

Pamoja Education Limited

Financial statements

For the year ended 31 August 2021

Registered number: 06829167

Statement of financial position

As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	5	1,999,238	2,125,924
Tangible assets	6	9,949	30,085
Investments	7	9	-
		<u>2,009,196</u>	<u>2,156,009</u>
Current assets			
Debtors	8	2,636,804	463,686
Cash at bank and in hand		161,316	2,274,903
		<u>2,798,120</u>	<u>2,738,589</u>
Creditors: amounts falling due within one year	9	(7,734,460)	(7,418,808)
Net current liabilities		<u>(4,936,340)</u>	<u>(4,680,219)</u>
Total assets less current liabilities		<u>(2,927,144)</u>	<u>(2,524,210)</u>
Provisions for liabilities			
Deferred tax		(17,145)	-
Other provisions	10	(72,362)	(72,362)
		<u>(89,507)</u>	<u>(72,362)</u>
Net liabilities		<u><u>(3,016,651)</u></u>	<u><u>(2,596,572)</u></u>
Capital and reserves			
Called up share capital		16,061,860	16,061,860
Profit and loss account		(19,078,511)	(18,658,432)
		<u><u>(3,016,651)</u></u>	<u><u>(2,596,572)</u></u>

Statement of financial position (continued)

As at 31 August 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

D Hughes

Director

Date: 16 August 2022

The notes on pages 3 to 10 form part of these financial statements.

Notes to the financial statements

For the year ended 31 August 2021

1. General information

Pamoja Education Limited is a private company (limited by shares) which is incorporated and domiciled in England. The registered office is 4th Floor, 76 Watling Street, London, EC4M 9BJ. The company number is 05206618.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.3 Going concern

The company has net liabilities at the reporting date and is currently dependent upon the financial support of its intermediate parent company, Faria Education Group Limited ('FEG').

Excluding amounts owed to group undertakings, the company would have net assets. The directors have received confirmation from FEG that it will continue to provide financial support to the company for a period of at least twelve months from the date of approval of these financial statements. The directors also have no reason to believe that this support will not be forthcoming. Having regard for the foregoing, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements therefore do not include any adjustments that would result from the withdrawal of support from FEG.

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP. In the year ended 31 August 2020 the company's presentational currency was USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. 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.

Notes to the financial statements

For the year ended 31 August 2021

2. Accounting policies (continued)

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Pensions

Define contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

Notes to the financial statements

For the year ended 31 August 2021

2. Accounting policies (continued)

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Course development costs	-	straight line over 5 years
--------------------------	---	----------------------------

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	straight line over 2 - 4 years
------------------	---	--------------------------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable 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.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the financial statements

For the year ended 31 August 2021

2. Accounting policies (continued)

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.16 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

4. Employees

The average monthly number of employees, including directors, during the year was 28 (2020 -34).

Notes to the financial statements

For the year ended 31 August 2021

5. Intangible assets

	Course development costs £
Cost	
At 1 September 2020 (as previously stated)	5,915,987
Prior Year Adjustment	109,346
At 1 September 2020 (as restated)	6,025,333
Additions	525,291
Cost transfer from Oxford Study Courses Limited	439,928
At 31 August 2021	6,990,552
Amortisation	
At 1 September 2020 (as previously stated)	3,790,063
Prior Year Adjustment	109,346
At 1 September 2020 (as restated)	3,899,409
Charge for the period	657,048
Amortisation transfer from Oxford Study Courses Limited	434,857
At 31 August 2021	4,991,314
Net book value	
At 31 August 2021	1,999,238
At 31 August 2020 (as restated)	2,125,924

The cost and accumulated amortisation of intangible fixed assets at 1 September 2020 were understated by £109,346 in the financial statements for the year ended 31 August 2020. The reconciliation has been restated to reflect the correct brought forward position. There is £nil impact on the net book value of intangible assets at 31 August 2020 or the profit for the year ended 31 August 2020.

Notes to the financial statements

For the year ended 31 August 2021

6. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 September 2020	264,785
Additions	797
Transferred from Oxford Study Courses Limited	167,229
Disposals	(215,313)
	<hr/>
At 31 August 2021	217,498
	<hr/>
Depreciation	
At 1 September 2020	234,700
Charge for the period	28,476
Transferred from Oxford Study Courses Limited	154,846
Disposals	(210,473)
	<hr/>
At 31 August 2021	207,549
	<hr/>
Net book value	
At 31 August 2021	<hr/> <hr/> 9,949
At 31 August 2020	<hr/> <hr/> 30,085

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Transfers from Oxford Study Courses Limited	9
	<hr/>
At 31 August 2021	<hr/> <hr/> 9

Notes to the financial statements

For the year ended 31 August 2021

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Principal activity	Class of shares	Holding
Oxford Study Courses (Australia) Pty Ltd	Level 1, 123 Camberwell Road, Hawthorn East, Victoria, Australia	Revision course provider	Ordinary	100 %
Oxford Study Courses Inc.	44 School Street, Suite 325, Boston MA, 02108, USA	Revision course provider	Ordinary	100 %

8. Debtors

	2021 £	2020 £
Trade debtors	19,390	66,394
Amounts owed by group undertakings	2,186,020	-
Other debtors	195,939	288,416
Prepayments and accrued income	235,455	108,876
	<u>2,636,804</u>	<u>463,686</u>

9. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	351,823	483,654
Amounts owed to group undertakings	6,598,645	6,069,596
Other taxation and social security	62,182	71,629
Other creditors	134,554	128,244
Accruals and deferred income	587,256	665,685
	<u>7,734,460</u>	<u>7,418,808</u>

10. Provisions

	Dilapidations provision £
At 1 September 2020	72,362
At 31 August 2021	<u>72,362</u>

Notes to the financial statements

For the year ended 31 August 2021

11. Group reconstruction

During the year, the trade and assets of Oxford Study Courses Limited were transferred to the company under the Asset purchase agreement dated 9 February 2021. The effective date of the trade and assets being transferred was 31 December 2020.

12. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £39,396 (2020 - £34,311). Contributions totalling £13,244 (2020 - £14,296) were payable to the fund at the reporting date and are included in creditors.

13. Controlling party

The immediate parent company is GEMS Pamoja Limited and the ultimate parent company is TA Lattice Holdings (Cayman) Limited, a company incorporated in the Cayman Islands. Faria Education Limited ('FEL') is the parent company of the smallest group of which the company is a member and for which group financial statements are prepared.

Copies of the group financial statements may be obtained from:

Faria Education Limited
4th Floor 76 Watling Street
London
EC4M 9BJ

There is no ultimate controlling party.

14. Auditor's information

The auditor's report on the financial statements for the year ended 31 August 2021 was unqualified.

The audit report was signed on 16 August 2022 by Hugh Swainson (Senior statutory auditor) on behalf of Buzzacott LLP.

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.