Registered number: 08268303

THE KEY SUPPORT SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

THE KEY SUPPORT SERVICES LIMITED

COMPANY INFORMATION

Directors	Ian Armitage Christopher Laurence Kenyon Samantha Faye Tubb Nicholas Colin McNulty
Registered number	08268303
Registered office	3rd Floor, 80 Old Street London EC1V 9HU
Independent auditors	Ernst & Young LLP One Cambridge Business Park Cambridge CB4 0WZ

THE KEY SUPPORT SERVICES LIMITED

CONTENTS

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

Introduction

The directors of The Key Support Services Limited (the "Company") and its subsidiaries (the "Group") present their report and the financial statements for the year ended 31 August 2022.

Basis of preparation

The Group and Company financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" ("FRS102") and the Companies Act 2006 under the provisions of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008.

Principal activity and review of the business

The principal activity of the Group during the year was the provision of knowledge and digital tools used by over 120,000 senior leaders in the school system of the United Kingdom.

We continue to work through two strategic business units. Leadership & Governance which houses The Key and GovernorHub brands and MIS & Operations where we serve the market through ScholarPack and Arbor.

Over the past year the MIS market has been significantly impacted by a change in renewal terms offered by the supplier to the majority of English schools. This move prompted the Competition and Markets Authority ("CMA") to open up an investigation to evaluate whether there had been an abuse of market dominance. This investigation is due to conclude in January 2023. The actions of our competitor led to an increase in schools deciding to switch their MIS before the change in their renewal terms came into effect. Happily many of these schools chose Arbor and ScholarPack as their new MIS. Accordingly we decided to expand our capacity and hire more staff so that every new school could be migrated to our products with minimal cost or disruption. In the short run it dented our net margins but in the medium term it has significantly increased our base of contracted annual recurring revenues.

Some uncertainty remains in the MIS market until the CMA has concluded its investigation.

We continued to invest in our suite of products to ensure that they remain relevant to the needs of our existing customers and to schools who have not yet joined the community we serve. A notable accomplishment was to complete the work across systems, product design, user experience and offers that was required to improve our service for users of The Key and GovernorHub.

We spend considerable time with our customers which helped us improve the design and delivery of solutions that the school system requires. We aim to get closer to them every year.

We developed our pool of talent through training and recruitment to both deliver a first class service for our customers and to manage new customers for Arbor and ScholarPack. Our intention remains to be the employer of choice in the EdTech markets.

The results contained within these financial statements are the product of the intelligent and agile thinking of our team, who apply themselves with vigour to the job at hand, and the relationships we have with our customers, whose engagement and feedback is the source of both our innovation and motivation. Thanks are due to both groups.

Financial key performance indicators

We use an array of operational and strategic KPIs in order to manage our business and motivate our team. Over the past decade we have acquired a considerable amount of know how about our market, our members and our business, which has helped us earn a market leading position and high customer advocacy.

The Group's financial KPIs include but are not limited to:

KPI	2022	2021
Turnover	£30,544,452	£21,657,383
Revenue per employee	£101,815	£87,681

We monitor other commercially sensitive KPIs such as net promoter scores, time to resolve support calls and code quality metrics but for obvious reasons do not disclose them.

Performance

Our turnover increased 41% and revenue per employee increased by 16%.

Operating margins fell slightly as we decided to take on board the record number of school switchers in MIS and invested in our operations in order to serve the many schools who both switched away from another MIS vendor and selected our solutions. As noted, on-boarding new accounts requires up front expenditure but secures high quality subscription revenues which have a significant lifetime value to our business. Accordingly we are well set up for returning to high growth in profit, revenue and free cash flow in 2023 and beyond.

Post Balance Sheet Events

On 28 November 2022, the Company agreed to buy a 100% shareholding of Schools Educational Software Limited, which incorporates the trade relating to the RM Integris and RM Finance. Total consideration will be up to £16.0 million. This includes an initial consideration of £12 million paid on completion, with contingent consideration payable of up to £4 million subject to the satisfaction of clearance conditions. This will be paid through both equity investment and company cash and is subject to normalised working capital adjustments. Completion of the sale is expected to take place during the first half of 2023. This acquisition extends The Key's best in class Management Information System and Finance offerings and we are delighted and convinced that this represents a great outcome for schools.

People

The Group employed an average of 300 staff (2021: 247). This year has been a challenge for our organisation and one that the team have risen to extraordinarily well. Our MIS business has grown significantly, increasing headcount by 54, and our L&G business has undertaken a significant program to simplify and improve our product offering. Well done to the entire team.

We continue to invest in developing a diverse pool of talent with a variety of backgrounds including teaching, digital publishing, professional services and technology. We run internal and external training programmes to build our capabilities and enhance the career prospects of our people.

Prospects

We manage a profitable (pre amortisation of intangible assets) and cash generative Group of businesses which has been built to serve the leadership teams of all schools in England and Wales. These leaders carry huge responsibilities, they undertake very important work for their communities and face many challenges. Our business is run to solve the real problems of these leaders as effectively and as inexpensively as possible. Provided we remain alert to the needs of our customers and continue to drive for improvements in all we do our prospects should remain sound.

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks.

Financial risk

The Group uses various financial instruments such as intercompany funding and cash, and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The existence of these financial instruments exposes the group to a number of financial risks, which are described in more detail below.

Financial risk management

The Group's operations expose it to a variety of financial risks that include liquidity risk and credit risk. The group has in place a risk management programme that seeks to limit the adverse effects of these risks on the financial performance of the group.

Given the size of the Group, 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 Group's finance department.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs.

Interest rate risk

The Group has both interest-bearing assets and interest-bearing liabilities. Interest bearing-assets include cash balances and interest-bearing liabilities include bank loan. Both the asset and liability earn, or are charged, interest at variable rates.

Interest rate risk is managed by the Group on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates. After many years of low interest rates, the Bank of England has recently increased interest rates. Our budgeting process includes SONIA forward curve estimated values to ensure that we forecast in the latest market estimates for interest rate movements.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the company, as and when they fall due.

Cash and deposits are placed with banks and financial institutions which are regulated. Transactions are allowed only with counterparties who have sound credit ratings.

At the end of the reporting period, there is no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied customers. The group's historical experience in the collection of trade receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

COVID-19

The impact of coronavirus (COVID-19) has reduced, our offices are now open to all staff and we are pleased to see people returning to the office. We continue to assess our risks and aim to maintain a high impact remote / hybrid workforce, COVID-19 related employee absences and any impact this may have on cash collection.

Directors' statement of compliance with duty to promote the success of the Group

The directors of the Company continually act in a way that we believe is most likely to promote the success of the Company for the benefit of its members as a whole. All decisions are considered and taken through the lens of doing what is right for our schools. We passionately believe in improving the life of school leaders and making a real difference to their ability to educate their pupils.

Employee involvement

Group and the Company policy is to consult and discuss with employees, as appropriate, matters likely to affect employees' interests. Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group and Company's performance.

Impact

Our colleagues are given paid leave to act as school governors or academy trustees. They deliver value to these schools, bringing their business experience to bear on the many challenges they face. Their work with schools also improves and refines our understanding of our members' needs. Every school at which one of our colleagues is a governor is offered free access to our governor support product, Key for School Governors.

Disabled employees

The Group and Company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Health and safety

The group and company is committed to safeguarding the health, safety and welfare of its employees and providing and maintaining safe working conditions as far as reasonably practical.

Environmental Matters

The Group recognises its responsibility to carry out its operations whilst minimising environmental impacts. The directors' continued aim is to comply with all the applicable legislation, prevent pollution and reduce waste wherever possible.

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

DocuSigned by:
Chris Kenyon
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Christopher Laurence Kenyon
Director
Date: 20-Dec-22 | 3:27 PM GMT

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The directors present their report and the financial statements for the year ended 31 August 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 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'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether applicable UK 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £3,621,244 *(2021 - loss £3,315,168).*

The directors do not recommend a final dividend *(2021 - £nil).*

The directors consider the results for the year and the year-end position to be satisfactory and in line with expectation.

Directors

The directors who served during the year were:

Ian Armitage
Christopher Laurence Kenyon
Samantha Faye Tubb
Nicholas Colin McNulty (appointed 19 January 2022)

Sarah Louise Hernandez (resigned 18 October 2022)

Future developments

The directors continue to pursue their current growth strategy.

Engagement with employees

Group policy is to consult and discuss with employees, as appropriate, matters likely to affect employees' interests. Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group and Company's performance.

Engagement with suppliers, customers and others

The Group's MIS products have the highest customer satisfaction in the industry, which reflects the multiple channels of communication and feedback provided to inform product development, service levels and training provision. Product roadmaps are public and highly collaborative. Key suppliers are managed in line with environmental, security, commercial and data protection policies and have relationship managers involved to ensure our standards are upheld. The Group has a wide network of partnerships that support product, support or marketing activities and are managed by a senior team of Strategic Partner Managers.

On the content and tools side of the business, we communicate with customers transparently and openly in all matters that concern then. We proactively seek customers' views and feedback so that we can continually innovate and deliver more value to schools in a way that serves them best. Information is shared via email, in direct conversations or via post.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Going Concern

The ultimate parent undertaking, Beagle Bidco Limited (the "Parent Company") has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due until at least 31 December 2023.

The Parent Company has considered the impacts to the business of the ongoing COVID-19 global pandemic. The Parent Company will continue to review its liquidity needs in light of the business and economic impacts of COVID-19; however, it expects that its current cash balances will enable it to meet its liquidity needs until 31 December 2023, including repayment of debt. The Parent Company expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired.

Based on this information and on enquiries, the directors believe that the Parent Company has the ability to provide financial support to the company for the foreseeable future.

Taking into account the position of the Parent Company, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Any downturn in business, whatever the cause, takes some time to feed into our financials and our cash balance due to the nature of our contracts: they are long term and in the vast majority of cases cash is received up front. This is equally the reason why the upturn in sales seen in FY22 only feeds materially into the income statement in FY23. The management has noted the recent macroeconomic issues surrounding inflation and recent rises in interest rates and have considered the effects of these in their going concern forecasts.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:
Chris Kenyon
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Christopher Laurence Kenyon
Director
Date: 20-Dec-22 | 3:27 PM GMT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE KEY SUPPORT SERVICES LIMITED

Opinion

We have audited the financial statements of The Key Support Services Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 August 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group and Company Statement of Changes in Equity and the related notes 1 to 28, 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 Financial Reporting Standard 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 Group's and of the parent Company's affairs as at 31 August 2022 and of the Group's loss for the year 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern..

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE KEY SUPPORT SERVICES LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 Group financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and Company and determined that the most significant are FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; UK Companies Act and tax legislation, General Data Protection requirements, health and safety laws, employment regulations, The Equality Act 2010, anti-bribery and corruption regulations; and those that had a fundamental effect on the operations of the Group and Company.
- We understood how The Key Support Services Limited Group and Company is complying with those frameworks by frameworks by holding enquiries with management and those charged with governance. We understood the potential incentive and ability to override controls, and employee access to guidance of how to report any instances on non-compliance. We understood any controls put in place to reduce the opportunities for fraudulent transactions.
- We assessed the susceptibility of the Group and Company's financial statements to material misstatement, including how fraud might occur by holding enquiries with management and those charged with governance. Through these procedures we considered the risk of management override with revenue recognition, including deferred revenue being the key area of focus in particular. We addressed this risk through mapping transactional data to understand the correlation between debtors, cash and revenue, investigating any material outliers. We further supported our correlation testing through the vouching of a sample of cash transactions and deferred revenue balances through to supporting evidence.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved:
    - Enquiry of management and those charged with governance as to any fraud identified or suspected in the period, any actual or potential litigation or claims or breaches of significant laws or regulations applicable to the company;
    - Auditing the risk of management override of controls, through testing of a sample of journal entries and other adjustments for appropriateness;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE KEY SUPPORT SERVICES LIMITED (CONTINUED)

- Enquiry of management, coupled with testing of journal entries, in order to identify and understand any significant transactions outside of the normal course of business;
- Challenging the judgements made by management through corroborating the basis for those judgments and considering contradicting evidence; and
- Reading financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our 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 Auditors' 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.

Ernst & Young LLP

Ruth Logan (Senior Statutory Auditor)

for and on behalf of
Ernst & Young LLP

One Cambridge Business Park
Cambridge
CB4 0WZ
Date: 20 December 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	*2021 £*
Turnover	4	**30,544,452**	*21,657,383*
Cost of sales		**(3,711,606)**	*(1,844,636)*
Gross profit		**26,832,846**	*19,812,747*
Administrative expenses		**(28,102,797)**	*(20,360,529)*
Other operating income	5	**1,794**	*961*
Exceptional administrative expenses	12	**(833,774)**	*(1,397,107)*
Operating loss	6	**(2,101,931)**	*(1,943,928)*
Interest receivable and similar income	10	**58**	*152,307*
Interest payable and similar expenses	11	**(2,481,717)**	*(1,303,954)*
Loss before taxation		**(4,583,590)**	*(3,095,575)*
Tax on loss	13	**962,346**	*(219,593)*
Loss for the financial year		**(3,621,244)**	*(3,315,168)*

The notes on pages 18 to 39 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Fixed assets					
Intangible assets	14		**37,378,368**		*40,967,377*
Tangible assets	15		**642,298**		*459,628*
Investments	16		**-**		*100*
			38,020,666		*41,427,105*
Current assets					
Debtors	17	**11,762,432**		*6,521,215*	
Cash at bank and in hand	18	**6,975,990**		*9,115,356*	
		18,738,422		*15,636,571*	
Creditors: amounts falling due within one year	19	**(30,489,006)**		*(28,935,297)*	
Net current liabilities			**(11,750,584)**		*(13,298,726)*
Total assets less current liabilities			**26,270,082**		*28,128,379*
Creditors: amounts falling due after more than one year	20		**(20,471,338)**		*(18,610,710)*
Provisions for liabilities					
Deferred taxation	21	**(3,517,065)**		*(3,614,746)*	
			(3,517,065)		*(3,614,746)*
Net assets			**2,281,679**		*5,902,923*
Capital and reserves					
Called up share capital	22		**5,021**		*5,021*
Share premium account	23		**480,718**		*480,718*
Profit and loss account	23		**1,795,940**		*5,417,184*
			2,281,679		*5,902,923*

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

DocuSigned by:
Chris Kenyon
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Christopher Laurence Kenyon
Director
Date: 20-Dec-22 | 3:27 PM GMT

The notes on pages 18 to 39 form part of these financial statements.

THE KEY SUPPORT SERVICES LIMITED
REGISTERED NUMBER: 08268303

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Fixed assets					
Intangible assets	14		**1,532,879**		*1,388,769*
Tangible assets	15		**313,424**		*240,860*
Investments	16		**41,479,751**		*44,625,997*
			43,326,054		*46,255,626*
Current assets					
Debtors	17	**7,323,295**		*2,519,521*	
Cash at bank and in hand	18	**5,537,031**		*7,959,396*	
		12,860,326		*10,478,917*	
Creditors: amounts falling due within one year	19	**(23,848,765)**		*(25,486,960)*	
Net current liabilities			**(10,988,439)**		*(15,008,043)*
Total assets less current liabilities			**32,337,615**		*31,247,583*
Creditors: amounts falling due after more than one year	20		**(19,068,191)**		*(17,335,092)*
Provisions for liabilities					
Deferred taxation	21	**(218,106)**		*(40,709)*	
			(218,106)		*(40,709)*
Net assets			**13,051,318**		*13,871,782*
Capital and reserves					
Called up share capital	22		**5,021**		*5,021*
Share premium account	23		**480,718**		*480,718*
Profit and loss account	23		**12,565,579**		*13,386,043*
			13,051,318		*13,871,782*

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

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Chris Kenyon
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Christopher Laurence Kenyon
Director
Date: 20-Dec-22 | 3:27 PM GMT

The notes on pages 18 to 39 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2022

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 September 2020	**5,021**	**480,718**	**8,732,352**	**9,218,091**
Loss for the year	**-**	**-**	**(3,315,168)**	**(3,315,168)**
At 1 September 2021	**5,021**	**480,718**	**5,417,184**	**5,902,923**
Loss for the year	**-**	**-**	**(3,621,244)**	**(3,621,244)**
At 31 August 2022	**5,021**	**480,718**	**1,795,940**	**2,281,679**

The notes on pages 18 to 39 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2022

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 September 2020	5,021	480,718	12,043,897	12,529,636
Profit for the year	-	-	1,342,146	1,342,146
At 1 September 2021	5,021	480,718	13,386,043	13,871,782
Loss for the year	-	-	(2,352,818)	(2,352,818)
Dividends: Equity capital	-	-	1,532,354	1,532,354
At 31 August 2022	5,021	480,718	12,565,579	13,051,318

The notes on pages 18 to 39 form part of these financial statements.

1. General information

The Company is a private limited company, which is incorporated and registered in England and Wales (no. 08268303). The address of the registered office is 3rd Floor, 80 Old Street, London, EC1V 9HU.

The principal activity of the business is that of the provision of professional support services to the education sector.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The parent has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Beagle Bidco Limited as at 31 August 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

This information is included in the consolidated financial statements of Beagle Bidco Limited as at 31 August 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2. Accounting policies (continued)

2.3 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.4 Going concern

The ultimate parent undertaking, Beagle Bidco Limited (the "Parent Company") has agreed to provide continuing financial support to enable the company to meet its obligations as and when they fall due until at least 31 December 2023.

The Parent Company has considered the impacts to the business of the ongoing COVID-19 global pandemic. The Parent Company will continue to review its liquidity needs in light of the business and economic impacts of COVID-19; however, it expects that its current cash balances will enable it to meet its liquidity needs until 31 December 2023, including repayment of debt. The Parent Company expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired.

Based on this information and on enquiries of management, the directors believe that the Parent Company has the ability to provide financial support to the company for the foreseeable future.

Taking into account the position of the Parent Company, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the Group and Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Any downturn in business, whatever the cause, takes some time to feed into our financials and our cash balance due to the nature of our contracts: they are long term and in the vast majority of cases cash is received up front. This is equally the reason why the upturn in sales seen in FY22 only feeds materially into the income statement in FY23. The management has noted the recent macroeconomic issues surrounding inflation and recent rises in interest rates and have considered the effects of these in their going concern forecasts.

2.5 Revenue

Parent

Turnover represents software subscriptions and event revenue. Subscription income is recognised in the profit and loss account of the period to which it relates. Where invoiced in advance, the subscription income is included in deferred income in the balance sheet. Event income is recognised on the date the event takes place.

Subsidiary

Turnover represents software subscriptions revenue. Subscription income is recognised in the profit and loss account of the period to which it relates. Where invoiced in advance, the subscription

2. Accounting policies (continued)

2.5 Revenue (continued)

income is included in deferred income in the balance sheet.

Where an initial free period of live operation of the software prior to the billing year commencing has been included in a contract, historically no revenue was recognised over these "free" months. The policy adopted by the group is to recognise the contract's first billing year's worth of revenue over the period from go live to the first anniversary of the paid period.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is capitalised as an intangible asset when the company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development. Deferred research and development costs are reviewed annually and, where future benefits are deemed to have ceased or be in doubt, the balance of any related research and development is written off to the income statement.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.9 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.

2.10 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2. Accounting policies (continued)

2.11 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 balance sheet date.

2.12 Exceptional items

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

2.13 Intangible assets

Software platform

A software platform has been developed, which became the groups knowledge database, and is being amortised to the profit and loss account over its estimated economic life of 5 years.

Software development

Development costs, made up of staff costs, are capitalised and amortised to the income statement over their estimated economic life of 3 years. Development expenditure is only recognised on the balance sheet where it is specifically for development, rather than for maintenance and general updates.

Trademarks and Brands

Trademarks and brands are held as historical cost and reviewed for any impairment and have not been amortised.

2. Accounting policies (continued)

2.13 Intangible assets (continued)

Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the income statement over its estimated economic life.

Client lists

Client lists arising as a result of acquisitions are amortised to the income statement over their estimated economic life.

On acquisition of subsidiaries the estimated economic life for all intangibles and goodwill is between 10 - 15 years.

2.14 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.

The estimated useful lives range as follows:

Leasehold improvements	- Remaining lease term
Plant and machinery	- 5 year straight line
Fixtures and fittings	- 5 year straight line
Office equipment	- 3 to 5 years straight line

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.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 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. Accounting policies (continued)

2.17 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.

2.18 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.

2.19 Financial instruments

The Group 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

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

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 Groups' accounting policies

There are no critical judgements identified.

(b) Key accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with the next financial year are addressed below.

3. Judgements in applying accounting policies (continued)

Fair values on acquisitions of subsidiaries

The fair values of tangible and intangible assets acquired on the acquisition of subsidiaries involved the use of valuation techniques and the estimation of future cash flows to be generated over a number of periods. The estimation of the future value of cash flows requires the combination of assumptions including revenue growth, sales mix and volumes and increases and customer attrition rates, changes in cost base and the selection of the appropriate discount rate.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	*2021* *£*
Subscriptions	**30,544,452**	*21,657,383*
	30,544,452	*21,657,383*

All turnover arose within the United Kingdom.

5. Other operating income

	2022 £	*2021* *£*
Other operating income	**1,794**	*961*
	1,794	*961*

6. Operating loss

The operating loss is stated after charging:

	2022 £	*2021* *£*
Depreciation of tangible fixed assets	**246,798**	*181,867*
Amortisation of intangible assets	**7,472,913**	*12,120,063*
Other operating lease rentals	**892,625**	*753,652*
Defined contribution pension cost	**320,777**	*244,915*

7. Auditors' remuneration

	2022	*2021*
	£	*£*
Audit of financial statements	**59,000**	*73,250*
Audit of subsidiaries	**46,500**	*48,200*
	105,500	*121,450*

	2022	*2021*
	£	*£*
Fees payable to the Group's auditors and its associates in respect of:		
Other non-audit services	**-**	*171,028*
Taxation compliance services	**21,000**	*20,295*
	21,000	*191,323*

Auditors' fees for the Company were £59,000 (2021: £73,250)

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2022	*Group 2021*
	£	*£*
Staff salaries	**9,978,660**	*7,284,802*
Social security costs	**1,176,106**	*956,202*
Other pension costs	**320,777**	*244,915*
	11,475,543	*8,485,919*

Staff costs included above are net of costs capitalised of £3,278,937 *(2021 - £2,606,608)*

The average monthly number of employees, including the directors, during the year was as follows:

	2022	*2021*
	No.	*No.*
Professional support	**300**	*247*

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	**397,538**	*982,924*
Company contributions to defined contribution pension scheme	**16,134**	*22,191*
	413,672	*1,005,115*

During the year retirement benefits were accruing to 3 directors *(2021 - 6)* in respect of defined contribution pension schemes.

The highest paid director received remuneration of £224,231 *(2021 - £429,303)*.

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,969 *(2021 - £8,133)*.

10. Interest receivable

	2022 £	2021 £
Interest receivable from group companies	**-**	*152,110*
Other interest receivable	**58**	*197*
	58	*152,307*

11. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	**-**	*27*
Loans from group undertakings	**2,481,717**	*1,303,927*
	2,481,717	*1,303,954*

12. Exceptional items

	2022 £	2021 £
Other exceptional costs	833,774	547,107
Transaction costs	-	850,000
	833,774	1,397,107

Exceptional items relate to one-off non-trading legal costs.

13. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	(864,666)	(413,766)
Adjustments in respect of previous periods	-	46,071
	(864,666)	(367,695)
Total current tax	(864,666)	(367,695)
Deferred tax		
Origination and reversal of timing differences	(97,687)	(173,886)
Adjustment in respect of previous periods	-	759,876
Tax under provided in previous years	7	1,298
Total deferred tax	(97,680)	587,288
Taxation on (loss)/profit on ordinary activities	(962,346)	219,593

13. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2021 - higher than)* the standard rate of corporation tax in the UK of 19% *(2021 - 19%)*. The differences are explained below:

	2022 £	*2021* *£*
Loss on ordinary activities before tax	**(4,583,590)**	*(3,095,575)*
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	**(870,882)**	*(588,159)*
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**660,986**	*565,029*
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**96,599**	*229,782*
Adjustments in respect of rate change	**36,976**	*-*
Adjustments to tax charge in respect of prior periods	**-**	*771,450*
Group relief	**185,204**	*(485,640)*
Overseas Tax at higher rate	**-**	*20,791*
Movement in DTA not recognised	**(268,907)**	*33,852*
Research and development tax	**(751,294)**	*(376,360)*
Tax under provided in previous years	**(5,936)**	*48,848*
Non-taxable income	**(45,092)**	*-*
Total tax charge for the year	**(962,346)**	*219,593*

Factors that may affect future tax charges

The UK tax rate for companies will rise from 19% to 25% from 1 April 2023. Deferred tax has been calculated at the rates that apply when balances are expected to reverse.

14. Intangible assets

Group

	Website £	Development £	Trademarks & Brands £	Client Relationship £	Goodwill £	Software £	Total £
Cost							
At 1 September 2021	1,191,105	15,838,499	1,829,331	9,897,016	31,551,049	4,891,017	65,198,017
Additions - internal	2,348	3,881,558	-	-	-	-	3,883,906
Disposals		(2,062,511)	-	-	-	-	(2,062,511)
At 31 August 2022	1,193,453	17,657,546	1,829,331	9,897,016	31,551,049	4,891,017	67,019,412
Amortisation							
At 1 September 2021	998,292	8,787,591	90,098	2,081,854	12,028,254	244,551	24,230,640
Charge for the year on owned assets	63,171	2,530,666	120,130	872,340	3,560,540	326,068	7,472,915
On disposals		(2,062,511)	-	-	-	-	(2,062,511)
At 31 August 2022	1,061,463	9,255,746	210,228	2,954,194	15,588,794	570,619	29,641,044
Net book value							
At 31 August 2022	131,990	8,401,800	1,619,103	6,942,822	15,962,255	4,320,398	37,378,368
At 31 August 2021	*192,813*	*7,050,908*	*1,739,233*	*7,815,162*	*19,522,795*	*4,646,466*	*40,967,377*

14. Intangible assets (continued)

Company

	Development £	Trademarks £	Total £
Cost			
At 1 September 2021	**6,819,957**	**27,378**	**6,847,335**
Additions - internal	**1,051,049**	**-**	**1,051,049**
At 31 August 2022	**7,871,006**	**27,378**	**7,898,384**
Amortisation			
At 1 September 2021	**5,458,566**	**-**	**5,458,566**
Charge for the year	**906,939**	**-**	**906,939**
At 31 August 2022	**6,365,505**	**-**	**6,365,505**
Net book value			
At 31 August 2022	**1,505,501**	**27,378**	**1,532,879**
At 31 August 2021	*1,361,391*	*27,378*	*1,388,769*

15. Tangible fixed assets

Group

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 September 2021	**239,469**	**1,114,417**	**1,353,886**
Additions	**118,100**	**311,368**	**429,468**
At 31 August 2022	**357,569**	**1,425,785**	**1,783,354**
Depreciation			
At 1 September 2021	**154,800**	**739,458**	**894,258**
Charge for the year on owned assets	**72,535**	**174,263**	**246,798**
At 31 August 2022	**227,335**	**913,721**	**1,141,056**
Net book value			
At 31 August 2022	**130,234**	**512,064**	**642,298**
At 31 August 2021	*84,669*	*374,959*	*459,628*

15. Tangible fixed assets (continued)

Company

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 September 2021	**150,385**	**830,400**	**980,785**
Additions	**32,243**	**125,950**	**158,193**
At 31 August 2022	**182,628**	**956,350**	**1,138,978**
Depreciation			
At 1 September 2021	**138,520**	**601,405**	**739,925**
Charge for the year on owned assets	**8,879**	**76,750**	**85,629**
At 31 August 2022	**147,399**	**678,155**	**825,554**
Net book value			
At 31 August 2022	**35,229**	**278,195**	**313,424**
At 31 August 2021	*11,865*	*228,995*	*240,860*

16. Fixed asset investments

Group

	Investments in subsidiary companies £
Cost or valuation	
At 1 September 2021	100
At 31 August 2022	100
Impairment	
Charge for the period	100
At 31 August 2022	100
Net book value	
At 31 August 2022	-
At 31 August 2021	*100*

16. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 September 2021	**44,625,997**
At 31 August 2022	**44,625,997**
Impairment	
Charge for the period	**3,146,246**
At 31 August 2022	**3,146,246**
Net book value	
At 31 August 2022	**41,479,751**
At 31 August 2021	*44,625,997*

The impairment represents the amount of investment in Ortoo Technologies due to being hived-up in the Company (The Key Support Services Ltd)

Name	Registered office	Class of shares	Holding
Histon House Ltd	3rd Floor, 80 Old Street, London EC1V 9HU	Ordinary	100%
Ortoo Technologies Ltd	3rd Floor, 80 Old Street, London EC1V 9HU	Ordinary	100%
Arbor Education Partners Group Ltd	3rd Floor, 80 Old Street, London EC1V 9HU	Ordinary	100%
Arbor Education Partners Ltd *	3rd Floor, 80 Old Street, London EC1V 9HU	Ordinary	100%
Arbor Education Partners d.o.o *	Gavrila Principa 57, Savski venac, 11000 Beograd, Serbia	Ordinary	100%

16. Fixed asset investments (continued)

* Indirect subsidiary

17. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Due after more than one year				
Other debtors	86,208	40,957	68,400	23,149
	86,208	40,957	68,400	23,149
Due within one year				
Trade debtors	6,185,959	4,377,409	1,475,177	1,806,285
Amounts owed by group undertakings	358,944	-	5,066,152	267,261
Other debtors	1,772,854	844,348	84,450	105,914
Prepayments and accrued income	3,358,467	1,258,501	629,116	316,912
	11,762,432	6,521,215	7,323,295	2,519,521

18. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	6,975,990	9,115,356	5,537,031	7,959,396
	6,975,990	9,115,356	5,537,031	7,959,396

19. Creditors: Amounts falling due within one year

	Group 2022 £	*Group 2021 £*	**Company 2022 £**	*Company 2021 £*
Trade creditors	**1,276,009**	*1,008,294*	**423,636**	*352,643*
Amounts owed to group undertakings	**10,377,881**	*11,174,426*	**15,761,023**	*16,351,597*
Corporation tax	**(5,708)**	*(5,708)*	**-**	*(5,728)*
Other taxation and social security	**783,987**	*1,099,716*	**320,308**	*500,712*
Other creditors	**66,879**	*49,068*	**29,253**	*14,239*
Accruals and deferred income	**17,989,958**	*15,609,501*	**7,314,545**	*8,273,497*
	30,489,006	*28,935,297*	**23,848,765**	*25,486,960*

Amounts owed to group undertakings are interest free and repayable on demand.

The Group has pledged its assets as security against any bank credit cards. At the year end, the Group has an amount outstanding in respect of secured debts of £77,273 (Company: £27,247 *(2021: Group - £65,116, Company - £17,992)*.

The Company's bankers have a fixed and floating charge over the company's assets.

20. Creditors: Amounts falling due after more than one year

	Group 2022 £	*Group 2021 £*	**Company 2022 £**	*Company 2021 £*
Amounts owed to group undertakings	**17,346,578**	*17,346,548*	**16,157,608**	*16,157,578*
Other creditors	**3,124,760**	*1,264,162*	**2,910,583**	*1,177,514*
	20,471,338	*18,610,710*	**19,068,191**	*17,335,092*

Amounts owed to group undertakings accrue interest at a rate of 10% per annum. The loan is repayable within eight years after the balance sheet date however can be repaid in whole or in part at any time on giving notice to the Lender.

21. Deferred taxation

Group

	2022 £	2021 £
At beginning of year	**(3,614,746)**	*(1,228,651)*
Charged to profit or loss	**97,681**	*(587,288)*
Arising on business combinations	**-**	*(1,798,807)*
At end of year	**(3,517,065)**	*(3,614,746)*

Company

	2022 £	2021 £
At beginning of year	**(40,709)**	*(20,872)*
Charged to profit or loss	**(177,397)**	*(19,837)*
At end of year	**(218,106)**	*(40,709)*

The provision for deferred taxation is made up as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Accelerated capital allowances	**(386,983)**	*(229,545)*	**(242,996)**	*(73,671)*
Intangible assets	**(3,167,282)**	*(3,419,390)*	**-**	*-*
Other timing differences	**37,200**	*34,189*	**24,890**	*32,962*
	(3,517,065)	*(3,614,746)*	**(218,106)**	*(40,709)*

22. Share capital

	2022	*2021*
	£	*£*
Allotted, called up and fully paid		
3,455,874 *(2021 - 3,455,874)* Ordinary shares of £0.001 each	**3,456**	*3,456*
1,058,696 *(2021 - 1,058,696)* Ordinary C shares of £0.001 each	**1,059**	*1,059*
206,189 *(2021 - 206,189)* Ordinary D shares of £0.001 each	**206**	*206*
300,000 *(2021 - 300,000)* Ordinary E shares of £0.001 each	**300**	*300*
	5,021	*5,021*

All shares rank equally in terms of distribution of dividends and repayment of capital.

23. Reserves

Share premium account

The share premium account balance represents the premium arising on the issue of shares, net of issue costs.

Profit and loss account

The profit and loss account balance represent cumulative profits and losses.

24. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £320,777 *(2021 £244,915)*. Contributions totaling £78,576 *(2021 - £37,237)* were payable to the fund at the balance sheet date and are included in creditors.

25. Commitments under operating leases

At 31 August 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022	*Group 2021*	Company 2022	*Company 2021*
	£	*£*	£	*£*
Not later than one year	**908,208**	*469,985*	**730,677**	*161,991*
Later than one year and not later than five years	**1,578,284**	*244,136*	**1,376,844**	*56,495*
	2,486,492	*714,121*	**2,107,521**	*218,486*

26. Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of FRS 102, whereby it has not disclosed transactions with the ultimate parent undertaking or any wholly owned subsidiary undertakings of the group.

27. Controlling party

The ultimate parent undertaking is Beagle Bidco Limited, a company incorporated in England, United Kingdom.

The Company has taken exemption from preparing a statement of cash flows. The consolidated results and statement of cash flows for the Company are included within the publicly available financial statements of Beagle Bidco Limited.

Beagle Bidco Limited is owned by CBPE 31%, Ian Armitage through Isfield Nominees Limited 33%, management and other minority shareholders 36%.

28. Events after the end of the reporting period

On 28 November 2022, the Company agreed to buy a 100% shareholding of Schools Educational Software Limited, which incorporates the trade relating to the RM Integris and RM Finance. Total consideration will be up to £16.0 million. This includes an initial consideration of £12 million paid on completion, with contingent consideration payable of up to £4 million subject to the satisfaction of clearance conditions. This will be paid through both equity investment and company cash and is subject to normalised working capital adjustments. Completion of the sale is expected to take place during the first half of 2023.