 October 2022 the subsidiaries incorporated overseas and 100% owned were as follows:

Entity name	Principal activity	County of incorporation
Camp Beaumont Hong Kong Limited	Day care camps	Hong Kong, China
Camp Beaumont PTE Limited	Day care camps	Singapore

The registered address for Camp Beaumont Hong Kong Limited is 21st Floor, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong.

The registered address for Camp Beaumont PTE Limited is 491B River Valley Road, #15-01, Valley Point, Singapore (248373).

At 31 October 2022 the joint venture, 51% owned by the group and incorporated in China was as follows:

Entity Name	Principal Activity
Inspiring Learning Summerhill Education Technology (Shanghai) Co., Limited	Day Care Camps

The registered address for the above company is 5th Floor, No. 310, Jingao Road, Pudong, China.

The directors consider the value of the investments to be supported by their underlying assets and cashflows.

INSPIRING LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

9. DEBTORS

	2022	2021
	£'000	£'000
Amounts owed by group undertakings (note 12)	3,989	3,894
Other debtors	176	184
Other taxes and social security	20	-
Prepayments and accrued income	-	22
	4,185	4,100

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

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade creditors	59	29
Overdraft	1,350	1,195
Amounts owed to parent undertaking (note 12)	16,039	16,039
Amounts owed to group undertakings (note 12)	6,310	6,381
	23,758	23,644

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

11. CALLED UP SHARE CAPITAL

	2022	2021
	£'000	£'000
Authorised		
10,296,494,840 (2020: 10,296,494,840) ordinary shares of 1p (2021: 1p) each	10,296	10,296
Allotted and fully paid:		
10,296,494,840 (2020: 10,296,494,840) ordinary shares of 1p (2021: 1p) each	10,296	10,296

INSPIRING LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

12. RELATED PARTY TRANSACTIONS

Related balances are disclosed in note 9 and 10 with trade balances included as part of trade debtors and trade creditors. As at 31 October 2022 Inspiring Learning Limited had the following aggregate related party balances with subsidiaries of the Ultimate parent.

	2022	2021
	£'000	£'000
Amounts owed from parent undertakings	-	-
Amounts owed from group undertakings	3,989	3,894
Amounts owed from related parties	3,989	3,894
Amounts owed to parent undertaking	16,039	16,039
Amounts owed to group undertakings	6,310	6,381
Amounts owed to related parties	22,349	22,420

Key management personnel related party transactions are exempt from disclosure.

13. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking of the entity is Inspiring Learning (Holdings) Limited, a company incorporated in England and Wales.

The largest group of undertakings for which consolidated financial statements are prepared to include the results of this company is headed by Swift Newco Limited which is registered at 3rd Floor, 44 Esplanade, St Helier, Jersey, JE4 9WG.

The smallest group of undertakings for which consolidated financial statements are prepared to include the results of this company is headed by Graduation Topco Limited which is registered at 1 Jubilee Street, Brighton, BN1 1GE.

A copy of Graduation Topco Limited consolidated financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

Swift Newco Limited, incorporated in Jersey is the ultimate parent undertaking of the entity.

The company is jointly controlled by certain limited partnerships managed by Crescent Capital Group and Barings Asset Management.