

TUTORA LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

TUTORA LTD
REGISTERED NUMBER: 09370702

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	147,535	67,801
Investments	5	87	-
		<u>147,622</u>	<u>67,801</u>
Current assets			
Debtors: amounts falling due within one year	6	157,113	101,788
Cash at bank and in hand		2,612,930	2,193,541
		<u>2,770,043</u>	<u>2,295,329</u>
Creditors: amounts falling due within one year	7	(313,469)	(257,882)
Net current assets		<u>2,456,574</u>	<u>2,037,447</u>
Total assets less current liabilities		<u>2,604,196</u>	<u>2,105,248</u>
Creditors: amounts falling due after more than one year		(3,090,103)	-
Net (liabilities)/assets		<u><u>(485,907)</u></u>	<u><u>2,105,248</u></u>
Capital and reserves			
Called up share capital		201	200
Share premium account	9	4,640,349	4,636,431
Other reserves	9	15,546	8,165
Profit and loss account	9	(5,142,003)	(2,539,548)
		<u><u>(485,907)</u></u>	<u><u>2,105,248</u></u>

TUTORA LTD
REGISTERED NUMBER: 09370702

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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

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

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 September 2022.

A Jones
Director

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Tutora Ltd is a private company limited by shares, incorporated in England and Wales (registered number: 09370702). Its registered office is Dearing House, Young Street, Sheffield, South Yorkshire, S1 4UP. The principal activity of the Company throughout the year continued to be that of the provision of educational services.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

2.2 Going concern

At year end date the Company's liabilities exceeded its assets by £485,907. The ability of the Company to meet its liabilities as they fall due is dependent on securing future investment. The directors are confident that the Company will be able to pay its debts as they fall due as significant investment is expected in October 2022 with further amounts expected in 2023 and accordingly these accounts are prepared on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is pounds sterling.

Transactions and balances

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 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, as follows.

The depreciation rates used are:

Office equipment	-25% reducing balance
Computer equipment	-25% reducing balance

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.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as bank and cash balances, trade and other accounts receivable and payable, loans from banks and other third parties and loans to and from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the transaction price 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, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in 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 Company in independently administered funds.

2.10 Taxation

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 operates and generates income.

2.11 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

3. Employees

The average monthly number of employees, including directors, during the year was 57 (2020 - 42).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2021	39,220	77,051	116,271
Additions	33,799	72,837	106,636
Disposals	(56)	(2,275)	(2,331)
	<u>72,963</u>	<u>147,613</u>	<u>220,576</u>
At 31 December 2021			
Depreciation			
At 1 January 2021	17,955	30,515	48,470
Charge for the year on owned assets	7,486	18,381	25,867
Disposals	-	(1,296)	(1,296)
	<u>25,441</u>	<u>47,600</u>	<u>73,041</u>
At 31 December 2021			
Net book value			
At 31 December 2021	<u>47,522</u>	<u>100,013</u>	<u>147,535</u>
At 31 December 2020	<u>21,265</u>	<u>46,536</u>	<u>67,801</u>

TUTORA LTD

NOTES TO THE FINANCIAL STATEMENTS
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5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	1,839
At 31 December 2021	<u>1,839</u>
Impairment	
Charge for the period	1,752
At 31 December 2021	<u>1,752</u>
Net book value	
At 31 December 2021	<u>87</u>
At 31 December 2020	<u>-</u>

6. Debtors

	2021 £	2020 £
Trade debtors	38	93
Other debtors	157,075	101,695
	<u>157,113</u>	<u>101,788</u>

TUTORA LTD

**NOTES TO THE FINANCIAL STATEMENTS
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7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	13,760	11,848
Other taxation and social security	182,636	180,303
Other creditors	11,717	12,017
Accruals and deferred income	105,356	53,714
	<u>313,469</u>	<u>257,882</u>

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

	2021 £	2020 £
Other loans	<u>3,090,103</u>	<u>-</u>

9. Reserves

Share premium account

During the year 78,378 B Investment £0.00001 shares were issued. Share premium totalling £3,918 was generated on issue of these shares.

Other reserves

During the year 1,092,994 (2020: 327,437) ordinary B Investment £0.00001 share options were granted to employees under the EMI scheme and a further £nil (2020: 408,596) ordinary B Investment £0.00001 share options were granted to employees under a non approved scheme. At the grant date the value of each option was £0.055 and £0.0685 (2020: £0.055). At 31 December 2021 the value of the share option had remained the same. There is a 10 year vesting period for each option and at the end of this period the holders of the options will receive shares for free providing all relevant conditions have been met.

10. Pension commitments

The Company operates a defined contributions 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 £44,873 (2020: £29,772). There were no contributions payable to the fund at the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
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11. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	29,500	8,583
Later than 1 year and not later than 5 years	48,333	-
Later than 5 years	35,000	-
	<u>112,833</u>	<u>8,583</u>

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