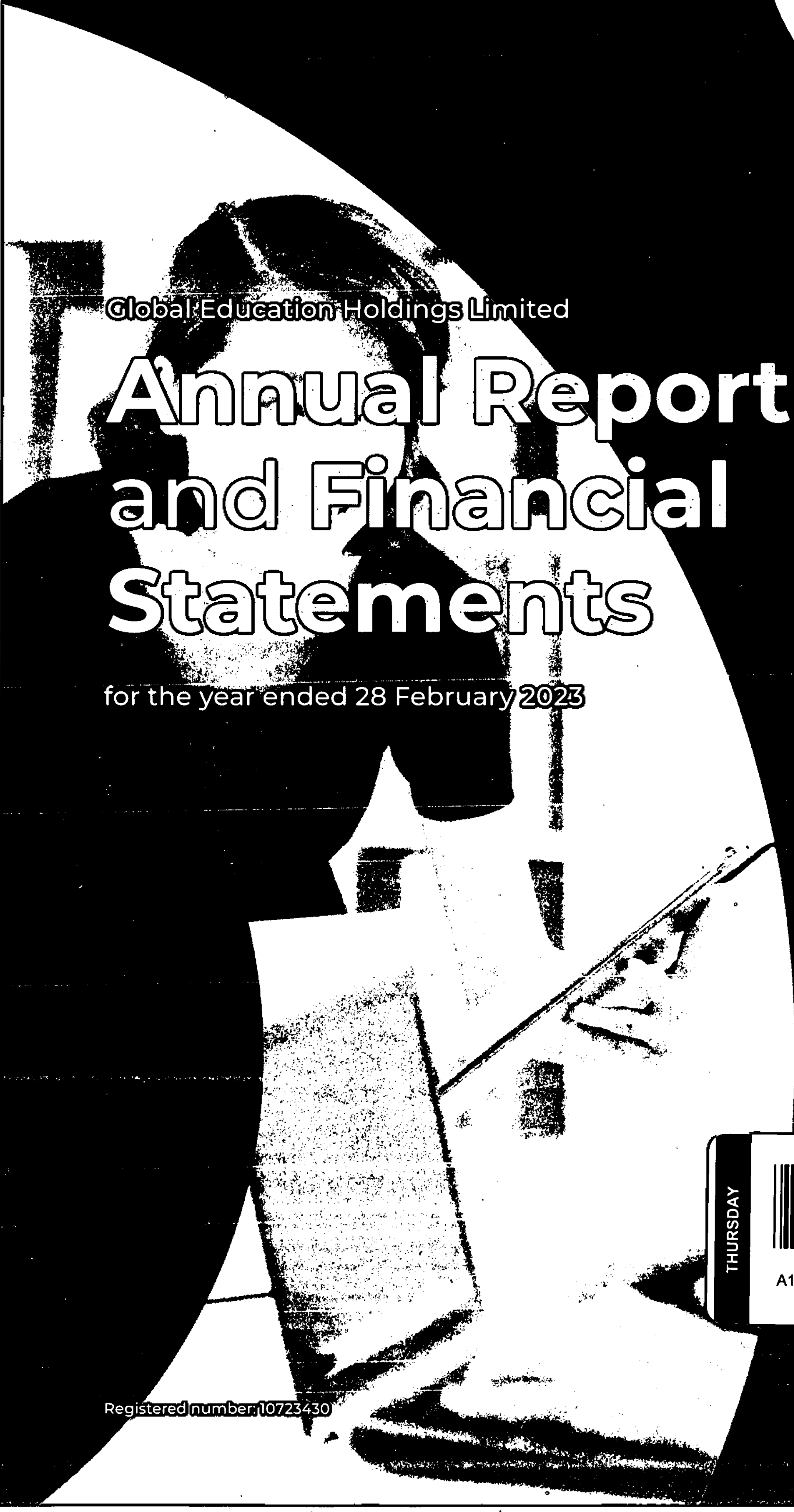
Global Education Holdings Limited

Annual Report and Financial Statements

for the year ended 28 February 2023



gedu GLOBAL EDUCATION

Registered number: 10723430

Chief Executive Officer
Dr Vishwajeet Rana

Foreword.

It has been another year of tremendous growth and positive change across the GEDU group. My sincere and most heartfelt thanks go out, not just to the innumerable and dedicated colleagues who make it all possible, but to the thousands of students in the UK and overseas who put their trust in us to deliver life-changing education.

GBS has implemented a public interest corporate governance structure, with the Executive Board being replaced by a Board of Directors with an independent Chair, Professor Mary Malcolm. the board is also supported by the creation of two sub-committees: the Audit & Risk Committee and the Finance and Resources Committee, the former also having an independent Chair in Professor Roger King.

GBS has also seen significant investment in staffing, with average staff numbers increasing year-on-year from 406 to 931. To support these staff numbers and our growing student base, our IT and Estates portfolio has also seen significant and noticeable investment across the UK.

We are thrilled that our investment across the board continues to pay dividends for our staff and, most importantly, for our students:

- In the most recent National Student Survey (NSS) results, GBS achieved a positivity score that **exceeded the sector average** in each of the 10 NSS themes, and by more than 10% in the majority of them; this follows the previous two years' scores where GBS achieved an overall score above 90%.
- Student numbers have been growing significantly year-on-year.
- We are proud to have been nominated as **Training Provider of the Year** in the 2023 Education Awards.

Furthermore, we have begun a new and significant partnership with world-leading Oxford Brookes University where we have already begun to deliver courses on Health, Wellbeing and Social Care (BSc) and Global Business and Entrepreneurship (BA).

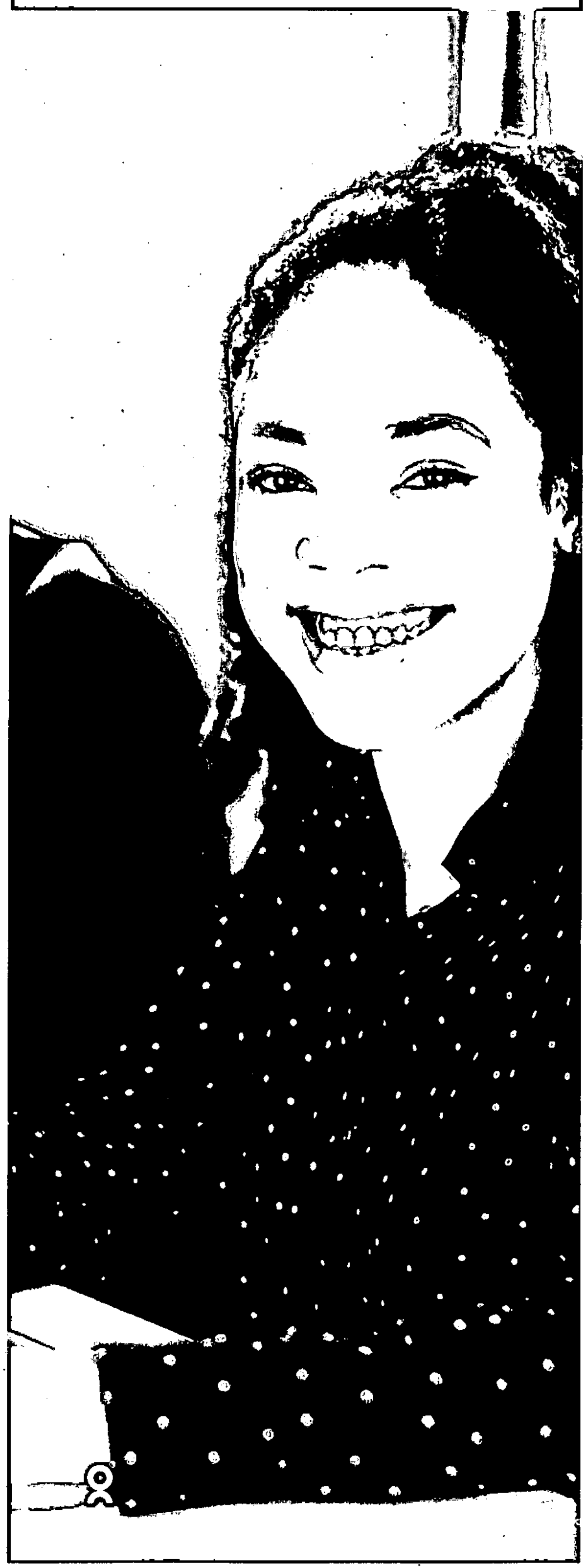
Beyond GBS, GEDU continues its diversified growth journey through inorganic means. We recently acquired two higher education providers:

- **MLA College Ltd** in the UK, a marine specialist organisation that operates on a truly global platform, delivering educational programmes to students from over 65 countries.
- **École de Management Appliqué** (EMA), a renowned French institution offering a wide range of academic degrees, including undergraduate, postgraduate, MBA, DBA, and Ph.D. programmes in Applied Management. EMA's specialisations encompass Finance, Law, Economics, and Arts.

Our English language division **English Path** continues to grow and we now deliver across the UK, Malta, Dubai, Toronto and Dublin, with plans for further expansion across the world through organic and inorganic channels.

Our apprenticeships division **MetaGedu Apprenticeships Ltd** is now delivering apprenticeships across a host of new specialisms including Business Administration, IC tech, Cyber Security, Compliance and Risk.

We continue to actively explore opportunities to expand the GEDU family and extend our delivery across new **segments, geographies and subject areas.** We expect next year to build upon these acquisitions.



Company Information.

Directors	Dr V Rana SA Uddin P Neocleous L Falcone A Erdenetsogt
Registered number	10723430
Registered office	891 Greenford Road Greenford London UB6 0HE
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

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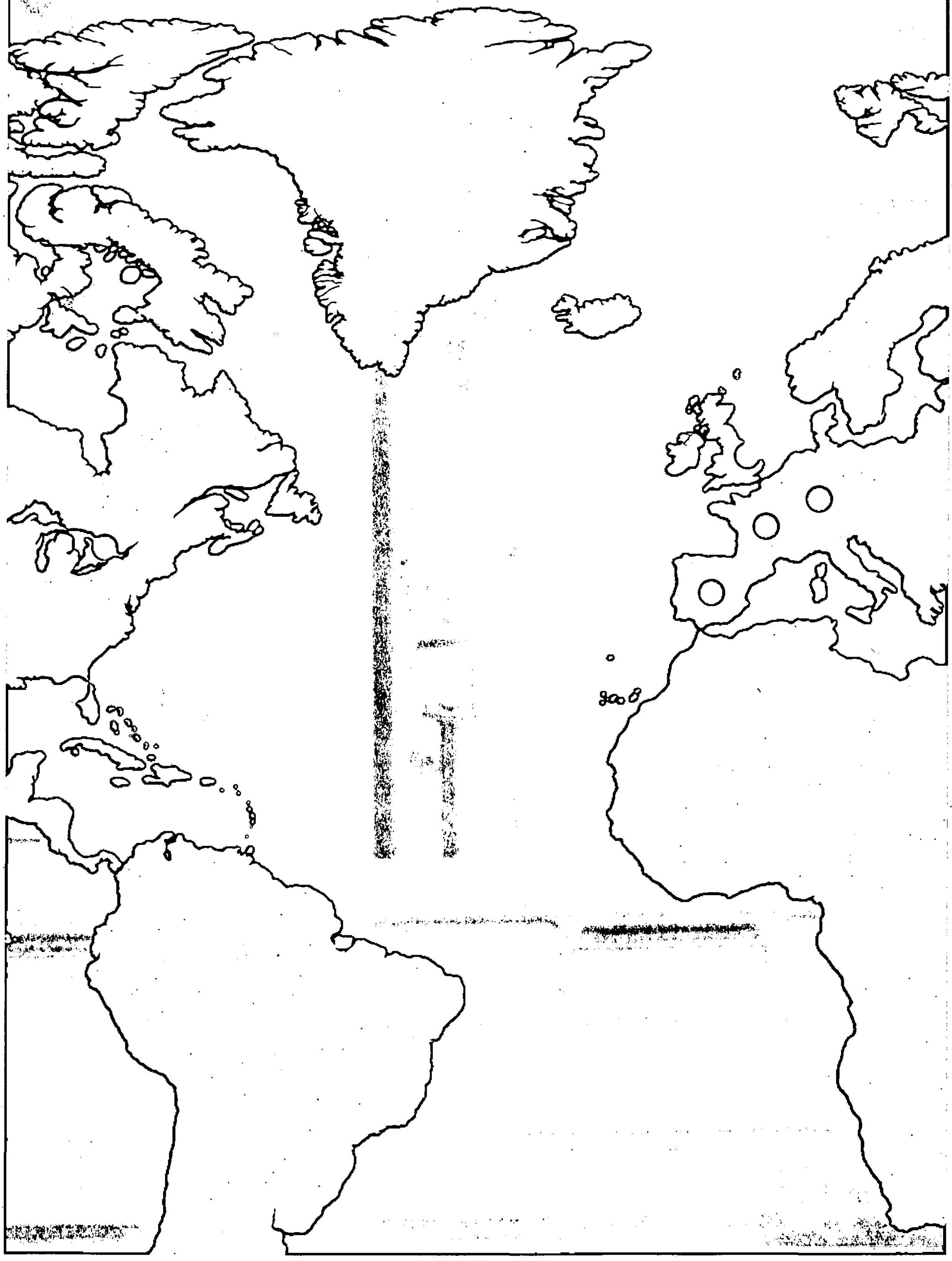
Group Strategic Report

for the year ended 28 February 2023



Introduction

Global Education Holdings Limited ("GEH") is the holding company of a group of companies offering University, and higher education courses, apprenticeship and English Language education in the UK and overseas.

1. Our mission and values

The Group's mission is to enable people to access quality education and support throughout their education journey with the development of talent through practical and inspiring programmes, based on cutting-edge methodology, technology and expertise.

The Group's values are:

1. We care for our students
2. We care for each other
3. We always want to learn and improve
4. We want to make a significant contribution to our communities
5. We value our entrepreneurial spirit
6. We appreciate and reward high performance
7. We cherish diversity
8. We operate ethically and professionally

The Group serves this mission through a range of companies providing higher education, language courses and apprenticeship programmes with locations across England, France, Ireland, Malta, the United Arab Emirates, India, North America and Australia.

1. Higher Education

The Group aims to help students thrive in today's competitive job market – offering excellent links to employers and a focus on one-to-one academic and career guidance in addition to our specialist courses. We take an inclusive approach to recruiting students, with the aim of widening access to higher education among groups currently under-represented in the sector.

The principal company within the Group is Global Banking School (GBS), which offers a range of industry-focused courses across five locations in East and West London, Manchester, Birmingham and Leeds. We work in partnership with several leading UK universities to deliver vocational, undergraduate, and postgraduate programmes in accounting, business and management, construction, entrepreneurship and healthcare. We are on the Office for Students register and have been reviewed by the Quality Assurance Agency.

Additionally, the Group has rolled out the delivery of Higher Education programmes in Dubai ("GBS Dubai FZ LLC") and Malta ("GBS HE Malta Limited").

More recently, the Group has set out on its inorganic growth journey through the acquisition of two higher education providers in France ("École de Management Appliqué") and the UK ("MLA College Limited") in August 2023, focusing on the mission and values. The Group has plans for future growth with planned acquisitions in the foreseeable future.

2. Language Schools

The Group's English Path brand provides first class English Language tuition across the world. During the year, we continued to establish the brand's presence through campuses in the United Kingdom ("Language Path Education Ltd"), Dubai ("GBS Dubai FZ LLC") and Malta ("Language Path Education Ltd (Malta)".

The Group continues to invest in the growth of the brand both organically and through acquisition. Organically, the Group increased investment in marketing and student recruitment and is in the early-stages of rolling out language courses in Canada. Subsequently, the Group has acquired an established language school in Ireland in June 2023 ("NCG Education Dublin Limited").

Purpose:
English Path aims to establish and maintain a singular cross-cultural communication tool in a divided world, bringing people together through a common language. People who can communicate without barriers are more likely to work together for the common good. That is the reason for English Path's existence. We believe that everyone has the right to education and English is often the first step.

Vision:
English Path aims to create the world's most accessible and innovative English language school that changes lives through education that makes a fundamental difference to living standards.

Mission:
A world in which every person can communicate using a common language removing inequality and creating a level playing field. Courses that stimulate and challenge. Students that learn, excel and grow.

Language classes are offered across a range of requirements as follows:
- General English
- Professional English
- Corporate English training
- Pre-sessional English
- Exam preparation
- Young Learner Programmes

3. Apprenticeships

The Group's apprenticeships arm ("Metagedu Apprenticeships Limited"), acquired in November 2021, is an established provider of apprenticeships and training which works in partnership with employers to deliver a range of apprenticeships in a wide range of industries and sectors.

Metagedu is an approved independent apprenticeship training provider on the Register of Apprenticeship Training Providers governed by Ofsted.

4. Financial key performance indicators

The Group closed out the 2022-23 financial year with £169.7m revenue and £25.6m profit. Revenue has increased from £81.8m to £169.7m.

Cost of sales has improved proportionately compared to the historical average, relative to income, following efficiencies enjoyed from scaling up the business. Administrative expenses include £40.9m salaries, £7.0m rent and £3m in learning resources and information systems.

Total assets on our balance sheet increased to £102.1m — with fixed assets totalling £20.7m; cash £21m; and trade debtors £53.4m. The balance sheet reflects total net assets of £42m and retained earnings of £42m.

5. Events after the financial period

As detailed in the directors' report and the note to the financial statements, the Group has expanded its operations with the acquisition of an English language school in Dublin, a higher education college in Paris and a provider of distance learning courses in the UK.

6. Statement by the Directors on Performance of their Statutory Duties in Accordance with S172(1) of the Companies Act 2006

As our students make significant investments for their study, the Group makes substantial investments to provide our students with a high-quality learning experience that they would consider "worth every penny" and more.

The Likely Consequences of Any Decision in the Long-Term

The directors believe that they have acted in the way they consider, in good faith, to promote the long-term success of the Group. The annual financial budgeting cycle requires the long-term impact of strategic decisions to be considered. The Board and executive management interact regularly and executive management attends Board and Committee meetings to discuss performance, opportunities, risks and implications of potential new developments.

The Group has built on the work done in the previous financial year in building the support functions to support the planned growth of the firm and has ensured that systems are robust to meet student requirements.

The directors ensure that any acquisition activity fits into the strategic plans of the Group.

The Interests of the Group's Employees

The directors believe our people to be our greatest asset and the interests of our employees are always considered. The directors take care over the wellbeing and environmental awareness of employees. We provide a number of welfare programmes, aiming to promote and protect workers' wellbeing, health and safety. During the year, there were numerous examples of programmes to support employee wellbeing and good mental health, including a series of mental health seminars, regular lunch and learn sessions with the GBS CEO to facilitate employee engagement with the senior leadership team, and, regular events to recognise and support new employees. We also use other formal and informal processes to communicate and engage with employees, including an intranet and digital learning tools.

The Group is committed to supporting, developing and promoting equality and diversity in all of its practices and activities and aims to establish an inclusive culture free from discrimination and based upon the values of dignity, courtesy and respect. The Group supports and develops its staff through providing all with access to facilities, personal and career development opportunities and employment on the basis of equality. The Group is committed to creating and sustaining a positive, supportive and excellent teaching and learning environment for its students. GBS is committed to providing fair, equitable and mutually supportive learning and working environment for both our students and our staff. These are set out in the Equality and Diversity Policy of the Group.

The Need to Foster the Company's Business Relationships with Suppliers, Customers, and Others

The directors aim to work in partnership with suppliers to ensure that they reflect similar values and behaviours to those promoted by the Group. The directors ensure that all employees are very much focused on our relationship with our students and consistently strive to provide high-quality programmes of study and excellent customer service.

As our students make significant investment in their studies, we make substantial investments to provide our students with a high-quality learning experience that they consider "worth every penny". For example, we provide the highest standards of IT and learning facilities including a library in every campus, with student success tutors and student welfare officers available for support. Examples of our investments include: (i) investments in Global Banking School's (GBS) cloud based student record system, Thesis, and ERP, Unit 4 to transform our student experience and generate insights to support them; (ii) investments in learning and teaching resources including libraries and online resource provision; and (iii) campus development across the UK, Malta and Dubai.

The Impact of the Group's Operations on the Community and Environment

We are committed to ensuring that our employees and individuals in the communities affected by our activities are treated with dignity and respect. Our principal activity as an education provider is focused on a positive impact to community through widening access to higher education among groups currently under-represented in the higher education sector.

The directors are mindful of environmental issues and seek to minimise the impact of the Group's activities on the environment. The majority of energy utilisation and greenhouse gas emissions are generated through our nine campuses. Our environmental impact is discussed further in our Streamlined Energy and Carbon Reporting disclosures made within the Directors' Report.

The Desirability of the Group Maintaining a Reputation for High Standards of Business Conduct

The Group expects its directors, employees, and contractors to exercise reasonable judgment when conducting business. Anti-bribery and data protection policies are in place which all employees are expected to read, understand and comply with, and online learning packages are provided where appropriate.

7. Employees

The Group gives full and fair consideration to applications for employment made by people with disabilities, having regard to their particular aptitudes and abilities; continuing the employment of, and arranging training for employees who have become disabled while employed; and otherwise for the training, career development and promotion of people with disabilities.

8. Principal Risks and Uncertainties

Managing Risk and Uncertainty

The Board of Directors maintains an institutional risk register that shows the most significant areas of risk exposure. Each risk is documented with details of the nature of the risk alongside mitigation/treatment, and is monitored by the risk owners. Each risk item has an assessment for likelihood and impact at both the gross level and at a residual level after the operation of the control mechanisms, with a time horizon of the next two years, and is assessed as low, medium or high.

Student Outcomes

The Group's vision can only be achieved by delivering high quality student outcomes. Our focus on outcomes is reflected in four of the top risks in the Board of Directors risk register: Student Continuation; Student Experience; Academic Quality and Student Employability. These risks are mitigated through the use of specialist teams to support retention, student success and provide student services. Our teams mitigate these risks by monitoring student engagement and attendance and our student welfare officers and student tutors focus on student wellbeing and experience. Our student demographic is such that most would not be able to access traditional models of delivery of education. With this in mind, all teaching is face to face and at times and locations that are accessible to our students. We have built our KPIs include measurements of continuation, completion, achievement and academic quality.

Infrastructure

The Board risk register recognises the challenges in delivering high quality systems, staffing and estates, especially in the light of the growth in recent years. This is overseen by the Finance and Resources Committee on behalf of the Board and is achieved through developing and delivering plans in each area. We have established Registry and Marketing functions which will enhance our systems, processes and capabilities as we grow.

Financial viability

The Group continues to maintain positive retained earnings and a high current ratio.

Financial Sustainability

The governance structure, diversification of portfolio and campus developments support our long-term financial sustainability.

As the Group has grown, and to ensure that we keep pace with our academic and growth ambitions, we have reviewed the effectiveness of our governance structures within the principal company (GBS).

As a result, this year we have enhanced our corporate and academic governance structures. We have introduced a Board of Directors chaired by an independent director and supported by a Finance and Resources Committee and an Audit and Risk Committee. In academic governance we have established the Academic Standards and Quality Committee and the Research, Scholarly and Professional Practice Committee, both complementing the work of the existing Learning and Teaching Committee. All three committees report to Academic Board.

We have continued developing sustainable relationships with collaborative partners. We have also built a portfolio approach introducing new programmes including subjects in tourism, construction, accounting and financial management and education with variety of different terms; these are all the academic subject areas in demand from students local to our campus locations. Our locations help to ensure financial sustainability by accessing student markets that more traditional higher education providers find hard to reach. Within the higher education sector, our collaborative partnerships with universities through franchise/validation arrangements provide a choice of distinctive higher education provision to prospective students around our campus locations.

Financial and Treasury Review

The Group's financial instruments comprise cash and liquid resources, trade creditors, accrued income and accruals. The main risks arising from the Group's financial instruments are: liquidity risk and credit risk.

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they fall due. The risk is managed by the applications of measures to ensure timely recovery of funds owed to the Group and forecasting cash requirements. The Group generates sufficient liquidity through its operations as is reflected in its strong net current asset position.

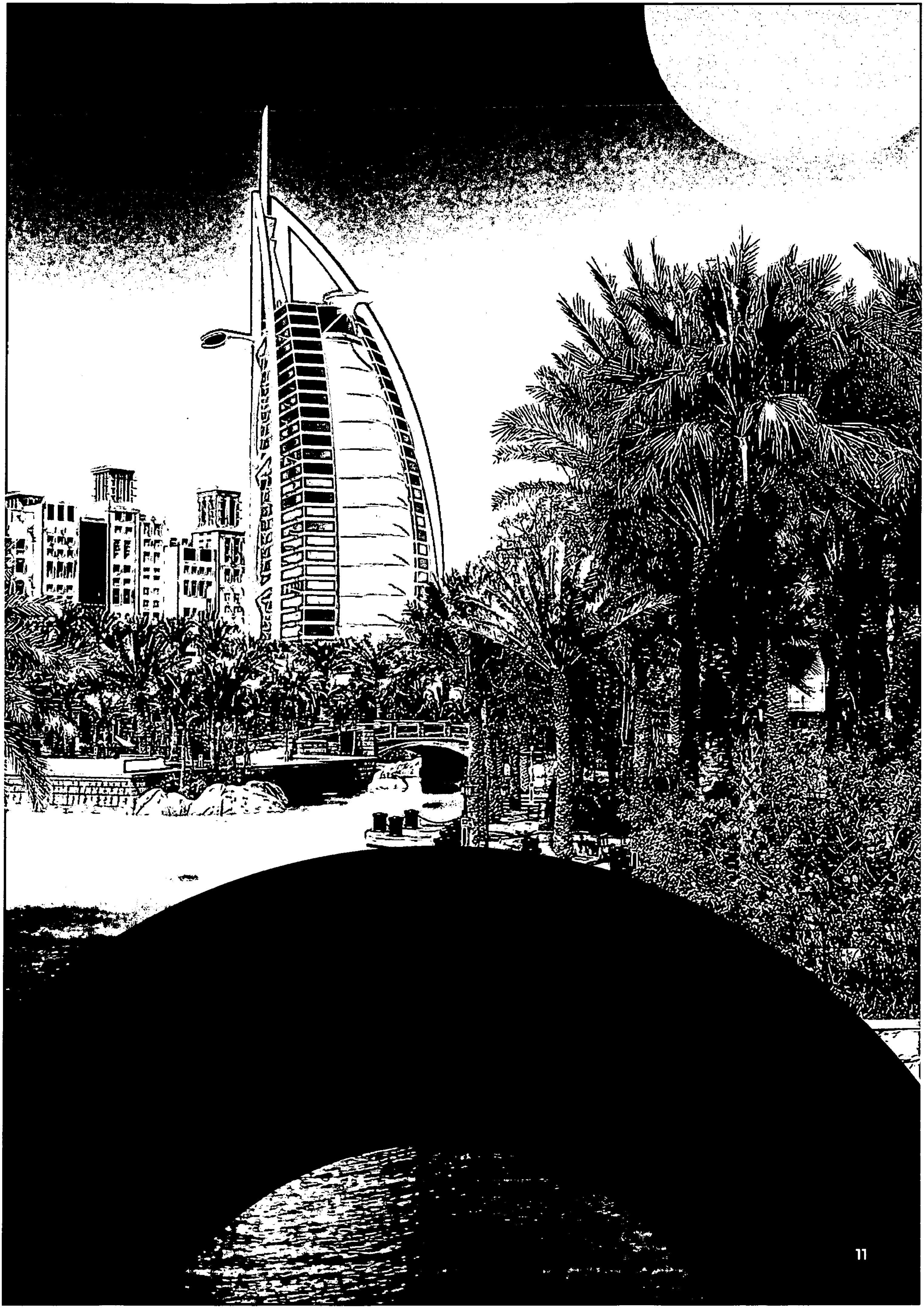
Credit risk is the Group's exposure to financial loss if a counterparty fails to meet its contractual obligations. The credit risk on bank balances has increased in the current economic climate with many UK financial institutions downgraded by the major credit agencies. The Group manages this risk by regularly reviewing its counterparties. The credit risk through trading operations arises principally on non-payment of course fees and is managed by the application of credit management measures.

In addition, the Group has a loan facility to finance the acquisition of one its buildings. The Group is exposed to interest rate risk on the loan. The loan bears interest at SONIA plus a margin and is under constant review to ensure the Group manages the interest exposure and any loan covenants.

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

P Neocleous
Director

6/10/2023



Directors' Report.

for the year ended 28 February 2023

The directors present their report and the financial statements for the year ended 28 February 2023.

Results and dividends

The profit for the year, after taxation, amounted to £25,554,798 (2022 - £10,630,798).

The directors declared dividends of £590,150 (2022: £280,000) during the year to the company's shareholder.

Directors

The directors who served during the year were:
Dr V Rana
SA Uddin (appointed 28 March 2022)
P Neocleous (appointed 6 December 2022)
L Falcone (appointed 6 December 2022)
A Erdenetsogt (appointed 6 December 2022)

Engagement with employees

Employee involvement

During the year, the policy of providing employees with information about the Group has been continued and employees are able to present their suggestions and views on the Group's performance. Discussions are held between local management and employees, thus allowing for an exchange of information and ideas.

There is no employee share scheme. However, the Directors encourage the involvement of employees in the Group's performance through other means.

Further details on employee engagement are included in the strategic report.

Disabled persons

Disabled persons are employed by the Group where they appear to be suited to a particular position. The aptitude and abilities of disabled persons are more easily met in certain aspects of the Group's affairs and every effort is made to ensure that they are given full and fair consideration.

Streamlined Energy and Carbon Reporting (SECR)

In line with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 the company's energy use and greenhouse gas (GHG) emissions are set out below:

The data relates to UK emissions for the 12-month period from 1 March 2022 to 28 February 2023.

Total energy consumption of 5,407,329 kilowatt hours (kWh).

Scope	Emissions Source	2023 (CO2e)
1	Combustion of fuel for purposes of transport	14.36
2	Purchased electricity	1,043.99
	Total gross emissions	**1,058.35**
	Emissions per staff members	1.12

Note: CO2e refers to tonnes of carbon dioxide equivalent.

Methodology

We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). The 2022 UK Government GHG Conversion Factors for Company Reporting published by Department for Energy Security and Net Zero and Department for Business, Energy & Industrial Strategy are used to convert energy use in our operations to emissions of CO2e. Carbon emission factors for purchased electricity calculated according to 'location based grid average' method. This reflects the average emission of the grid where the energy consumption occurs. Data sources include billing, invoices and energy consumption information provided by the landlords where the arrangement is such that the School is recharged for utilities. For transport data where actual usage data (e.g. litres) was unavailable conversions were made using average fuel consumption factors to estimate the usage.

Intensity ratio

We have chosen to report our gross emissions against average number of employees for the year as it is the most appropriate measure for the Group's business sector.

Energy efficient action

The directors of the Group are committed to reducing the environmental impact of our operations.

Matters covered in the Group Strategic Report

As permitted by s414c(11) of the Companies Act 2006, the directors have elected to disclose information, required to be in the director's report by Schedule 7 of the 'Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008', in the
strategic report.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Post balance sheet events

The following non adjusting significant events have occurred since the Group's year end:

In March 2023 GEDU Holdings (Canada) Ltd. incorporated a new Canadian subsidiary (English Path Ltd).

In March 2023 Global Education Holdings Limited incorporated a new Australian subsidiary company (Gedu Australia Holding Pty Ltd). In March 2023, Gedu Australia Holding Pty Ltd also incorporated a new Australian subsidiary company (English Path Pty Ltd).

In April 2023 Global Education Holdings Limited incorporated a new Indian subsidiary company (Gedu Services Private Limited).

In May 2023, a portion of the loan due to the Company by Metagedu Apprenticeships Limited, has been used to purchase and an additional 1.2 million shares in the subsidiary for £1.2 million.

In June 2023, Gedu Holdings (Ireland) Ltd acquired the entire issued share capital of NCG Education Dublin Limited, a provider of English language courses in Dublin, Ireland.

In August 2023, Gedu Holdings (Ireland) Ltd acquired the entire issued share capital of École de Management Appliqué, a provider of higher education courses in Paris, France.

In August 2023, Global Education Holdings Limited acquired the entire issued share capital of MLA College Limited, a UK-based award-winning higher education provider specialising in the delivery of UK distance learning degrees.

In September 2023 an additional £1 million was added to the share capital of MLA College Limited by Global Education Holdings Limited.

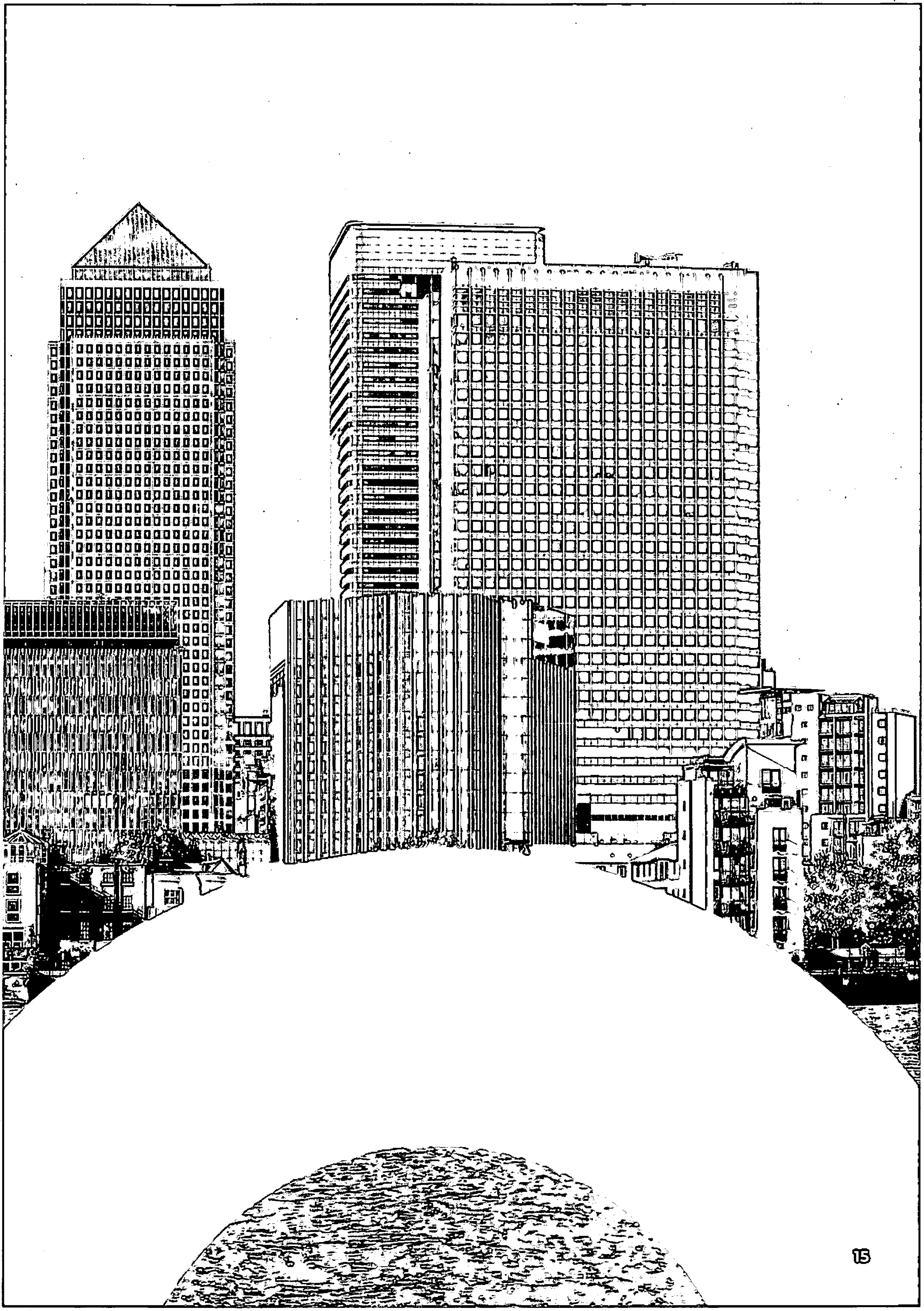
Auditor

The auditor, Blick Rothenberg Audit 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.

P Neocleous
Director

6/10/2023



Directors' Responsibilities Statement.

for the year ended 28 February 2023

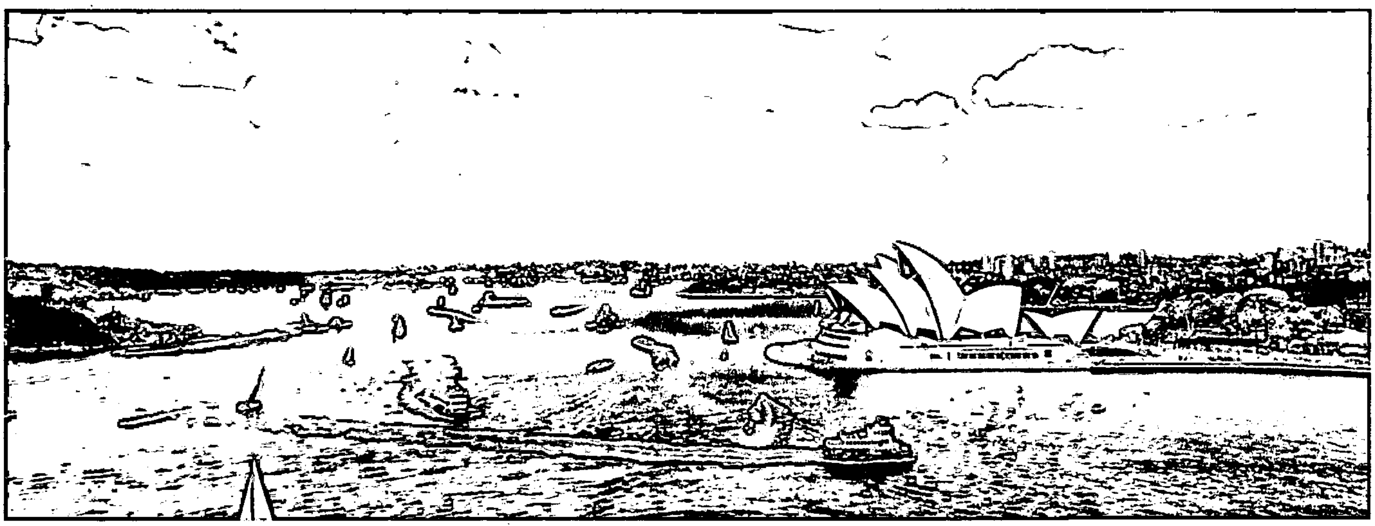
The directors are responsible for preparing the Group strategic report, the directors' report and the consolidated financial statements in accordance with applicable law and regulations.

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 judgments and accounting estimates that are reasonable and prudent;
- 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.



Independent Auditor's Report To The Members Of Global Education Holdings Limited.

for the year ended 28 February 2023

Opinion

We have audited the financial statements of Global Education Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 28 February 2023, which comprise the Consolidated profit and loss account, the Consolidated statement of comprehensive income, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows, the Consolidated statement of changes in equity, the Company statement of changes in equity and the related notes, 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 28 February 2023 and of the group's profit 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 Auditor's 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.

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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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 9, 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.

Auditor's responsibilities for the audit of the financial statements

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

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with Directors and other management, and from our commercial knowledge and experience of the sectors in which the company and group operate;

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the higher education sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company and group, including the Companies Act 2006, the requirements of registration with the Office for Students, including the accounts direction, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence including correspondence with the relevant regulator; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit

- We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed the nominal ledger, including testing a sample of journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and
- reviewed the findings of component auditors in relation to their work on fraud and laws and regulations.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HM Revenue and Customs and relevant regulators.

Our risk assessment findings for both non-compliance with laws and regulations and the susceptibility of the group's financial statements to material misstatement arising from fraud were communicated with component auditors so that they could include them within their own risk assessment procedures and include, where appropriate audit procedures in response to such risks in their work.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **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 auditor's report and for no other purpose.
To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

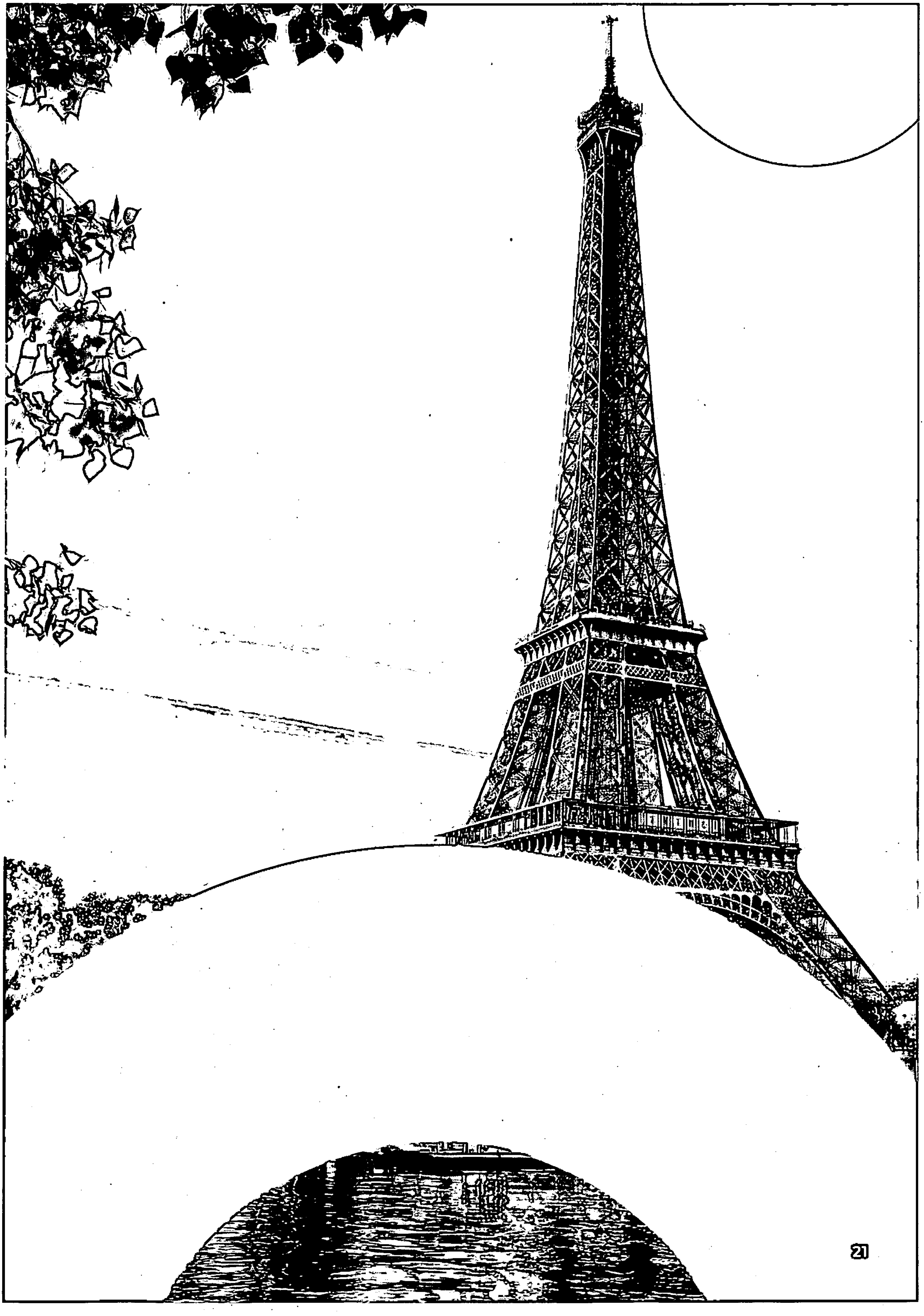
Blick Rothenberg Audit LLP

Mark Hart *(senior statutory auditor)*

for and on behalf of
Blick Rothenberg Audit LLP

Chartered Accountants Statutory Auditor
16 Great Queen Street Covent Garden London
WC2B 5AH

Date: 6/10/2023



Consolidated Profit and Loss Account.

for the year ended 28 February 2023

	Note	2023 £	2022 £
Turnover	3	169,743,913	81,807,023
Cost of sales		(86,027,341)	(38,746,162)
Gross profit		83,716,572	43,060,861
Administrative expenses		(51,470,022)	(28,062,608)
Exceptional administrative expenses	12	-	(919,095)
Operating profit	4	32,246,550	14,079,158
Interest receivable and similar income	8	222	849
Interest payable and similar expenses	9	(370,536)	(30,082)
Profit before tax		31,876,236	14,049,925
Tax on profit	10	(6,321,438)	(3,419,127)
Profit for the financial year		25,554,798	10,630,798
Profit for the year attributable to:		25,554,798	10,630,798
Owners of the parent		25,554,798	10,630,798

The notes on pages 30 to 52 form part of these financial statements.

Consolidated Statement of Comprehensive Income.

for the year ended 28 February 2023

	2023 £	2022 £
Profit for the financial year	**25,554,798**	10,630,798
Other comprehensive income		
Currency translation differences	**35,628**	(28,572)
Other comprehensive income for the year	**35,628**	(28,572)
Total comprehensive income for the year	**25,590,426**	10,602,226
Profit for the year attributable to:		
Owners of the parent company	**25,554,798**	10,630,798
	25,554,798	10,630,798
Total comprehensive income attributable to:		
Owners of the parent company	**25,590,426**	10,602,226
	25,590,426	10,602,226

The notes on pages 30 to 52 form part of these financial statements.

Consolidated Balance Sheet.

as at 28 February 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	**1,098,591**	889,998
Tangible assets	14	**19,621,179**	17,402,883
		20,719,770	18,292,881
Current assets			
Stocks	16	**13,917**	5,554
Debtors	17	**60,143,756**	36,909,243
Cash at bank and in hand	18	**21,174,643**	1,226,162
		81,332,316	38,140,959
Creditors: amounts falling due within one year	19	**(43,260,273)**	(27,269,746)
Net current assets		**38,072,043**	10,871,213
Total assets less current liabilities		**58,791,813**	29,164,094
Creditors: amounts falling due after more than one year	20	**(12,476,881)**	(11,376,094)
Provisions for liabilities			
Deferred taxation	23	**-**	(813,344)
Other provisions	24	**(4,340,000)**	-
		(4,340,000)	(813,344)
Net assets		**41,974,932**	16,974,656
Capital and reserves			
Called up share capital	25	**5,000,001**	5,000,001
Foreign exchange reserve	25	**7,056**	(28,572)
Merger reserve	25	**(4,999,900)**	(4,999,900)
Profit and loss account	25	**41,967,775**	17,003,127
Total equity		**41,974,932**	16,974,656

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

P Neocleous
Director

P. Neocleous

6/10/2023

The notes on pages 30 to 52 form part of these financial statements.

Company Balance Sheet.

as at 28 February 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	15	**6,195,928**	5,670,822
		6,195,928	5,670,822
Current assets			
Debtors	17	**1,648,823**	2,297,387
Cash at bank and in hand	18	**4,915,238**	-
		6,564,061	2,297,387
Creditors: amounts falling due within one year	19	**(486,114)**	(41,258)
Net current assets		**6,077,947**	2,256,129
Total assets less current liabilities		**12,273,875**	7,926,951
Net assets excluding pension asset		**12,273,875**	7,926,951
Net assets		**12,273,875**	7,926,951
Capital and reserves			
Called up share capital	25	**5,000,001**	5,000,001
Profit and loss account brought forward		**2,926,950**	-
Profit for the year		**4,937,074**	3,206,950
Other changes in the profit and loss account		**(590,150)**	(280,000)
Profit and loss account carried forward		**7,273,874**	2,926,950
		12,273,875	7,926,951

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own profit and loss account in the financial statements. The profit after tax of the parent Company for the year was £4,937,074 (2022: £3,206,950).

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

P Neocleous
Director

6/10/2023

The notes on pages 30 to 52 form part of these financial statements.

Consolidated Statement of Changes in Equity.

for the year ended 28 February 2023

	Called up share capital £	Foreign exchange reserve £	Merger reserve £	Profit and loss account £	Total equity £
At 1 March 2021	5,000,001	-	(4,999,900)	6,652,329	6,652,430
Comprehensive income for the year					
Profit for the year	-	-	-	10,630,798	10,630,798
Currency translation differences	-	(28,572)	-	-	(28,572)
Other comprehensive income for the year	-	(28,572)	-	-	(28,572)
Total comprehensive income for the year	-	(28,572)	-	10,630,798	10,602,226
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(280,000)	(280,000)
Total transactions with owners	-	-	-	(280,000)	(280,000)
At 1 March 2022	5,000,001	(28,572)	(4,999,900)	17,003,127	16,974,656
Comprehensive income for the year					
Profit for the year	-	-	-	25,554,798	25,554,798
Currency translation differences	-	35,628	-	-	35,628
Other comprehensive income for the year	-	35,628	-	-	35,628
Total comprehensive income for the year	-	35,628	-	25,554,798	25,590,426
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(590,150)	(590,150)
Total transactions with owners	-	-	-	(590,150)	(590,150)
At 28 February 2023	5,000,001	7,056	(4,999,900)	41,967,775	41,974,932

The notes on pages 30 to 52 form part of these financial statements.

Company Statement of Changes in Equity.

for the year ended 28 February 2023

	Called up share capital £	Profit and loss account £	Total equity £
At 1 March 2021	5,000,001	-	5,000,001
Comprehensive income for the year			
Profit for the year	-	3,206,950	3,206,950
Contributions by and distributions to owners			
Dividends: Equity capital	-	(280,000)	(280,000)
Total transactions with owners	-	(280,000)	(280,000)
At 1 March 2022	5,000,001	2,926,950	7,926,951
Comprehensive income for the year			
Profit for the year	-	4,937,074	4,937,074
Contributions by and distributions to owners			
Dividends: Equity capital	-	(590,150)	(590,150)
Total transactions with owners	-	(590,150)	(590,150)
At 28 February 2023	5,000,001	7,273,874	12,273,875

The notes on pages 30 to 52 form part of these financial statements.

Consolidated Statement of Cash Flows.

for the year ended 28 February 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	**25,554,798**	10,630,798
Adjustments for:		
Amortisation of intangible assets	**233,250**	100,668
Depreciation of tangible assets	**2,608,599**	1,273,914
Impairments of fixed assets	**-**	919,095
Loss on disposal of tangible assets	**-**	1,522
Interest paid	**370,536**	30,082
Interest received	**(222)**	(849)
Taxation charge	**6,321,438**	3,419,127
(Increase) in stocks	**(8,363)**	(5,554)
(Increase) in debtors	**(23,230,334)**	(27,889,339)
Increase in creditors	**14,246,531**	18,862,112
Increase in provisions	**4,340,000**	-
Corporation tax (paid)	**(3,813,832)**	(408,915)
Other non cash items	**38,541**	17,615
Net cash generated from operating activities	**26,660,942**	6,950,276
Cash flows from investing activities		
Purchase of intangible fixed assets	**(441,843)**	(823,127)
Sale of intangible assets	**-**	(1,522)
Purchase of tangible fixed assets	**(4,821,999)**	(17,012,334)
Purchase of fixed asset investments	**-**	(810,657)
Interest received	**222**	849
Net cash from investing activities	**(5,263,620)**	(18,646,791)

Consolidated Statement of Cash Flows.

for the year ended 28 February 2023

	2023 £	2022 £
Cash flows from financing activities		
New secured loans	-	8,750,630
Repayment of loans	**(434,465)**	-
Repayment of/new finance leases	**(68,749)**	68,749
Dividends paid	**(590,150)**	(360,000)
Interest paid	**(370,536)**	(30,082)
Net cash used in financing activities	**(1,463,900)**	8,429,297
Net increase/(decrease) in cash and cash equivalents	**19,933,422**	(3,267,218)
Cash and cash equivalents at beginning of year	**1,226,162**	4,493,380
Foreign exchange gains and losses	**15,059**	-
Cash and cash equivalents at the end of year	**21,174,643**	1,226,162
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**21,174,643**	1,226,162
	21,174,643	1,226,162

The notes on pages 30 to 52 form part of these financial statements.

Notes to the Financial Statements.

1. General information

Global Education Holdings Limited ("the company") is a private company limited by shares and incorporated in England and Wales. The address of its registered office and principal place of business is 891 Greenford Road, Greenford, London, UB6 OHE.

The company's principal activity is that of a holding company. The group consists of Global Education Holdings Limited and all of its subsidiaries as listed in the fixed assets investment note.

The financial statements are presented in Sterling (£).

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 judgment in applying the group's accounting policies.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements incorporate those of Global Education Holdings Limited and its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All intra-group transactions and balances are eliminated on consolidation.

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 profit and loss account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In the company's own financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination.

2.3 Exemption by parent guarantee

For the year ending 28 February 2023, the following companies were entitled to exemption from audit of their individual accounts under section 479A of the Companies Act 2006 relating to subsidiary companies:

- Global Edu Cafeteria Limited (13280069)
- Global Edu Services Limited (13068269)
- Language Path Education Limited (13312625)
- Path Creative School Limited (14123900)

2.4 Going concern

Having considered post year end trading, financial results, cash reserves, and after making enquiries, the directors have a reasonable expectation that the Group and the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements are approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.5 Foreign currency translation
Functional and presentation currency

The Company's functional and presentational currency is 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 consolidated profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.6 Revenue

Revenue is derived from the provision of educational courses. 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.

Revenue represents tuition fees in relation to courses delivered during the year and is recognised evenly over the period of the relevant courses. Amounts invoiced for the courses which will be provided in future periods are held at the balance sheet date within deferred income. Where tuition has been provided to funded students but the funding has not yet been received the income is recognised as accrued income. Revenue is recognised in relation to active students only. Active students are defined as those that are actively engaged with their courses. Where a student is absent for a period of time, the Student Success Tutors contact the student via phone or email to understand their absence and advise them on the potential impact a sustained absence may have on their funding. The Retention Team is informed to re- engage and ultimately take a decision as to the student's status. If a student has not attended courses for a 4-week period and have not engaged with the relevant teams and tutors, they are suspended from study and after 5 weeks they are no longer considered active or we change status to withdrawn. Income is not recognised in respect of such students after that period.

Revenue from the Education and Skills Funding Agency (ESFA) is recognised monthly in arrears after the training has been provided, and 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 group 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.

Revenue from the sale of goods is recognised when the following conditions have been met:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.7 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.

2.8 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 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.11 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.

2.12 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.

2.13 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.

2.14 Intangible assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

Amortisation is provided on the following bases:

Software installation -
20 % per annum on a reducing balance basis

Goodwill -
50 % per annum on a straight line basis

Customer lists -
50 % per annum on a straight line basis

2.15 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.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as stated below.

Depreciation is provided on the following basis:

Long-term leasehold property -
2% per annum on a straight line basis

Short-term leasehold property -
20% per annum on a reducing balance basis

Motor vehicles -
20% per annum on a reducing balance basis

Fixtures and fittings -
20% per annum on a straight line basis

Office equipment -
20% per annum on a reducing balance basis

Computer equipment -
33% per annum on a straight line basis

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.

2.16 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.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.18 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.19 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.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

2.20 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.21 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2.22 Financial instruments

The group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The group has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the group's balance sheet when the group 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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

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

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments
Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

2.23 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Turnover

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

	2023 £	2022 £
Provision of educational courses	**169,375,714**	81,692,315
Apprenticeship levies and training income	**126,527**	49,995
Sale of goods	**241,672**	64,713
	169,743,913	81,807,023

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	**164,964,429**	81,653,158
Rest of Europe	**1,452,521**	-
Rest of the world	**3,326,963**	153,865
	169,743,913	81,807,023

4. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Exchange differences	**27,812**	17,302
Other operating lease rentals	**7,835,993**	6,725,235
Depreciation of tangible fixed assets	**2,608,599**	1,231,819
Amortisation of intangible assets	**223,250**	142,896
Defined contribution pension costs	**573,334**	413,067
Impairment of tangible and intangible assets	**-**	919,095

5. Auditor's remuneration

During the year, the group obtained the following services from the company's auditor and its associates:

	2023 £	2022 £
Fees payable to the company's auditor and its associates for the audit of the consolidated and parent company's financial statements	**33,500**	30,000
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of the subsidiaries financial statements	**70,000**	58,800
All non-audit services not included above	**39,950**	33,000

6. Employees

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	**36,718,938**	15,897,353	**833,148**	-
Social security costs	**3,604,406**	1,525,610	**109,248**	-
Cost of defined contribution scheme	**573,334**	413,514	**5,815**	-
	40,896,678	17,836,477	**948,211**	-

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

	Group 2023 No.	Group 2022 No.	Company 2023 No.	Company 2022 No.
Academic staff	**545**	200	-	-
Non academic staff (incl directors)	**461**	230	**5**	1
	1,006	430	**5**	1

7. Directors' remuneration

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

	2023 £	2022 £
Directors' emoluments	**584,155**	-
Group contributions to defined contribution pension schemes	**3,815**	-
	587,970	-

During the year retirement benefits were accruing to 3 directors (2022 - NIL) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £200,000 (2022 - £NIL).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,321 (2022 - £NIL).

8. Interest receivable

	2023 £	2022 £
Other interest receivable	222	849
	222	849

9. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	370,536	30,082
	370,536	30,082

10. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	7,028,280	2,648,580
Adjustments in respect of previous periods	133,549	(20,147)
	7,161,829	2,628,433
Total current tax	7,161,829	2,628,433
Deferred tax		
Origination and reversal of timing differences	(848,205)	790,694
Changes to tax rates	7,814	-
Total deferred tax	(840,391)	790,694
Tax on profit	6,321,438	3,419,127

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	**31,876,236**	14,049,925
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	**6,056,485**	2,669,486
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**38,976**	198,277
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**16,439**	10,148
Capital allowances for year in excess of depreciation	**(207,875)**	(154,005)
Adjustments to tax charge in respect of prior periods	**141,363**	(20,147)
Short-term timing difference leading to an increase (decrease) in taxation	**-**	7,182
Other timing differences leading to an increase (decrease) in taxation	**-**	272,894
Non-taxable foreign losses	**450,241**	244,364
Adjustment for deferred tax raised at different effective tax rates	**(167,182)**	205,616
Other differences leading to an increase (decrease) in the tax charge	**(7,009)**	(14,688)
Total tax charge for the year	**6,321,438**	3,419,127

Factors that may affect future tax charges

In the Spring Budget 2021 on 3 March 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase 25% for companies with profits of over £250,000. A small profits rate will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. From this date companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

11. Dividends

	2023 £	2022 £
Dividends - Ordinary	**590,150**	280,000
	590,150	280,000

12. Exceptional items

	2023 £	2022 £
Impairment of goodwill	-	595,570
Long term leasehold property impairment	-	323,525
	-	919,095

13. Intangible assets

Group and Company

	Customer lists £	Computer software £	Goodwill £	Total £
Cost				
At 1 March 2022	**124,685**	823,127	**680,652**	1,628,464
Additions	-	441,843	-	441,843
At 28 February 2023	**124,685**	1,264,970	**680,652**	2,070,307
Amortisation				
At 1 March 2022	**15,586**	42,228	**680,652**	738,466
Charge for the year on owned assets	**62,343**	170,907	-	233,250
At 28 February 2023	**77,929**	213,135	**680,652**	971,716
Net book value				
At 28 February 2023	**46,756**	1,051,835	-	1,098,591
At 28 February 2022	**109,099**	780,899	-	889,998

13. Intangible assets

Group and Company

	Freehold property £	Long-term leasehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation								
At 1 March 2022	-	9,519,630	**5,840,754**	**219,767**	98,426	**1,603,298**	1,924,046	**19,205,921**
Additions	-	321,199	**2,274,738**	**13,313**	204,628	**907,149**	1,100,972	**4,821,999**
Transfers between classes	**9,840,829**	(9,840,829)	-	-	-	-	-	-
At 28 February 2023	**9,840,829**	-	**8,115,492**	**233,080**	303,054	**2,510,447**	3,025,018	24,027,920
Depreciation								
At 1 March 2022	-	347,324	**569,130**	**35,983**	5,842	**339,115**	505,644	**1,803,038**
Charge for the year on owned assets	-	142,794	**1,278,399**	**36,894**	25,336	**344,226**	776,054	**2,603,703**
Transfers between classes	**490,118**	(490,118)	-	-	-	-	-	-
At 28 February 2023	**490,118**	-	**1,847,529**	**72,877**	31,178	**683,341**	1,281,698	**4,406,741**
Net book value								
At 28 February 2023	**9,350,711**	-	**6,267,963**	**160,203**	271,876	**1,827,106**	1,743,320	**19,621,179**
At 28 February 2022	-	9,172,306	**5,271,624**	**183,784**	92,584	**1,264,183**	1,418,402	**17,402,883**

14. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	Company 2023 £	Company 2022 £
Freehold	9,350,711	-
Long leasehold	-	9,172,306
Short leasehold	6,267,963	5,271,624
	15,618,674	14,443,930

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 March 2022	5,670,822
Additions	525,106
At 28 February 2023	6,195,928

15. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Global Banking School Limited	891 Greenford Road, Greenford, London, UB6 0HE	Ordinary	100%
Global Edu Services Limited	Greenford, London, UB6 0HE	Ordinary	100%
Global Edu Cafeteria Limited	Greenford, London, UB6 0HE	Ordinary	100%
Language Path Education Limited	Greenford, London, UB6 0HE	Ordinary	100%
Global Edu Properties Limited	Greenford, London, UB6 0HE	Ordinary	100%
Global Business Studies FZ-LLC	Unit G05, Ground floor, Block 5 Dubai Knowledge Park, Dubai, UAE	Ordinary	100%
GBS Malta Education Holding Limited	International House,Mdina Road, Mriehel, Birkirkara BRK 3000, Malta	Ordinary	100%
GBS HE Malta Limited	International House,Mdina Road, Mriehel, Birkirkara BRK 3000, Malta	Ordinary	100%
Language Path Education Limited (Malta)	International House,Mdina Road, Mriehel, Birkirkara BRK 3000, Malta	Ordinary	100%
Metagedu Apprenticeships Limited	Greenford, London, UB6 0HE	Ordinary	100%
Path Creative School Limited	Greenford, London, UB6 0HE	Ordinary	100%
GBS Germany GmbH	Schwanthalerstraße 73, 80336 Munchen	Ordinary	100%
Gedu Holdings (Canada) Ltd	c/o Pushor Mitchell LLP Suite 301, 1665 Ellis Street, Kelowna, V1Y 2B3	Ordinary	100%

16. Stocks

	Group 2023 £	Group 2022 £
Finished goods and goods for resale	**13,917**	5,554
	13,917	5,554

The difference between purchase price or production cost of stocks and their replacement cost is not material.

17. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2023 £
Due after more than one year				
Other debtors	**1,540,381**	1,425,034	**-**	-
Prepayments and accrued income	**2,222,205**	-	**-**	-
	3,762,586	1,425,034	**-**	-
Due within one year				
Trade debtors	**53,450,259**	35,042,736	**-**	-
Amounts owed by group undertakings	**-**	-	**1,325,454**	2,297,386
Other debtors	**923,035**	76,566	**-**	1
Prepayments and accrued income	**1,994,571**	364,907	**-**	-
Deferred taxation	**13,305**	-	**323,369**	-
	60,143,756	36,909,243	**1,648,823**	2,297,387

18. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2023 £
Cash at bank and in hand	**21,174,643**	1,226,162	**4,915,238**	
	21,174,643	1,226,162	**4,915,238**	-

19. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2023 £
Bank loans	**419,268**	416,869	-	-
Trade creditors	**624,005**	1,826,763	**11,721**	-
Amounts owed to group undertakings	-	-	**65**	3,458
Corporation tax	**6,093,025**	2,745,028	-	-
Other taxation and social security	**1,581,351**	734,956	**113,423**	-
Obligations under finance lease and hire purchase contracts	-	68,749	-	-
Other creditors	**1,375,188**	403,682	**3,045**	-
Accruals and deferred income	**33,167,436**	21,073,699	**357,860**	37,800
	1,994,571	364,907	**486,114**	41,258

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

	2023 £	2022 £
Bank loans	**7,896,897**	8,333,761
Accruals and deferred income	**4,579,984**	3,042,333
	12,476,881	11,376,094

Accruals and deferred income comprise rent free period accruals on operating leases. Bank loans are detailed in note 21.

21. Loans

Analysis of the maturity of loans is given below:

	Company 2023 £	Company 2022 £
Amounts falling due within one year		
Bank loans	**419,268**	416,869
	419,268	416,869
Amounts falling due 1-2 years		
Bank loans	**425,512**	427,988
	425,512	427,988
Amounts falling due 2-5 years		
Bank loans	**7,471,385**	7,905,773
	7,471,385	7,905,773
	8,316,165	8,750,630

The bank loan bears interest at a rate of SONIA + 2.55% per annum, and is repayable in monthly installments over 46 months, with a final balloon payment in November 2026 of £6,688,705. This loan is secured by fixed and floating charges over the assets of a group company. The bank loan balance includes capitalised loan arrangement fees of £72,432 (2022: £81,416).

22. Financial instruments

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2023 £
Financial assets				
Financial assets measured at fair value through profit or loss	**21,174,643**	1,226,162	**4,915,238**	-

Financial assets measured at fair value through profit or loss comprise cash and bank balances.

23. Deferred taxation

Group	2023 £
At beginning of year	(813,344)
Charged to profit or loss	826,649
At end of year	13,305

Company	2023 £
Charged to profit or loss	323,369
At end of year	323,369

The deferred taxation balance is made up as follows:

	Group 2023 £	Group 2022 £	Company 2023 £
Accelerated capital allowances	(710,655)	**(871,479)**	-
Tax losses carried forward	723,960	**49,341**	323,369
Other timing differences	-	**8,794**	-
	13,305	**(813,344)**	323,369

24. Provisions

	Dilapidation provision for leasehold properties £	Other provision - VAT £	Total £
Charged to profit or loss	3,340,000	**1,000,000**	4,340,000
At 28 February 2023	3,340,000	**1,000,000**	4,340,000

Dilapidation provisions comprise the current estimate for dilapidation's work required under the terms of various lease agreements the company has entered into.

Other provisions represent the provision for VAT due under the reverse charge provisions.

25. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
5,000,001 (2022 - 5,000,001) Ordinary shares of £1.00 each	**5,000,001**	5,000,001

26. Reserves

Foreign exchange reserve

This represents cumulative translation differences arising on translation of foreign subsidiaries operations.

Merger Reserve

Merger accounting gives rise to a merger reserve in the consolidated balance sheet, being the difference between the nominal value of the shares held by the combined entity, and the shares at nominal value held by the parent company.

Profit and loss account

The profit and loss account includes all current retained profits attributable to the owners of the parent.

27. Analysis of net debt

	At 1 March 2022 £	Cash flows £	Other non-cash changes £	At 28 February 2023 £
Cash at bank and in hand	**1,226,162**	19,933,422	**15,059**	21,174,643
Debt due after 1 year	**(8,333,761)**	436,864	-	(7,896,897)
Debt due within 1 year	**(510,581)**	91,313	-	(419,268)
Finance leases	**(68,749)**	68,749	-	-
	(7,686,929)	20,530,348	**15,059**	12,858,478

28. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £573,334 (2022 - £413,514) . Contributions totaling £102,783 (2022 - £34,828) were payable to the fund at the balance sheet date and are included in creditors.

29. Commitments under operating leases

At 28 February 2023 the group and the company had future minimum lease payments due under non- cancellable operating leases for each of the following periods:

	Company 2023 £	Company 2022 £
Not later than 1 year	**8,518,034**	3,596,790
Later than 1 year and not later than 5 years	**29,781,970**	17,505,291
Later than 5 years	**13,423,952**	17,763,069
	51,723,956	38,865,150

30. Related party transactions

Balances and transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation and are not disclose in this note. Details of transactions between the Group and other related parties are disclosed below:

Group	Purchases from related party 2023 £
Foreign company controlled by a director	1,612,814

Key management personnel costs for the Group (including directors) amounted to £1,584,654.

31. Post balance sheet events

Since the 28 February 2023 the following events have occurred:

In March 2023 GEDU Holdings (Canada) Ltd. incorporated a new Canadian subsidiary (English Path Ltd).

In March 2023 Global Education Holdings Limited incorporated a new Australian subsidiary company (Gedu Australia Holding Pty Ltd). In March 2023, Gedu Australia Holding Pty Ltd also incorporated a new Australian subsidiary company (English Path Pty Ltd).

In April 2023 Global Education Holdings Limited incorporated a new Indian subsidiary company (Gedu Services Private Limited).

In May 2023, a portion of the loan due to the Group by Metagedu Apprenticeships Limited, has been used to purchase and an additional 1.2 million shares in the subsidiary for £1.2 million.

In June 2023, Gedu Holdings (Ireland) Ltd acquired the entire share capital of NCG Education Dublin Limited, a provider of English language courses in Dublin, Ireland.

In August 2023, Gedu Holdings (Ireland) Ltd acquired the entire share capital of École de Management Appliqué, a provider of higher education courses in Paris, France.

In August 2023, Global Education Holdings Limited acquired the entire share capital of MLA College Limited, a UK-based award-winning higher education provider specialising in the delivery of UK distance learning degrees.

In September 2023 an additional £1 million was added to the share capital of MLA College Limited by Global Education Holdings Limited.

32. Controlling party

The ultimate controlling party is Dr V Rana who owns a majority of the share capital in the company.

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