

Company Registration No. 07982303 (England and Wales)

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

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EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

COMPANY INFORMATION

Directors	J L Elliott R Walker A Hawkins D Williams E Wann C Morris	(Appointed 29 November 2017) (Appointed 29 November 2017)
Company number	07982303	
Registered office	Kings Court Water Lane Wilmslow Cheshire SK9 5AR	
Auditor	Wilkins Kennedy LLP 3-4 Eastwood Court Broadwater Road Romsey Hampshire SO51 8JJ	
Business address	St Johns House Ermine Business Park Huntingdon Cambridgeshire PE29 6EP	
Bankers	NatWest Huntingdon Branch 92 High Street Huntingdon PE29 3DT	

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

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EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2017

The directors present their annual report and financial statements for the 5 months ended 31 December 2017. The comparative period is for the 12 months ended 31 July 2017.

Principal activities

The company acquired the entire share capital of Education Personnel Management Limited on 29 June 2012, since that date the company has continued to be a holding company.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

J L Elliott	
R Walker	
A Hawkins	
D Williams	
M Cooper	(Resigned 29 November 2017)
B Curtis	(Resigned 29 November 2017)
E Wann	(Appointed 29 November 2017)
C Morris	(Appointed 29 November 2017)

Auditor

Wilkins Kennedy LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

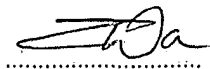
DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
E Wann

Director

Date: 9/5/18

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

Opinion

We have audited the financial statements of Education Personnel Management Holdings Ltd (the 'company') for the period ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.


In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Natt (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP

Chartered Accountants
Statutory Auditor

11/05/2018

3-4 Eastwood Court
Broadwater Road
Romsey
Hampshire
SO51 8JJ

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2017

		5 months to 31 December 2017 £	Year to 31 July 2017 £
	Notes		
Administrative expenses		-	(96)
Exceptional item	3	(37,200)	-
Operating loss		(37,200)	(96)
Interest receivable and similar income	4	-	152,381
(Loss)/profit before taxation		(37,200)	152,285
Tax on loss/profit	5	-	-
(Loss)/profit for the financial period		(37,200)	152,285

The Profit and Loss Account has been prepared on the basis that all operations are continuing operations.

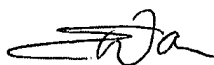
EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	31 December 2017 £	31 July 2017 £
Fixed assets			
Investments	7	5,205,315	5,205,315
Current assets			
Debtors	10	15,200	-
Cash at bank and in hand		11	11
		<u>15,211</u>	<u>11</u>
Creditors: amounts falling due within one year	11	<u>(2,285,902)</u>	<u>(2,248,702)</u>
Net current liabilities		(2,270,691)	(2,248,691)
Total assets less current liabilities		<u>2,934,624</u>	<u>2,956,624</u>
Capital and reserves			
Called up share capital	14	712,355	702,855
Share premium account		5,700	-
Profit and loss reserves		<u>2,216,569</u>	<u>2,253,769</u>
Total equity		<u>2,934,624</u>	<u>2,956,624</u>

The financial statements were approved by the board of directors and authorised for issue on 9/5/18 and are signed on its behalf by:



E Wann
Director

Company Registration No. 07982303

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2017

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 August 2016		702,855	-	2,253,865	2,956,720
Period ended 31 July 2017:					
Profit and total comprehensive income for the period		-	-	152,285	152,285
Dividends	6	-	-	(152,381)	(152,381)
Balance at 31 July 2017		702,855	-	2,253,769	2,956,624
Period ended 31 December 2017:					
Loss and total comprehensive income for the period		-	-	(37,200)	(37,200)
Issue of share capital	14	9,500	5,700	-	15,200
Balance at 31 December 2017		712,355	5,700	2,216,569	2,934,624

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2017

	Notes	£	5 months to 31 December 2017 £	£	Year to 31 July 2017 £
Cash flows from operating activities					
Cash absorbed by operations	17		(52,400)		(96)
Investing activities					
Dividends received		-		152,381	
Net cash (used in)/generated from investing activities			-		152,381
Financing activities					
Proceeds from issue of shares		15,200		-	
Repayment of borrowings		37,200		100	
Dividends paid		-		(152,381)	
Net cash generated from/(used in) financing activities			52,400		(152,281)
Net increase in cash and cash equivalents			-		4
Cash and cash equivalents at beginning of period			11		7
Cash and cash equivalents at end of period			11		11

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Education Personnel Management Holdings Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Kings Court, Water Lane, Wilmslow, Cheshire, SK9 5AR. The business is carried on at St Johns House, Spitfire Close, Ermine Business Park, Huntingdon, Cambs, PE29 6EP.

The year end has been shortened to 31 December 2017 to be co-terminous with the group following the sale of the whole of the share capital to Citation Ltd on 29 November 2017.

The financial statements for the current period are for the 5 months ended 31 December 2017, the comparative figures are for the year ended 31 July 2017 and as such are not entirely comparable.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Education Personnel Management Holdings Ltd is a wholly owned subsidiary of Citation Limited and the results of Education Personnel Management Holdings Ltd are included in the consolidated financial statements of Citation Topco Limited which are available from 22 Grenville Street, St Helier, Jersey, JE4 8PX.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.4 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets and liabilities

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 profit and loss account in other administrative expenses.

1.6 Equity instruments

Equity instruments, being the share capital, issued by the company are recorded at the proceeds received. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Share-based payments

The company has granted share options to one of the directors of its subsidiary, prior to the commencement of the year ended 31 July 2016 and has therefore taken advantage of the exemption not to apply Section 26 Share-based Payment to equity instruments.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Exceptional costs

	5 months to 31 December 2017 £	Year to 31 July 2017 £
Professional fees	37,200	-

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

4 Interest receivable and similar income

	5 months to 31 December 2017 £	Year to 31 July 2017 £
Income from fixed asset investments		
Income from shares in group undertakings	-	152,381
	<u> </u>	<u> </u>

5 Taxation

The actual charge for the period can be reconciled to the expected (credit)/charge for the period based on the profit or loss and the standard rate of tax as follows:

	5 months to 31 December 2017 £	Year to 31 July 2017 £
(Loss)/profit before taxation	(37,200)	152,285
	<u> </u>	<u> </u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	(7,068)	28,934
Unutilised tax losses carried forward	7,068	18
Dividend income	-	(28,952)
	<u> </u>	<u> </u>
Taxation charge for the period	-	-
	<u> </u>	<u> </u>

6 Dividends

	5 months to 31 December 2017 £	Year to 31 July 2017 £
Final paid	-	152,381
	<u> </u>	<u> </u>

7 Fixed asset investments

	Notes	31 December 2017 £	31 July 2017 £
Investments in subsidiaries	8	5,205,315	5,205,315
		<u> </u>	<u> </u>

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

7 Fixed asset investments

(Continued)

Fixed asset investments not carried at market value

The investment relates to the cost of the shares in the subsidiary company, Education Personnel Management Limited, as purchased on 29 June 2012. The directors have carried out an impairment review and in their opinion the current value of the shares is considered to be not less than the original cost.

Movements in fixed asset investments

	Shares in group undertakings £
Cost	
At 1 August 2017 & 31 December 2017	5,205,315
Carrying amount	
At 31 December 2017	5,205,315
At 31 July 2017	5,205,315

8 Subsidiaries

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Education Personnel Management Ltd	St Johns House, Spitfire Close, Ermine Business Park, Huntingdon, Cambs, PE29 6EP	Provision of HR and payroll services to educational establishments	Ordinary	100.00	

The investment in the subsidiary company is stated at cost.

9 Financial instruments

	31 December 2017 £	31 July 2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	15,200	-
Carrying amount of financial liabilities		
Measured at amortised cost	2,285,902	2,248,702

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

10 Debtors

	31 December 2017 £	31 July 2017 £
Amounts falling due within one year:		
Amounts owed by group undertakings	15,200	-

11 Creditors: amounts falling due within one year

	Notes	31 December 2017 £	31 July 2017 £
Amounts owed to group undertakings	12	2,285,902	2,248,702

12 Loans and overdrafts

	31 December 2017 £	31 July 2017 £
Loans from group undertakings	2,285,902	2,248,702
Payable within one year	2,285,902	2,248,702

The directors of Education Personnel Management Holdings Limited expect the loan from its subsidiary company to be repaid within a year of the date of signing these financial statements.

13 Share-based payment transactions

	Number of share options		Weighted average exercise price	
	5 months to 31 December 2017 Number	Year to 31 July 2017 Number	5 months to 31 December 2017 £	Year to 31 July 2017 £
Outstanding at 1 August 2017	950,000	950,000	-	-
Exercised	(950,000)	-	0.02	-
Outstanding at 31 December 2017	-	950,000	-	-
Exercisable at 31 December 2017	-	-	-	-

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

14 Share capital

	31 December 2017 £	31 July 2017 £
Ordinary share capital Issued and fully paid		
Ordinary shares of 1p each	712,355	457,143
B shares of 1p each	-	245,712
	<u>712,355</u>	<u>702,855</u>

Reconciliation of movements during the period:

	Ordinary Number	B Number
At 1 August 2017	457,143	245,712
Share option exercised	-	9,500
Redesignated as ordinary shares	255,212	(255,212)
At 31 December 2017	<u>712,355</u>	<u>-</u>

On 29 November 2017 share options were exercised by one of the directors of the subsidiary company, Education Personnel Management Ltd, to purchase 950,000 B shares at £0.016 per share.

On 29 November 2017 the entire share capital was purchased by Citation Holdings Ltd and on the same date the B shares were re designated as Ordinary shares.

15 Related party transactions

The directors are the only key management personnel. Remuneration is paid through the subsidiary company, Education Personnel Management Ltd.

Transactions with related parties

The following amounts were outstanding at the reporting end date:

	31 December 2017 £	31 July 2017 £
Amounts owed to related parties		
Subsidiary company	<u>2,285,902</u>	<u>2,248,702</u>

EDUCATION PERSONNEL MANAGEMENT HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2017

15 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	At 31 December 2017 Balance £
Amounts owed by related parties	
Parent company	15,200

There were no amounts owed in the previous period.

16 Controlling party

At the balance sheet date the company was a wholly owned subsidiary undertaking of Citation Topco Limited, a company registered and incorporated in Jersey. The largest and smallest Group in which the results of the company are consolidated is that headed by Citation Topco Limited. Copies of the financial statements of Citation Topco Limited are available from 22 Grenville Street, St Helier, Jersey, JE4 8PX.

The ultimate parent undertaking and controlling party is HG Capital 7 Nominees Limited, incorporated in England.

No one individual has ultimate control.

17 Cash generated from operations

	5 months to 31 December 2017 £	Year to 31 July 2017 £
(Loss)/profit for the period after tax	(37,200)	152,285
Adjustments for:		
Investment income	-	(152,381)
Movements in working capital:		
(Increase) in debtors	(15,200)	-
Cash absorbed by operations	(52,400)	(96)