

Company registration number 09209758 (England and Wales)

# **COGNITION EDUCATION UK LIMITED**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**PAGES FOR FILING WITH REGISTRAR**

# COGNITION EDUCATION UK LIMITED

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**COGNITION EDUCATION UK LIMITED****BALANCE SHEET****AS AT 31 MARCH 2023**

		<b>2023</b>		<b>2022</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>4</b>		11,881		6,338
Investments	<b>5</b>		1,445,173		-
			<u>1,457,054</u>		<u>6,338</u>
<b>Current assets</b>					
Debtors	<b>7</b>	205,896		206,804	
Cash at bank and in hand		140,105		902,373	
		<u>346,001</u>		<u>1,109,177</u>	
<b>Creditors: amounts falling due within one year</b>	<b>8</b>	<u>(1,665,033)</u>		<u>(1,011,922)</u>	
<b>Net current (liabilities)/assets</b>			<u>(1,319,032)</u>		<u>97,255</u>
<b>Total assets less current liabilities</b>			<u>138,022</u>		<u>103,593</u>
<b>Provisions for liabilities</b>			<u>(2,541)</u>		<u>(1,205)</u>
<b>Net assets</b>			<u><u>135,481</u></u>		<u><u>102,388</u></u>
<b>Capital and reserves</b>					
Called up share capital			10		10
Profit and loss reserves			135,471		102,378
<b>Total equity</b>			<u><u>135,481</u></u>		<u><u>102,388</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 17 May 2023 and are signed on its behalf by:

**Mr S D Ryan**  
**Director**

**Company Registration No. 09209758**

# COGNITION EDUCATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

#### Company information

Cognition Education UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is The St Botolph Building, 138 Houndsditch, London, EC3A 7AR.

#### 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

#### Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland;', not to disclose related party transactions with wholly owned subsidiaries within the group.

#### 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 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other discounts.

#### 1.4 Intangible fixed assets other than goodwill

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	25% p.a.
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Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of four years.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10% - 33% p.a. straight line
Computers	33% p.a. straight line

## COGNITION EDUCATION UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.6 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.

##### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 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.

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

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# COGNITION EDUCATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

#### **1.10 Equity instruments**

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

#### **1.11 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# COGNITION EDUCATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	38	18

### 3 Intangible fixed assets

	Other £
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	15,000
<b>Amortisation and impairment</b>	
At 1 April 2022 and 31 March 2023	15,000
<b>Carrying amount</b>	
At 31 March 2023	-
At 31 March 2022	-

# COGNITION EDUCATION UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 April 2022	15,561
Additions	9,723
At 31 March 2023	25,284
<b>Depreciation and impairment</b>	
At 1 April 2022	9,223
Depreciation charged in the year	4,180
At 31 March 2023	13,403
<b>Carrying amount</b>	
At 31 March 2023	11,881
At 31 March 2022	6,338

### 5 Fixed asset investments

	2023 £	2022 £
Shares in group undertakings and participating interests	1,445,173	-

#### Movements in fixed asset investments

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 April 2022	-
Additions	1,445,173
At 31 March 2023	1,445,173
<b>Carrying amount</b>	
At 31 March 2023	1,445,173
At 31 March 2022	-

### 6 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:



## COGNITION EDUCATION UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 6 Subsidiaries (Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Aspire Development (UK) Limited	United Kingdom	Training and development	Ordinary	100.00

#### 7 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	50,789	171,674
Other debtors	155,107	35,130
	<u>205,896</u>	<u>206,804</u>

#### 8 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	84,548	65,531
Amounts owed to group undertakings	1,237,937	537,258
Corporation tax	15,632	17,252
Other taxation and social security	206,086	83,104
Other creditors	120,830	308,777
	<u>1,665,033</u>	<u>1,011,922</u>

#### 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:	Nicola Mason
Statutory Auditor:	MHA Moore and Smalley

#### 10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2023 £	2022 £
2,173	-
<u>2,173</u>	<u>-</u>

## **COGNITION EDUCATION UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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#### **11 Parent company**

The ultimate controlling party is Cognition Education Trust Limited. The registered and service office for Cognition Education Trust is Stanbeth House, Level 1, 28 Customs Street East, Auckland Central, Auckland 1010, New Zealand.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.