
Company Registration No. 11299797

**QAHE (SOLENT)
LIMITED**

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

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QAHE (SOLENT) LIMITED

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QAHE (SOLENT) LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | Nathan Runnicles Julie Noone (resigned 1 December 2021) Paul Geddes Simon Nelson (appointed 1 December 2021) |
| Registered number | 11299797 |
| Registered office | International House 1 St Katherine's Way London EW1 1UN |

QAHE (SOLENT) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2021

The Directors present their annual report on the affairs of QAHE (Solent) Limited (the 'Company') and the financial statements for the year ended 31 May 2021.

Principal activity

The Company provided higher education services for the period that it traded in the financial year and prior financial year. The Company ceased trading in the year, and transferred out certain trading working capital balances to fellow group undertakings in the year.

Dividends

The Company has not paid any dividends in the year and the Directors do not recommend the payment of a dividend.

Results

The loss after taxation for the year was £0.6m (2020: £0.1m).

The Company's had a net liabilities position of £1.0m (2020: £0.4m) at the balance sheet date of 31 May 2021.

Directors

The Directors who served during the year and subsequently were:

Nathan Runnicles

Julie Noone (resigned 1 December 2021)

Paul Geddes

Simon Nelson (appointed 1 December 2021)

Financial key performance indicators

The Company is managed as part of the overall Group. For this reason, the Directors believe that specific KPIs for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Group including this company is discussed in the Annual Report of IndigoCyan Holdco 3 Limited. This report can be viewed at www.qa.com. The Group is defined as the IndigoCyan Holdco 3 Limited Group. See note 12 for details of the ultimate controlling party and relationship between parent and entity.

Future developments

The Company has now ceased trading so financial statements have not been prepared on a going basis, but assets have been impaired where appropriate and accounting for both assets and liabilities complies with FRS101. See note 13 for events subsequent to the balance sheet date.

Principal risks and uncertainties

The Company has ceased trading and the trade has been transferred to a fellow Group undertaking. The remaining assets and liabilities relate to cash at bank and intercompany liabilities.

As a consequence, further consideration of risks and uncertainties is not required.

Transfer of trade and basis of accounting non -going concern

During the year ended 31 May 2021 QAHE Solent Limited either impaired assets or transferred its trade and most of related working capital assets and liabilities to QAHE (SU) Limited. It is therefore not appropriate to prepare the accounts on a going concern basis. The remaining asset and liabilities in the balance sheet include cash at bank and intercompany creditors.

QAHE (SOLENT) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2021

Directors' indemnities

The Company has made qualifying third -party indemnity provisions for the benefit of its Directors and officers and these remain in force at the date of this report.

Statement by the director in performance of statutory duties in accordance with s172

The Company transferred trade to fellow group undertaking QAHE (SU) Limited part way through the financial year. For the period when the business was trading, the Directors took into account the likely consequences of long-term decisions; built relationships with stakeholders; understood the importance of engaging with employees; understood the impact of our operations on the communities and the environment we worked within.

For the period of trading, the Directors successfully co-operated with stakeholders to deliver virtual courses, whilst maintaining the standards required by our partners and working co-operatively with our suppliers in order to achieve that. Excellent communications with employees was maintained. The Directors and senior management work collaboratively with our university partners, involving regular cross functional meetings regarding quality, course provision, student feedback.

The Board appreciates the importance of effective stakeholder engagement and that stakeholders' views should be considered in its decision-making. The Board of Directors of QAHE (Solent) Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole and having regard (amongst other matters) to factors (a) to (f) S172 Companies Act 2006, in the decisions taken during the year ended 31 May 2021.

During the periods of trading which have been affected by the Covid 19 pandemic, the Company has taken steps to maintain a safe working environment and has made use of government financial schemes and reliefs.

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practise), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period.

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

- *select suitable accounting policies and apply them consistently;*
- *make judgements and estimates that are reasonable and prudent and;*
- *prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will remain in business.*

QAHE (SOLENT) LIMITED


**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2021**

Post balance sheet events

On 1 July 2021, a fellow group undertaking Seckloe 208 Limited, acquired 85.5% of Circus Street London Limited, a global leader in providing commercial digital skills including ecommerce, data analytics and digital marketing skills through its subscription-based, proprietary digital platform.

In September 2021, the QAHE Group and the wider IndigoCyan Holdco 3 group was subject to a cyber attack. Further details are included in the Annual Report for the wider group headed by IndigoCyan Holdco 3 Limited which can be obtained from www.qa.com.

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


Nathan Runnicles
Director

Date 31 March 2022

QAHE (SOLENT) LIMITED

INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2021

| | Note | 2021 £m | 2020 £m |
|------------------------------------|------|--------------|--------------|
| Turnover | 2 | 0.3 | 0.3 |
| Cost of Sales | | (0.9) | (0.3) |
| Gross (loss)/ profit | | (0.6) | - |
| Administrative expenses | | (0.1) | (0.1) |
| Operating loss | | (0.7) | (0.1) |
| Loss before tax | | (0.7) | (0.1) |
| Tax on loss | 5 | 0.1 | - |
| Loss for the financial year | | (0.6) | (0.1) |

There was no other comprehensive income for the year.

All results derive from continuing operations.

The notes on pages 8 to 13 form part of these financial statements.

QAHE (SOLENT) LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2021**

| | Note | 2021 £m | 2020 £m |
|-----------------------------|------|--------------|--------------|
| ASSETS | | | |
| Non-current assets | 6 | - | - |
| Current assets | | | |
| Trade and other receivables | 7 | 0.1 | 0.4 |
| Cash and cash equivalents | 8 | 0.4 | 0.2 |
| Total assets | | 0.5 | 0.6 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 9 | (1.5) | (1.0) |
| Net liabilities | | (1.0) | (0.4) |
| EQUITY | | | |
| Share capital | 10 | - | - |
| Profit and loss account | 11 | (1.0) | (0.4) |
| | | (1.0) | (0.4) |

The notes on pages 8 to 13 form part of these financial statements.

For the year ended 31 May 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the period in question under section 476. The Directors acknowledge their responsibilities for complying with requirements of the Act in respect of accounting records and the preparation of accounts.

The financial statements of QAHE (Solent) Limited, registered number 11299797 were approved by the Board of Directors and authorised for issue on 31 March 2022

Signed on behalf of the Board of Directors by:

Nathan Runnicles
Director, 31 March 2022

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2021

2020

| | Share Capital £m | Profit and loss account £m | Total Equity £m |
|--|------------------------|-------------------------------------|-----------------------|
| A 9 April 2019 | - | (0.3) | (0.3) |
| Loss for the period | - | (0.1) | (0.1) |
| Total comprehensive income for the period | - | (0.1) | (0.1) |
| At 31 May 2020 | - | (0.4) | (0.4) |

2021

| | Share Capital £m | Profit and loss account £m | Total Equity £m |
|--|------------------------|-------------------------------------|-----------------------|
| At 1 June 2020 | - | (0.4) | (0.4) |
| Loss for the year | - | (0.6) | (0.6) |
| Total comprehensive income for the year | - | (0.6) | (0.6) |
| At 31 May 2021 | - | (1.0) | (1.0) |

The notes on pages 8 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. General information and basis of accounting

QAHE (Solent) Limited (the 'Company') is a private limited company and domiciled in England and Wales.

The financial statements are prepared in accordance with Financial Reporting Standard 101, Reduced Disclosure Framework.

The functional and presentational currency of the Company is considered to be Pound Sterling because that is the currency of the primary economic environment in which the Company operates. The report is presented in £ms, although precise share capital information is given in the note.

Summary of disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraph 62, B64 (d), B64 (e), B64 (g), B64 (h), B64 (j) to B64 (m), B64 (n) ii, B64 (o) ii, B64 (p), B64 (q) (ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the paragraphs of 91-99 of IFRS 13 Fair Value Measurement;
- the requirements in paragraph 38 of IAS 1 Presentation of Financial Statements, to present comparative information in respect of:
 - i) paragraph 73 e) of IAS 16, Property, Plant and Equipment;
 - ii) paragraph 118 e) of IAS 38 Intangible Assets;
- the requirements of paragraphs of 10 (d), 10 (f), 16, 38A, 38B, 38C, 40A, 40C, 40D, 111, and 134-136 of IAS Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18 A of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or members of a group, provided that any subsidiary which is a party to the transaction, is wholly owned by such a member.

The accounting policies set out below, have, unless otherwise stated, been applied consistently in these financial statements.

In application of these accounting policies, described above, the Directors are required make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are explained in the accounting policies below and are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Going concern

The business transferred trade and working capital during the year to another group entity, QAHE SU Limited. The accounts therefore have not been prepared on a going concern basis. The remaining assets and liabilities relate to cash and intercompany balances.

Turnover

All turnover relates to the provision of education and training services. All turnover arises within the United Kingdom.

Investments

Investments are carried at cost, less any impairment.

Basic financial instruments

Debtors/ creditors

Debtors are recognised initially at transaction price, less attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. If the arrangement constitutes a financing transaction, for example if a payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at the market rate of instrument for a similar debt instrument

Impairment

The Company recognise impairments to debtors using expected life-time losses to be recognised from the initial recognition of the receivables. For other assets, impairments are recognised where there is objective evidence that the asset is impaired.

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit and loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event after the initial recognition of the asset, and the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. An impairment loss in respect of financial asset measured at amortised cost is calculated as the difference between the carrying amount and the present value of future cash flows discounted at the asset's original effective rate.

For the financial instrument measured at cost less impairment, an impairment is calculated as the difference between the carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Impairment losses are recognised in the Consolidated Income Statement. When a subsequent event causes the amount of impairment loss to be decreased, the decrease in impairment loss is reversed through the profit or loss for the financial year.

Taxation

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of prior periods.

NOTES TO THE FINANCIAL STATEMENTS

Taxation (continued)

Deferred tax is provided on timing differences which arise on the inclusion of income tax and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following tax adjustments are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met.

Deferred tax is not recognised on permanent differences arising because of certain types of income and expenditure are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates that are enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Critical accounting judgements

In the application of the Company's accounting policies described above the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are explained in the individual accounting policies above and are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty are set out below.

Key sources of estimation uncertainty

Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise. The uncertainty relates to the forecast cash flows.

2. Turnover

All turnover relates to the provision of higher education.

All turnover arises within the United Kingdom.

3. Directors' Remuneration

The Directors did not receive any remuneration for their services to the Company during the year, (2020: nil). It is not practicable to allocate their remuneration from other Group companies.

NOTES TO THE FINANCIAL STATEMENTS

4 Staff costs and numbers

The Company had no employees other than Directors during the year (2020: none). Although there are recharges from other group companies in respect of staff costs, the employment contracts with staff are not held by QAHE (Solent) Limited.

5. Tax

The tax credit on the result for the current year ended 31 May 2021 was £0.1m (2020: less than £0.1m).

| | 2021 | 2020 |
|---|------------|----------|
| | £m | £m |
| Loss before tax for the period | (0.7) | (0.3) |
| Corporation tax credit arising at the standard rate | 0.1 | 0.1 |
| Group relief | - | (0.1) |
| | 0.1 | - |

6. Investments

QAHE (Solent) Limited held a £490 investment in Solent Pathway Campus Limited as at 31 May 2021 (31 May 2020: £490) but has now transferred the ownership to QAHE (SU) Limited, as well as certain other working capital balances.

7. Debtors: amounts falling due within one year

| | 2021 | 2020 |
|--------------------------------------|------------|------------|
| | £m | £m |
| Amounts owed from Group undertakings | 0.1 | - |
| Other debtors | - | 0.4 |
| | 0.1 | 0.4 |

8. Cash and cash equivalents

| | 2021 | 2020 |
|--------------|------------|------------|
| | £m | £m |
| Cash at bank | 0.4 | 0.2 |
| | 0.4 | 0.2 |

NOTES TO THE FINANCIAL STATEMENTS

9. Creditors: amounts falling due within one year

| | 2021 £m | 2020 £m |
|---|------------|------------|
| Amounts due to Group and related party undertakings | 1.5 | 1.0 |
| | <u>1.5</u> | <u>1.0</u> |

10. Share Capital

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Authorised and allotted share capital of £1 each | 1 | 1 |
| | <u>1</u> | <u>1</u> |

11. Reserves

Profit and loss account

The profit and loss account represents accumulated profits and losses since the company was incorporated, less any dividends received from or paid to other group undertakings.

12. Ultimate Controlling Party

The Company is a wholly owned subsidiary of QAHE Limited, a company registered in England and Wales.

The ultimate parent undertaking and ultimate controlling party is IndigoCyan Holdings Jersey Limited.

The most senior parent entity producing publicly available financial statements is Indigo Cyan Holdco 3 Limited. These financial statements are available on the Group's website: www.qa.com and are also available from the Company's registered address.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is IndigoCyan Holdco 3 Limited, incorporated in Jersey.

The address of IndigoCyan Holdco 3 Limited is 27 Esplanade, St Helier, Jersey, JE1 1SG.

The parents of the smallest group in which these financial statements are consolidated is QAHE Limited, incorporated in the United Kingdom.

The address of QAHE Limited is International House, 1 St Katherine's Way, London, EW1 1UN.

NOTES TO THE FINANCIAL STATEMENTS

13. Events Subsequent to the Balance Sheet Date

On 1 July 2021, a fellow group undertaking, Seckloe 208 Limited, acquired 85.5% of Circus Street London Limited, a global leader in providing commercial digital skills including e commerce, data analytics and digital marketing skills through its subscription-based, proprietary digital platform.

In September 2021, the QAHE Group and the wider Indigo Cyan Holdco 3 group was subject to a cyber attack. Further details are included in the Annual Report for the wider group headed by Indigo Cyan Holdco 3 Limited which can be obtained from www.qa.com.