



Annual report and  
financial statements  
**ONCAMPUS Coventry**  
**Limited**  
(formerly Coventry FoundationCampus Limited)

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For the year ended 31 August 2021



Company no. 06355639

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## Strategic report

The directors present their strategic report on the company for the year ended 31 August 2021.

### Principal activities

The principal activity of the company during the year was the provision of ONCAMPUS university pathway programmes as part of Cambridge Education Group (“CEG”).

CEG, established in 1952, is a UK-based global group that specialises in provision of high quality academic, English language and online programmes to international students out of its 12 ONCAMPUS centres across the UK, North America and continental Europe and 7 Digital university partnerships.

The international education sector remains an attractive and growing market with demographic trends driving an increased demand for Western education from the emerging markets. A growing middle class in the emerging markets with rising disposable incomes and lack of university places are the drivers for future market growth.

The underlying principles across the group are:

- world-class provision of classroom based teaching in the English language;
- helping our students to achieve entry to the best universities according to their aspirations and abilities; and,
- exceptional pastoral care ensures that students’ educational experience is also safe, healthy and enjoyable.

### Business review

ONCAMPUS Coventry recorded a fall in revenue year on year due to a pandemic-impacted Autumn 2020 new student intake and a reduction in demand for the company’s accommodation product as a result of restrictions on international travel. In addition, certain functions were transferred to another group company.

In the opinion of the directors the state of the company’s affairs at 31 August 2021 was satisfactory.

### Covid-19 impact

The company’s operations were impacted by the COVID-19 pandemic during the year, and by the response of national governments and the evolving needs of key stakeholder groups.

Working closely with governments, regulators, universities, and our global agent network, the company continued to deliver its programmes of study to its students throughout the disruption caused by the pandemic. The centre pivoted to online delivery where required by students during the spring and summer terms.

### Future developments

The company’s contract with Coventry University terminated in August 2021. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, within the level of existing facilities and to meet any liabilities as they fall due.

### **Financial key performance indicators**

The board and management use the following key performance indicators (KPIs) to monitor the success of the business:

- revenue growth;
- operating profit.

During the year:

- revenue declined by £10.6m;
- operating profit fell by £194,000.

### **Directors' duties under section 172 of the Companies Act 2006**

When performing their duties under section 172 of the Companies Act 2006 the directors must have regard to the following considerations:

- the likely consequence of any decisions in the long-term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and environment;
- the desirability of the company maintaining a reputation for high standards of business conduct;
- the need to act fairly as between shareholders of the company.

We have detailed below how the directors have done so during the year.

2021 was a year of change for the CEG UFP group with: operational agility in response to the coronavirus pandemic, both in our traditional "face-to-face" ONCAMPUS centres and in our administrative head office locations; an acquisition with significant revenue and EBITDA growth potential; increased business development activity in line with the group's objective of developing its online and pathway offerings (including establishment of several new long-term partnerships). These changes were driven by strategic decisions made to ensure we manage our business with a focus on creating long term sustainable value for our shareholders.

Set out in the below table is management's assessment of our key stakeholder groups, detailing how the board has considered the issues and factors that impact them and how engagement has impacted board decisions and company strategies during the financial year.

<b>Stakeholders</b>	<b>Significance to the business</b>	<b>Examples of engagement</b>	<b>Examples of decisions impacted by the engagement</b>
<b>Shareholders</b>	The board is accountable to its shareholders and must act in a way that is likely to promote the success of the group for the benefit of its members as a whole. The group seeks to maintain effective dialogue with its shareholders, to ensure that their views and any concerns they may have are understood and considered.	Regular monthly board meetings, complemented by separate consideration of relevant issues at meetings of the remuneration committee and audit committee.	Acquisition of Castel, signing of new long-term partnerships with ONCAMPUS Aston / Southampton.
<b>Customers (e.g. university partners)</b>	Delivering a service that meets the needs of our customers in all of the markets in which we operate is fundamental to our success.	University 'partner insights' feedback survey, regular university board / steering group meetings.	

Stakeholders	Significance to the business	Examples of engagement	Examples of decisions impacted by the engagement
<b>Students</b>	Students are at the heart of what the group is trying to achieve, and as such we rely heavily on their feedback and evaluation of their learning experiences. The group actively engages students, individually and collectively, in the quality of their educational experience.	Induction surveys, end of programme surveys, representation at centre audits and on relevant committees (e.g. staff-student consultative committees).	Continuation of staggered start dates and flexible modes of delivery (e.g. face-to-face, online-only, blended) in response to existing and prospective student requirements during coronavirus disruption. #ByYourSide initiative including pre-arrival and travel support, and facilitation of access to health and vaccination services.
<b>Suppliers (e.g. our agent network)</b>	Strong working relationships with our suppliers is crucial to the effectiveness of our entire operation, enhancing our efficiency and creating value.	Agent surveys, 'familiarisation trips' to allow agents to experience our product first-hand.	Creation of global recruitment hub, based in Hong Kong, to embed student recruitment and admissions functions in or close to our key source markets.
<b>Employees</b>	Our people, including both permanent and temporary staff, and both employees and contractors, are what makes our business what it is. We rely on them to uphold our vision, values and culture, to deliver on our strategic priorities and to create long term sustainable value for our shareholders and stakeholders.	'#CEGConnected' engagement strategy includes daily updates for staff, new HR Connect line managers portal, and forums for 2-way employee dialogue. Employees are given individual objectives that form part of a group 'cascade', aiding alignment with the group's strategic priorities at all levels. Group-wide "culture survey" facilitated through external provider during 2021.	Introduction of group agile working policy, allowing most employees to work from home for up to 50% of their scheduled workdays. Introduction of enhanced cleaning and Covid testing / tracing protocols to protect staff during coronavirus pandemic.
<b>Debt providers and banking partners</b>	By providing funds for the group's working capital and general corporate purposes, our debt providers play an important role in our business.	Provision of annual budgets and monthly actual financial information to banking providers, annual senior management team presentation to lenders.	Financing structure of Castel acquisition. Extension of (undrawn) RCF to provide continued liquidity.

## **Principal risks and uncertainties**

In common with other businesses of a similar nature, the company is exposed to a variety of risks and uncertainties. The directors believe the principal risks are:

- impact of changes in immigration policies and visa application processes;
- global reduction in international movement of students;
- adverse movements in interest and exchange rates; and,
- significant disruption in the trading ability of the company due to one-off global disasters.

Policies are in place to monitor and manage each of these risks.

## **Financial risk management objectives and policies**

The company's financial risk management policies and objectives are integrated into those of the wider CEG group. The group uses various financial instruments including bank loans, loan notes, intra group loans and trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is working capital for the group's operations, and finance for capital investment.

The main risks arising from the group's financial instruments are interest rate risk, liquidity risk, foreign exchange risk, price risk and credit risk. The directors review and agree policies for managing each of these risks and are summarised below.

### **Interest rate risk**

The parent group finances its operations through a mixture of equity, bank borrowings, loan notes and intra group loans. The parent group exposure to interest rate fluctuations on its borrowing is managed, when considered necessary, by the use of interest-rate swap arrangements.

### **Liquidity risk**

The group seeks to manage financial risk by preparing detailed cash flow forecasts and ensuring sufficient liquidity is available to meet foreseeable needs. Short-term flexibility is achieved by a group backed bank lending facility.

### **Foreign exchange risk**

The group operates in the United Kingdom and prices its services in pounds sterling and so is exposed to foreign currency risk because international students may experience currency exposures which could affect competitive advantage.

### **Price risk**

The group seeks to manage price risk by setting price lists for all products and agreeing policies and approval procedures for discounts and other price incentives such as bursaries.

### **Credit risk**

The group's principal financial assets are cash and trade debtors. In order to manage credit risk the directors prioritise the credit control function and clear guidelines are in place for dealing with slow payers.

This report was approved by the board and signed on its behalf by:



D Johnston  
Director  
28<sup>th</sup> April 2022

## Directors' report

The directors present their report and the unaudited financial statements of the company for the year ended 31 August 2021.

A review of the business, including financial key performance indicators and principal risks and uncertainties, together with a summary of future developments is included in the strategic report under s414 of the Companies Act 2006 and are therefore not shown in the directors' report. Directors' duties under section 172 of the Companies Act 2006 are also described in the strategic report and are not included in this directors' report.

### Results and dividends

The profit for the financial year amounted to £245,000 (2020: £402,000). No dividends were paid during the year (2020: £nil). The directors do not recommend payment of a final dividend (2020: £nil).

### Directors

The directors who served the company during the year and up to the date of signing of the financial statements were as follows:

D Johnston

B Webb

### Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the company's policy whenever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

### Risk management

The principal risks and uncertainties and arrangements for their management are described in the strategic report on pages 3 to 6.

### Streamlined carbon and energy reporting

The company does not meet the definition of a large company which means that it is not obliged to include energy and carbon information in this directors' report.

### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

### **Audit exemption**

The company has claimed exemption from audit under section 479A of the Companies Act 2006 for the financial year ended 31 August 2021. The immediate parent company, CEG UFP Limited, has given a statement of guarantee under section 479C of the Companies Act 2006, whereby CEG UFP Limited will guarantee all outstanding liabilities to which the company is subject as at 31 August 2021.

On behalf of the board



D Johnston  
Director  
26 April 2022

## Income statement

For the year ended 31 August 2021

	Note	2021 £'000	2020 £'000
<b>Revenue</b>	6	<b>5,840</b>	16,448
Cost of sales		<u>(5,356)</u>	<u>(8,025)</u>
<b>Gross profit</b>		<b>484</b>	8,423
Administrative expenses		<u>(185)</u>	<u>(7,930)</u>
<b>Profit before taxation</b>	7	<b>299</b>	493
Tax on profit	9	<u>(54)</u>	<u>(91)</u>
<b>Profit for the financial year</b>		<b>245</b>	402

All of the activities of the company are classed as continuing.

## Statement of comprehensive income

For the year ended 31 August 2021

	2021 £'000	2020 £'000
<b>Profit for the financial year</b>	<u>245</u>	<u>402</u>
<b>Total comprehensive income for the year</b>	<b>245</b>	<b>402</b>

The accompanying notes form part of these financial statements.

# Statement of financial position

As at 31 August 2021

	Note	2021 £'000	2020 £'000
<b>Fixed assets</b>			
Tangible assets	10	-	15
<b>Current assets</b>			
Debtors	11	12,747	14,336
Cash at bank and in hand		-	412
		<u>12,747</u>	<u>14,748</u>
<b>Creditors: amounts falling due within one year</b>	12	<b>(4,913)</b>	<b>(7,174)</b>
<b>Net current assets</b>		<u><b>7,834</b></u>	<u><b>7,574</b></u>
<b>Total assets less current liabilities</b>		<b>7,834</b>	<b>7,589</b>
<b>Net assets</b>		<u><u><b>7,834</b></u></u>	<u><u><b>7,589</b></u></u>
<b>Capital and reserves</b>			
Called-up share capital	14	-	-
Retained earnings	14	<u>7,834</u>	<u>7,589</u>
<b>Total equity</b>		<u><u><b>7,834</b></u></u>	<u><u><b>7,589</b></u></u>

The members have not required the company to obtain an audit for the financial year ended 31 August 2021 in accordance with section 476 of the Companies Act 2006.

The company was entitled to exemption from audit under section 479A of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

These financial statements on pages 9 to 21 were approved by the directors and authorised for issue on 28<sup>th</sup> April 2022 and are signed on their behalf by:



D Johnston  
Director

Company registration number: 06355639

## Statement of changes in equity

For the year ended 31 August 2021

	<b>Called-up share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
<b>At 1 September 2019</b>	-	<b>7,187</b>	<b>7,187</b>
Profit for the financial year	-	402	402
Total comprehensive income for the financial year	-	402	402
<b>At 31 August 2020</b>	-	<b>7,589</b>	<b>7,589</b>
Profit for the financial year	-	245	245
Total comprehensive income for the financial year	-	245	245
<b>At 31 August 2021</b>	-	<b>7,834</b>	<b>7,834</b>

The accompanying notes form part of these financial statements.

# Notes to the financial statements

## 1 General information

ONCAMPUS Coventry Limited ("the company") is a private company limited by shares, and is incorporated in England, United Kingdom under the Companies Act. The address of the registered office, which is also the principal place of business, is 51-53 Hills Road, Cambridge, CB2 1NT. The principal activity of the company is the provision of pre-university study programmes to enable international students to meet the entry requirements for a UK university degree course.

The company changed its name from Coventry FoundationCampus Limited to ONCAMPUS Coventry Limited with effect from 4 September 2020.

## 2 Statement of compliance

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

## 3 Summary of significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and prior year in these financial statements.

### a) Basis of preparation

These financial statements have been prepared on a going concern basis under the historic cost convention.

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

Values are presented in thousands of pounds sterling except where the nature of the disclosure or the value disclosed is such that disclosure in pounds sterling is more appropriate.

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 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.

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

### b) Going concern

The group of which the company is a part meets its day-to-day working capital requirements through its bank facilities and cash held. The directors have prepared both detailed budgets and long term forecasts for the group, taking account of reasonably possible changes in trading performance. After making enquiries, the directors have a reasonable expectation that both the group and company have adequate resources to continue in operational existence for the foreseeable future, within the level of existing facilities and to meet long term liabilities as they fall due. The company therefore continues to adopt the going concern basis in preparing its financial statements.

**c) Foreign currencies**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions are recognised in the income statement.

Monetary assets and liabilities in foreign currencies are translated into the functional currency of pounds sterling at the rates of exchange ruling at the balance sheet date. Gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within net interest expense. All other foreign exchange gains and losses are presented in the income statement within administrative expenses.

**d) Revenue**

Revenue is stated net of VAT (if applicable) and is recognised when the significant risks and rewards are considered to have transferred to the buyer.

Revenue shown in the income statement represents amounts receivable in respect of the provision of educational and tuition services and is recognised as the performance of those services occurs.

Where a contract has only been partially completed at the balance sheet date, revenue represents the fair value of the services provided to date, based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, those amounts are recorded as deferred income or, if potentially refundable within the terms of the contract, as other creditors, both as part of creditors due within one year.

**e) Interest**

Interest income is recognised in the period in which it is earned using the effective interest rate method.

**f) Operating leases**

Operating leases are arrangements where substantially all of the benefits and risks of ownership remain with the lessor and rentals under such arrangements are charged against profits on a straight line basis over the period of the lease. Incentives received to enter into an operating lease are credited to the income statement to reduce the lease expense, on a straight-line basis over the whole life of the lease.

**g) Employee benefits**

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

The company operates a number of country-specific defined contribution plans for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into an arrangement separate from the company. Once the contributions have been paid, the company has no further payment obligations. The contributions are recognised as an expense when they are due. Differences between contributions payable and actually paid are shown as either accruals or prepayments in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

The company operates a number of annual bonus plans for employees. An expense is recognised in the income statement when the company has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

**h) 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 to be paid to the tax authorities.

**i) Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.
- deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**j) Tangible assets**

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably. Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

**k) Depreciation and residual values**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures, fittings, furniture and equipment	3 to 5 years straight line
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The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

**l) Impairment of non-financial assets**

The company assesses at each reporting date whether an asset may be impaired. If any such indication exists the company estimates recoverable amount of assets. If it is not possible to estimate the recoverable amount of the individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs. The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in the income statement unless the asset is carried at revalued amount where impairment loss of a revalued asset is a revaluation decrease.

An impairment loss recognised for all assets, including goodwill, is reversed in a subsequent period if and only if the reasons for impairment loss have ceased to apply.

**m) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

**n) Current debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in administrative expenses.

**o) Financial instruments**

Basic financial assets, including trade and other debtors, amounts owed by group undertakings, accrued income and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Financing transactions are measured at the present value of the future receipts discounted at the market rate of interest and are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

Basic financial liabilities including trade and other creditors, amounts owed to group undertakings and accruals are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. For such transactions the debt instrument is measured at present value of the future receipts discounted at a market rate of interest and subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities then trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

Dividends and other distributions to the company's shareholders are recognised as a liability in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

#### 4 Critical accounting estimates and judgements

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. In the opinion of the directors, the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities with the next financial year are described below.

##### **Impairment of debtors**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. The net carrying amount of the debtors and the associated impairment provision is given in note 11.

##### **Deferred income**

Where payments are received or receivable from customers in advance of services provided, those amounts are recorded as deferred income if a binding and enforceable contract exists with the customer at the period end, there is reasonable expectation that those services will be provided and the amounts are not otherwise refundable were the customer to exercise a right to withdraw.

##### **Taxation**

The company establishes provisions based on reasonable estimates of direct and indirect tax rates and where relevant for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax assets that is recognised, based upon likely timing and level of future taxable profits together with an assessment of the tax rates that will be applicable in future and the effect of future tax planning strategies.

#### 5 Disclosure exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemptions:

- under FRS 102 paragraph 1.12(b) from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Camelot Topco Limited, includes the company's cash flows in its own consolidated financial statements;
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statements of the group in which the company is consolidated; and,
- from the key management personnel compensation disclosures required under FRS102 paragraph 33.7, as the information is provided in the consolidated financial statements of the group in which the company is consolidated.

## **6 Revenue**

Revenue and profit before taxation are attributable to the principal activity of the company and all revenues arise within the United Kingdom.

## **7 Profit before tax**

Profit before tax is stated after charging:

	2021	2020
	£'000	£'000
Depreciation of tangible assets	3	8
Impairment of trade debtors	-	309
Operating lease costs	2,964	2,819

Directors' remuneration is borne by other group companies and it is deemed not possible to allocate a charge from other group companies.

## **8 Particulars of employees**

	2021	2020
	No.	No.
The average number of persons employed was:	50	76

The aggregate payroll costs of employees were:

	2021	2020
	£'000	£'000
Wages and salaries	1,391	1,600
Social security costs	121	143
Other pension costs	11	4
	1,523	1,747

**9 Tax on profit**

(a) Tax expense included in the income statement

	2021 £'000	2020 £'000
Current tax:		
UK corporation tax	60	96
Adjustments in respect of prior periods	(7)	-
Total current tax	53	96
Deferred tax:		
Origination and reversal of timing differences	(3)	(3)
Adjustments in respect of prior periods	4	(2)
Total deferred tax	1	(5)
Tax on profit	54	91

(b) Factors affecting tax charge

The tax assessed on the profit for the year is lower (2020: lower) than the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £'000	2020 £'000
Profit before taxation	299	493
Profit before taxation multiplied by rate of tax	57	94
Expenses not deductible for tax purposes	-	(1)
Adjustments in respect of prior periods	(3)	(2)
Tax charge for the year	54	91

## 10 Tangible assets

	Fixtures, fittings, furniture & equipment £'000
Cost:	
At 1 September 2020	120
Disposals	(85)
At 31 August 2021	<u>35</u>
Accumulated depreciation:	
At 1 September 2020	105
Charge for the year	3
Disposals	(73)
At 31 August 2021	<u>35</u>
Net book value:	
At 31 August 2021	<u>-</u>
At 31 August 2020	<u>15</u>

## 11 Debtors

	2021 £'000	2020 £'000
Trade debtors	-	137
Amounts owed by group undertakings	12,739	13,080
Deferred taxation	8	9
Prepayments and accrued income	-	1,110
	<u>12,747</u>	<u>14,336</u>

Trade debtors are stated after provisions for impairment of £nil (2020: £244,000).

All group balances at 31 August 2021 are interest-free, unsecured, have no fixed date of repayment and are repayable on demand.

The deferred tax asset is the tax effect of a timing difference between depreciation and tax allowances on tangible assets. During the year there was a charge to the income statement of £1,000 (2020: £5,000 credit) and it is anticipated that no charge will be made in the next financial year.

**12 Creditors: amounts falling due within one year**

	2021	2020
	£'000	£'000
Trade creditors	504	165
Amounts owed to group undertakings	3,701	1,380
Other taxation and social security	-	580
Other creditors	-	1,372
Accruals	708	2,414
Deferred income	-	1,263
	<u>4,913</u>	<u>7,174</u>

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

**13 Post-employment benefits**

The company operates a defined contribution pension arrangement for the benefit of its employees. The amount recognised as an expense for this arrangement is £11,000 (2020: £4,000).

**14 Called-up share capital and reserves**

Allotted, called-up and fully paid:

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

The retained earnings reserve represents the cumulative profits and losses, net of dividends paid and other adjustments.

**15 Related party transactions**

As a wholly-owned subsidiary of Camelot Topco Limited, the company is exempt from the requirement to disclose transactions with other members of the group.

**16 Contingent liabilities**

The company is a co-guarantor of the bank loan of an intermediate parent undertaking, Camelot Bidco Limited. At 31 August 2021 this amounted to £15,000,000 (2020: £15,000,000).

## **17 Capital and other commitments**

At 31 August the company had future minimum lease payments under non-cancellable operating leases as set out below:

	2021 £'000	2020 £'000
Payments due:		
Not later than one year	-	2,128
	-	2,128

The company had no other off-balance sheet arrangements and no capital commitments contracted but not provided (2020: £nil).

## **18 Ultimate controlling party**

The immediate parent company is CEG UFP Limited, a company incorporated in the United Kingdom.

The ultimate parent company is Camelot Topco Limited, a company incorporated in the United Kingdom with a registered office at the same address as that of the company, as shown in note 1.

CEG UFP Limited is the parent company of the smallest group which prepares publicly available consolidated financial statements that incorporate the results of the company. Copies of those consolidated financial statements may be obtained from the address given in note 1.

Camelot Topco Limited is the parent undertaking of the largest group which prepares publicly available consolidated financial statements that incorporate the results of the company. Copies of the consolidated financial statements may be obtained from the address given in note 1.

The ultimate controlling party is Bridgepoint Europe IV Fund, managed by Bridgepoint Advisers Limited, which owns the majority of the shares in the ultimate parent company on behalf of various funds.