

Company registration number 11552365 (England and Wales)

**CHATSWORTH TOPCO LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# CHATSWORTH TOPCO LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	T Ashlin R Berry A Delaney F Knipe W Colvin S. Fairlie	(Appointed 1 September 2020) (Resigned 1 August 2021)
<b>Company number</b>	11552365	
<b>Registered office</b>	Part Of Crimea Office Former Estate Office At The Great Tew Estate Great Tew Chipping Norton Oxfordshire United Kingdom OX7 4AH	
<b>Auditor</b>	Grant Thornton UK LLP 17th Floor 103 Colmore Row Birmingham B3 3AG	
<b>Bankers</b>	Barclays Bank PLC 2 Churchill Place London United Kingdom E14 5RB	
<b>Solicitors</b>	Clyde & Co LLP The St Botolph Building 138 Houndsditch London United Kingdom EC3A 7AR	

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# CHATSWORTH TOPCO LIMITED

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# CHATSWORTH TOPCO LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 AUGUST 2021

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The directors present the strategic report for the year ended 31 August 2021.

#### Strategy and principal activities

Chatsworth Schools' strategy is to build a portfolio of outstanding independent schools and nurseries. The leadership team works closely with the schools and nurseries to enable each to be independent whilst upholding the group's values and ethos and to improve the learning and outcomes for all its children. The principal activity of the group during the year was the provision of pre-primary, primary and secondary education, and provision of services to those schools.

#### Principal risks and uncertainties

The principal risks can be broadly split into operational, financial and strategic categories.

Operational risks relate to the schools being compliant in all areas. The risk is mitigated by having dedicated central staff with great experience across all Health and Safety and HR as well as policies and procedures required by regulating bodies. The ability to attract new and retain existing pupils as a risk is mitigated by ensuring that the school continues to present an attractive proposition in the community it serves.

Financial risks include managing the collection of fees from parents. This risk has been highlighted in the year due to the impact of CV-19. This risk is mitigated by pro-actively communicating and working with parents to ensure that fees are collected in a timely manner.

Strategic risks relate to the group being able to identify, fund and complete new acquisitions. This risk is mitigated by proactively sourcing and reviewing potential acquisitions and having a seasoned team and industry advisors to complete deals.

#### Developments

During the year the group acquired Tiny Toes Nurseries in October 2020 and Riverston Group in March 2021.

#### Financial performance

The financial results for the year are shown in the consolidated statement of comprehensive income on page 9 of these financial statements.

The key financial and other performance indicators during the period were as follows:

	2021	2020
Actual pupils	1,465	974
Full time equivalent staff	314	201
Turnover	15,442,093	10,367,310
Gross profit/(loss)	3,741,017	1,421,903
Profit /(loss) for the financial year	(3,766,040)	(7,801,312)
Tangible fixed assets	9,037,637	8,010,198
Shareholder funds including preference shares	934,949	914,949

Turnover represents tuition fees plus income charged for non-tuition services.

# CHATSWORTH TOPCO LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **S172 Statement**

The Directors, in line with their duties under s172 of the Companies Act 2006, act individually and collectively in the way they consider, in good faith, what would be most likely to promote the success of the Company for the benefit of its members as a whole.

Chatsworth Schools has a clear purpose which is to nurture and promote the learning and welfare of every child in its care. With the aim being to enable them to be successful, complete citizens of the future.

The Directors promotes a culture of upholding the highest standards of business conduct and regulatory conduct. The Directors ensure these core values are communicated to the Company's employees and embedded in the Company's policies and procedures, employee induction and training programmes and its risk control and oversight framework. The Directors recognise that building strong and lasting relationships with our stakeholders will help us to deliver our strategy in line with our long-term values, and operate a sustainable business.

The Company considers its stakeholders to include parents, pupils, staff, suppliers, banks and members. Engagement with stakeholders is through a variety of forms. These include regular agenda driven meetings for a variety of groups including head teachers, school senior leadership teams, school department staff, central support staff, independent governor meetings, school parent evenings, school parent association meetings and events and board meetings. Engagement with staff, parents and pupils is also conducted through regular surveys. Periodic reviews of services enables engagement with suppliers.

The Company has key staff designated to work with the schools and the senior leaderships teams of the schools covering learning and teaching, enhanced learning, integrated learning and technology, estates and facilities, marketing and admissions as well as finance. These staff regularly visit and liaise closely with the key personnel in each school and nursery. These key staff provide a monthly report for inclusion in the Directors board reporting pack, as well as weekly term time meetings of these key staff with executive Directors to discuss key issues.

Each school and nursery provides a report on a monthly basis for inclusion in the Directors board reporting pack that also highlights issues regarding safeguarding, compliance and health and safety.

During the year to 31 August 2021 the Directors and head teachers took various decisions to enable the business to operate as effectively as possible with the underlying COVID-19 environment, which included the continued investment in and use of remote learning capabilities where required, rigorous risk assessments for day to day operations and continual review of key fee income and input cost levels.

On behalf of the board

F Knipe

**Director**

28 November 2022

# CHATSWORTH TOPCO LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2021

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The directors present their annual report and financial statements for the year ended 31 August 2021.

#### Principal activities

The principal activity of the group during the year was the provision of pre-primary, primary and secondary education, and provision of services to those schools.

#### Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T Ashlin	
R Berry	
A Delaney	
S Fairlie	(Resigned 1 August 2021)
F Knipe	
W Colvin	(Appointed 1 September 2020)

#### Directors' insurance

Directors' indemnity insurance, indemnifying each director against liability to third parties, has been in place throughout the year ended 31 August 2021 and up to the date of approval of this report.

#### Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

# **CHATSWORTH TOPCO LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Exposure to Financial Risks**

The group has an acquisition loan facility with Investec Bank plc which incurs interest based on SONIA interest rate. Currently the group does not have any SONIA interest rate hedging.

The group's income is generated predominantly from individuals and a small proportion from local authorities. The group manages the credit risk by naturally having a large number of individuals who are customers rather than a concentration, also the group manages credit control closely and works with individuals as appropriate when credit risk may be relevant. With regards to local authorities the group works closely with them and ensures that the requirements for payments are met.

The majority of the group's cost base is staff costs which are reviewed annually and compared to the relevant market. Rent payments are also a significant proportion of the group's cost and the majority of the leases have price increases with fixed floor and ceiling limits. Other costs are managed through supplier engagement and market testing prices.

### **Future developments**

The group continues to invest in the schools in both the physical buildings, as well as in IT infrastructure and capability. A number of schools have required significant investment in infrastructure due to a lack of investment in prior years, especially prior to acquisition. Similarly there has been investment in IT capability, which has been highlighted by the need to provide remote learning during periods of lockdown.

The group expects to continue with significant investment in physical buildings as well as IT capability for the foreseeable future to catch up the prior years of under investment and also to enable the learning environment and experience to be up to date.

The group continues to seek to grow through both acquisitions of new schools and also increasing capacity in selected existing schools.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Grant Thornton UK LLP be reappointed as auditor of the company and the group will be put at a General Meeting.

### **Carbon reporting**

None of the company's UK subsidiaries are large companies and, therefore, are not obliged to report under the SECR regulations. Accordingly, the company has excluded the data from these companies from its report. The parent company consumes less than 40MWh of energy per year and is, therefore, exempt from providing full disclosure in this directors' report'.

# CHATSWORTH TOPCO LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) and in accordance with FRS102 '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 group and company, 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 and then apply them consistently;
- make judgements 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

F Knipe  
**Director**

28 November 2022



# CHATSWORTH TOPCO LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CHATSWORTH TOPCO LIMITED

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#### Opinion

We have audited the financial statements of Chatsworth Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2021, which comprise the Group Statement of Comprehensive Income, Group Statement of Financial Position, Company Statement of Financial Position, Group Statement of Changes in Equity, Company Statement of Changes in Equity, Group Statement of Cash Flows and notes to the financial statements, 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 the parent company's affairs as at 31 August 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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 and 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.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

# CHATSWORTH TOPCO LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHATSWORTH TOPCO LIMITED

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### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### Opinions 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 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 strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### Matter on which we are required to report under the Companies Act 2006

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 strategic report or the directors' report.

### Matters on which we are required to report by exception

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 for the financial statements

As explained more fully in the directors' responsibilities statement, 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.

# CHATSWORTH TOPCO LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHATSWORTH TOPCO LIMITED

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### **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 financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group through our general commercial and sector experience, discussions with management and legal correspondence. We determined that the following laws and regulations were most significant: FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Companies Act 2006. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements such as distributable profits legislation and tax legislation.
- We enquired of management concerning the group's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risk of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management whether they were aware of any instances of non-compliance with laws and regulations and corroborated the results of our enquiries to relevant supporting documentation.
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur and the risk of management override of controls. Audit procedures performed by the engagement team included:
  - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - challenging assumptions and judgements made by management in its accounting estimates for indications of management bias;
  - Identifying and testing journal entries, with a focus on unusual journals with specific risk characteristics and large value journals.
  - review of related party transactions and procedures to identify any previously undisclosed related parties and transactions
  - Inspecting the board minutes
  - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item

## **CHATSWORTH TOPCO LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHATSWORTH TOPCO LIMITED**

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These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;
  - knowledge of the industry in which the client operates; and
  - understanding of the legal and regulatory requirements specific to the entity including, the provisions of the applicable legislation, the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules and the applicable statutory provision.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition and management override of controls; and;
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the group's operations, including the nature of its revenue sources, products and services to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risk of material misstatement; and
  - the group's control environment, including:
    - the policies and procedures implemented by the group to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations
    - the adequacy of procedures for authorisation of transactions; and
    - procedures to ensure that possible breaches of law and regulations are appropriately resolved.

#### **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.

**William Devitt BSc FCA DChA**  
**Senior Statutory Auditor**  
**for and on behalf of Grant Thornton UK LLP**  
**Statutory Auditor, Chartered Accountants**  
**Birmingham**  
**Date: 29 November 2022**

# CHATSWORTH TOPCO LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
<b>Revenue</b>	<b>3</b>	15,442,093	10,367,310
Cost of sales		(11,701,076)	(8,945,407)
<b>Gross profit</b>		<b>3,741,017</b>	<b>1,421,903</b>
Administrative expenses		(7,071,866)	(5,687,732)
Other operating income		648,084	454,680
Exceptional items	<b>4</b>	2,977,818	(304,828)
<b>Operating profit/(loss)</b>	<b>5</b>	<b>295,053</b>	<b>(4,115,977)</b>
Finance costs	<b>9</b>	(3,869,787)	(3,758,131)
<b>Loss before taxation</b>		<b>(3,574,734)</b>	<b>(7,874,108)</b>
Tax on loss	<b>10</b>	(781)	72,796
<b>Loss for the financial year</b>	<b>24</b>	<b>(3,575,515)</b>	<b>(7,801,312)</b>

Total comprehensive income for the year is all attributable to the owners of the parent company.

The notes on pages 16 to 37 form part of these financial statements.

# CHATSWORTH TOPCO LIMITED

## GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£	£	£	£
<b>Non-current assets</b>					
Goodwill	11	18,251,431		14,755,966	
Negative goodwill	11	(223,287)		(253,738)	
Net goodwill		18,028,144		14,502,228	
Other intangible assets	11		12		13
Total intangible assets		18,028,156		14,502,241	
Property, plant and equipment	12	9,037,638		8,010,198	
		27,065,794		22,512,439	
<b>Current assets</b>					
Inventories	15	1,880		-	
Trade and other receivables	17	5,544,016		2,539,300	
Cash and cash equivalents		2,661,934		617,045	
		8,207,830		3,156,345	
<b>Current liabilities</b>	18	(11,150,092)		(6,643,564)	
<b>Net current liabilities</b>		(2,942,262)		(3,487,219)	
<b>Total assets less current liabilities</b>		24,123,532		19,025,220	
<b>Non-current liabilities</b>	19	(39,500,150)		(30,846,323)	
<b>Net liabilities</b>		(15,376,618)		(11,821,103)	
<b>Equity</b>					
Called up share capital	23	945		925	
Share premium account	24	934,004		914,024	
Capital redemption reserve	24	35		35	
Retained earnings	24	(16,311,602)		(12,736,087)	
<b>Total equity</b>		(15,376,618)		(11,821,103)	

The financial statements were approved by the board of directors and authorised for issue on 28 November 2022 and are signed on its behalf by:

F Knipe  
Director

The notes on pages 16 to 37 form part of these financial statements.

# CHATSWORTH TOPCO LIMITED

## COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
<b>Non-current assets</b>					
Non-current amounts owed by group undertakings	17	22,810,174		-	
Investments	13		1		1
		22,810,175			1
<b>Current assets</b>					
Trade and other receivables	17	-		20,368,293	
<b>Current liabilities</b>					
	18	(25,000)		(45,001)	
<b>Net current (liabilities)/assets</b>					
			(25,000)		20,323,292
<b>Total assets less current liabilities</b>					
			22,785,175		20,323,293
<b>Non-current liabilities</b>					
	19	(21,831,755)		(19,374,585)	
<b>Net assets</b>					
			953,420		948,708
<b>Equity</b>					
Called up share capital	23		945		925
Share premium account	24		934,004		914,024
Capital redemption reserve	24		35		35
Retained earnings	24		18,436		33,724
<b>Total equity</b>					
			953,420		948,708

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was £15,288 (2020 - £46,443 loss).

The financial statements were approved by the board of directors and authorised for issue on 28 November 2022 and are signed on its behalf by:

F Knipe  
Director

Company Registration No. 11552365

The notes on pages 16 to 37 form part of these financial statements.

# CHATSWORTH TOPCO LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Retained earnings £	Total £
<b>Balance at 1 September 2019</b>		960	959,024	-	(4,934,775)	(3,974,791)
<b>Year ended 31 August 2020:</b>						
Loss and total comprehensive income for the year		-	-	-	(7,801,312)	(7,801,312)
Issue of share capital	23	10	-	-	-	10
Redemption of shares	23	(45)	-	35	-	(10)
Other movements		-	(45,000)	-	-	(45,000)
<b>Balance at 31 August 2020</b>		925	914,024	35	(12,736,087)	(11,821,103)
<b>Year ended 31 August 2021:</b>						
Loss and total comprehensive income for the year		-	-	-	(3,575,515)	(3,575,515)
Issue of share capital	23	20	19,980	-	-	20,000
<b>Balance at 31 August 2021</b>		945	934,004	35	(16,311,602)	(15,376,618)

The notes on pages 16 to 37 form part of these financial statements.



# CHATSWORTH TOPCO LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Retained earnings £	Total £
<b>Balance at 1 September 2019</b>		960	959,024	-	80,167	1,040,151
<b>Year ended 31 August 2020:</b>						
Loss and total comprehensive income for the year		-	-	-	(46,443)	(46,443)
Issue of share capital	23	10	-	-	-	10
Redemption of shares	23	(45)	-	35	-	(10)
Other movements		-	(45,000)	-	-	(45,000)
<b>Balance at 31 August 2020</b>		925	914,024	35	33,724	948,708
<b>Year ended 31 August 2021:</b>						
Loss and total comprehensive income for the year		-	-	-	(15,288)	(15,288)
Issue of share capital	23	20	19,980	-	-	20,000
<b>Balance at 31 August 2021</b>		945	934,004	35	18,436	953,420

The notes on pages 16 to 37 form part of these financial statements.

# CHATSWORTH TOPCO LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	29	(981,586)		(896,653)	
Income taxes paid		-		(1,500)	
<b>Net cash outflow from operating activities</b>		(981,586)		(898,153)	
<b>Investing activities</b>					
Purchase of intangible assets		-		(5)	
Movement in property, plant and equipment		9,361,610		(3,110,917)	
Purchase of investments		(10,253,588)		(165,364)	
<b>Net cash used in investing activities</b>		(891,978)		(3,276,286)	
<b>Financing activities</b>					
Issue/(redemption) of shares		20,101		(44,999)	
Interest paid		(4,666,902)		(204,283)	
Other financial costs		(152,085)		(375,044)	
Other long term financing reserves		6,866,754		3,905,157	
<b>Net cash generated from financing activities</b>		2,067,868		3,280,831	
<b>Net increase/(decrease) in cash and cash equivalents</b>		194,304		(890,608)	
Cash and cash equivalents at beginning of year		617,045		1,507,653	
Opening cash from acquisitions		962,261		-	
<b>Cash and cash equivalents at end of year</b>		1,773,610		617,045	
<b>Relating to:</b>					
Cash at bank and in hand		2,661,934		617,045	
Bank overdrafts included in creditors payable within one year		(888,324)		-	

The notes on pages 16 to 37 form part of these financial statements.

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

#### Company information

Chatsworth Topco Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Part Of Crimea Office, Former Estate Office At The Great Tew Estate, Great Tew, Chipping Norton, Oxfordshire, United Kingdom, OX7 4AH.

The group consists of Chatsworth Topco Limited and all of its subsidiaries.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### 1.2 Basis of consolidation

In the parent company 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. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **1 Accounting policies**

**(Continued)**

The consolidated group financial statements consist of the financial statements of the parent company Chatsworth Topco Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 August 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

### **1.3 Going concern**

When preparing these Financial Statements, the Directors have assessed the Group's ability to continue as a going concern. The Directors have made their assessment based on the preparation of a long-term cash flow projection, consideration of the impact key sensitivities on the cash flow and any appropriate mitigations, regular review of management accounts and the availability of various funding sources available to the Group.

The Directors are of the opinion that no material uncertainty exists in relation to the Group's ability to continue as a going concern for a period of 12 months from the date of approving these financial statements and therefore the accounts are prepared on a going concern basis.

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.4 Revenue

Revenue is recognised when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the company's activities are met as follows:

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Tuition fees are recognised at the fair value of the consideration received or receivable for services provided in the normal course of business when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Amounts invoiced in advance are deferred and carried forward within other payables, whilst amounts due but not yet received in the year are shown within other receivables.

Other income is recognised in the period it is receivable and to the extent the company has provided the goods or services.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.5 Intangible fixed assets - goodwill

Goodwill represents the difference between the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an positive or negative asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Business intellectual property	10% straight line
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# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

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

Freehold buildings	5% straight line
Leasehold buildings	5% straight line
Leasehold work in progress	5% straight line
Office equipment	20% straight line
Fixtures and fittings	6.67% straight line
IT Equipment and software	25% straight line
Motor vehicles	10% straight line
Library books	10% straight line
Furniture	10% straight line
Other assets	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of comprehensive income.

#### 1.8 Non-current investments

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.9 Impairment of non-current assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.10 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.11 Cash and cash equivalents

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

#### 1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

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

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

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

##### **Basic financial liabilities**

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

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

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

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### **1 Accounting policies**

**(Continued)**

#### **1.13 Equity instruments**

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



# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.14 Taxation

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

##### **Current tax**

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

##### **Deferred tax**

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

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

#### 1.15 Employee benefits

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

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

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

#### 1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The group also contribute to the Teachers' Pension Scheme which is a defined benefit scheme treated as a defined contribution scheme under the multi-employer exemption in FRS 102. Therefore, the company recognises a cost equal to its contributions payable for the period.

#### 1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. During the year the group has received government assistance by way of Job Retention Scheme payments and other reliefs.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.19 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.

#### 1.20 Finance costs

Finance costs are expenses that are presented separately on the profit and loss account and are in relation to interest payable. These costs are recognised in profit or loss in the period in which they are incurred.

### 2 Judgements and key sources of estimation uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are detailed below.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Useful economic life of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimates of useful economic lives and residual values of assets. The useful economic lives are reviewed annually and amended where necessary.

#### Impairment of intangible assets and goodwill

The Group considers whether intangible assets and/or goodwill are impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

#### Impairment of debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors, relationship with the debtors and historical experience.

### 3 Revenue

	2021	2020
	£	£
<b>Revenue analysed by class of business</b>		
Provision of educational services	15,442,093	10,367,310

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Revenue		(Continued)	
	2021	2020	
	£	£	
<b>Other revenue</b>			
Grants received	-	416,154	
Other income	-	38,526	
	<u>          </u>	<u>          </u>	
<b>4 Exceptional item</b>			
	2021	2020	
	£	£	
<b>Expenditure</b>			
Exceptional other costs, including pre-acquisition bad debt write offs	253,634	121,061	
Exceptional loss/(profit) on the disposal of fixed assets	(3,231,452)	98,719	
Exceptional restructuring costs	-	85,048	
	<u>          </u>	<u>          </u>	
	(2,977,818)	304,828	
	<u>          </u>	<u>          </u>	
<b>5 Operating profit/(loss)</b>			
	2021	2020	
	£	£	
Operating profit/(loss) for the year is stated after charging/(crediting):			
Government grants	-	(416,154)	
Depreciation of owned property, plant and equipment	607,729	454,376	
Reversal of past impairment of property, plant and equipment	1,614,875	-	
Amortisation of intangible assets	2,042,432	1,749,241	
Operating lease charges	1,112,225	974,123	
	<u>          </u>	<u>          </u>	
<b>6 Auditor's remuneration</b>			
	2021	2020	
	£	£	
Fees payable to the company's auditor and associates:			
<b>For audit services</b>			
Audit of the financial statements of the group and company	8,000	6,000	
Audit of the financial statements of the company's subsidiaries	72,000	49,000	
	<u>          </u>	<u>          </u>	
	80,000	55,000	
	<u>          </u>	<u>          </u>	

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 7 Employees

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Management	3	3	-	-
Staff	428	250	-	-
Total	431	253	-	-

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	8,798,170	6,591,592	-	-
Social security costs	1,005,041	648,604	-	-
Pension costs	397,710	558,461	-	-
	10,200,921	7,798,657	-	-

### 8 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	578,000	586,908
Company pension contributions to defined contribution schemes	5,150	3,558
	583,150	590,466

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2020 - 4).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	224,400	224,400
Company pension contributions to defined contribution schemes	1,316	1,315

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 9 Finance costs

	2021	2020
	£	£
Other interest on financial liabilities	3,788,248	3,708,573
Other interest	81,539	49,558
	<u>3,869,787</u>	<u>3,758,131</u>

### 10 Taxation

	2021	2020
	£	£
<b>Current tax</b>		
UK corporation tax on loss for the current period	781	(72,796)
	<u>781</u>	<u>(72,796)</u>

The actual charge/(credit) for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Loss before taxation	(3,574,734)	(7,874,108)
	<u>(3,574,734)</u>	<u>(7,874,108)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(679,199)	(1,496,081)
Tax effect of expenses that are not deductible in determining taxable profit	654,783	242,682
Gains not taxable	(1,297)	-
Unutilised tax losses carried forward	-	523,169
Permanent depreciation and amortisation difference	101,416	137,250
Other permanent differences	425,938	592,980
Under/(over) provided in prior years	781	(72,796)
Difference on accounting basis of capital disposal	(69,945)	-
Movement in deferred tax not recognised	(431,696)	-
	<u>781</u>	<u>(72,796)</u>
Taxation charge/(credit)	<u>781</u>	<u>(72,796)</u>

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 11 Intangible fixed assets

Group	Goodwill	Negative goodwill	Business intellectual property	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2020	18,528,606	(304,510)	15	18,224,111
Additions	5,568,347	-	-	5,568,347
At 31 August 2021	24,096,953	(304,510)	15	23,792,458
<b>Amortisation and impairment</b>				
At 1 September 2020	3,772,640	(50,772)	2	3,721,870
Amortisation charged for the year	2,072,882	(30,451)	1	2,042,432
At 31 August 2021	5,845,522	(81,223)	3	5,764,302
<b>Carrying amount</b>				
At 31 August 2021	18,251,431	(223,287)	12	18,028,156
At 31 August 2020	14,755,966	(253,738)	13	14,502,241

The company had no intangible fixed assets at 31 August 2021 or 31 August 2020.

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

12	Property, plant and equipment											
Group	Freehold buildings	Leasehold buildings	Leasehold in progress	Office equipment	Fixtures and fittings	IT Equipment and software	Motor vehicles	Library books	Furniture	Other assets	Total	
Cost	£	£	£	£	£	£	£	£	£	£	£	
At 1 September 2020	6,333,513	1,315,861	6,285	706,961	298,941	279,815	47,671	15,983	24,705	-	9,029,735	
Additions	1,874,835	23,283	26,055	9,889	1,667,714	694,444	29,082	2,728	76,447	32,951	4,437,428	
Disposals	(1,024,835)	(7,500)	-	-	(826,547)	(215)	(11,432)	-	-	-	(1,870,529)	
Revaluation	-	-	-	-	-	-	-	-	1,852	-	1,852	
Transfers	-	-	-	-	2,243	-	-	-	-	-	2,243	
At 31 August 2021	7,183,513	1,331,644	32,340	716,850	1,142,351	974,044	65,321	18,711	103,004	32,951	11,600,729	
Depreciation and impairment												
At 1 September 2020	427,702	39,356	-	484,068	20,975	40,709	3,104	2,414	1,209	-	1,019,537	
Depreciation charged in the year	352,315	65,975	-	66,490	8,503	108,617	4,574	1,687	(4,332)	3,900	607,729	
Accumulated depreciation on acquisition	205,328	-	-	-	1,203,391	201,000	5,156	-	-	-	1,614,875	
Eliminated in respect of disposals	(205,551)	-	-	-	(458,414)	-	(2,096)	-	-	-	(666,061)	
Transfers	-	-	-	-	(283,749)	212,401	-	-	46,311	12,048	(12,989)	
At 31 August 2021	779,794	105,331	-	550,558	490,706	562,727	10,738	4,101	43,188	15,948	2,563,091	
Carrying amount												
At 31 August 2021	6,403,719	1,226,313	32,340	166,292	651,645	411,317	54,583	14,610	59,816	17,003	9,037,638	
At 31 August 2020	5,905,811	1,276,505	6,285	222,893	277,966	239,106	44,567	13,569	23,496	-	8,010,198	

**CHATSWORTH TOPCO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**12 Property, plant and equipment**

**(Continued)**

The company had no property, plant and equipment at 31 August 2021 or 31 August 2020.



# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 13 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	14	-	-	1	1

### Movements in non-current investments Company

### Shares in group undertakings

#### Cost

At 1 September 2020 and 31 August 2021

£

1

#### Carrying amount

At 31 August 2021

1

At 31 August 2020

1

### 14 Subsidiaries

Details of the company's subsidiaries at 31 August 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
Chatsworth Midco Limited	See below	Education services	Ordinary shares	100.00
Chatsworth Bidco Limited	See below	Education services	Ordinary shares	100.00
Chatsworth Schools (Pattison College) Limited	See below	Education services	Ordinary shares	100.00
Chatsworth Schools (Village Prep) Limited	See below	Education services	Ordinary shares	100.00
The Marylebone Village Nursery Limited	See below	Education services	Ordinary shares	100.00
Chatsworth Schools (HSW) Limited	See below	Education services	Ordinary shares	100.00
Chatsworth Opco 1 Limited	See below	Education services	Ordinary shares	100.00
Benedict House School Limited	See below	Education services	Ordinary shares	100.00
Bassetsbury Manor School Limited	See below	Education services	Ordinary shares	100.00
Griffin House School Limited	See below	Education services	Ordinary shares	100.00
Swinbrook House Nursery Schools Limited	See below	Education services	Ordinary shares	100.00
Beau Peeps Nurseries Limited	See below	Education services	Ordinary shares	100.00
Chatsworth Schools (Highfield Preparatory) Ltd	See below	Education services	Ordinary shares	100.00
Chatsworth Newco 4 Limited T/A Tiny Toes	See below	Education services	Ordinary shares	100.00
Blenheim Schools Limited	See below	Education services	Ordinary shares	100.00
Riverston Group Limited	See below	Holding company	Ordinary shares	100.00
Riverston Schools (UK) Limited	See below	Education services	Ordinary shares	100.00
Riverston Properties Limited	See below	Property letting	Ordinary shares	100.00
Beech Hall School Limited	See below	Education services	Ordinary shares	100.00
Riverston School Limited	See below	Dormant	Ordinary shares	100.00

Shares in Chatsworth Midco Limited are held directly, all other investments are held indirectly.

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 14 Subsidiaries (Continued)

Registered office addresses (all UK unless otherwise indicated):

All: Part Of Crimea Office Former Estate Office At The Great Tew Estate, Great Tew, Chipping Norton, England, OX7 4AH

### 15 Inventories

	Group 2021 £	2020 £	Company 2021 £	2020 £
Finished goods and goods for resale	1,880	-	-	-

### 16 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	4,911,520	2,248,674	n/a	n/a
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	43,001,202	33,051,991	n/a	n/a

As permitted by the reduced disclosure framework within FRS 102, the company has taken advantage of the exemption from disclosing the carrying amount of certain classes of financial instruments, denoted by 'n/a' above.

### 17 Trade and other receivables

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Amounts falling due within one year:</b>				
Trade receivables	4,372,262	1,922,799	-	-
Other receivables	439,258	325,875	-	-
Prepayments and accrued income	716,837	290,626	-	-
	5,528,357	2,539,300	-	-
Deferred tax asset (note 21)	15,659	-	-	-
	5,544,016	2,539,300	-	-
<b>Amounts falling due after more than one year:</b>				
Amounts owed by group undertakings	-	-	22,810,174	20,368,293
<b>Total debtors</b>	<b>5,544,016</b>	<b>2,539,300</b>	<b>22,810,174</b>	<b>20,368,293</b>

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Current liabilities

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	20	888,324	-	-	-
Other borrowings	20	2,801	-	-	-
Trade payables		565,097	432,629	-	-
Amounts owed to group undertakings		-	-	25,000	45,000
Corporation tax payable		262,138	53,100	-	-
Other taxation and social security		705,295	1,009,366	-	-
Deferred income		6,681,607	3,375,430	-	-
Other payables		1,379,446	845,352	-	1
Accruals and deferred income		665,384	927,687	-	-
		<u>11,150,092</u>	<u>6,643,564</u>	<u>25,000</u>	<u>45,001</u>

### 19 Non-current liabilities

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Other borrowings	20	16	16	16	16
Other payables		39,500,134	30,846,307	21,831,739	19,374,569
		<u>39,500,150</u>	<u>30,846,323</u>	<u>21,831,755</u>	<u>19,374,585</u>

A legal charge was created on 25 October 2019 by Investec Bank PLC by means of a fixed and floating charge over the property and undertakings of the company.

### 20 Borrowings

		Group 2021 £	2020 £	Company 2021 £	2020 £
Bank overdrafts		888,324	-	-	-
Preference shares		16	16	16	16
Synova Capital Fund III LP loan note		30,192,694	26,839,724	21,831,739	19,374,569
Vendor Loan Note		102,151	102,151	-	-
Investec Bank PLC loan		9,122,724	3,935,754	-	-
Management Investor Loan		85,365	-	-	-
		<u>40,391,274</u>	<u>30,877,645</u>	<u>21,831,755</u>	<u>19,374,585</u>
Payable within one year		891,124	31,306	-	-
Payable after one year		<u>39,500,150</u>	<u>30,846,339</u>	<u>21,831,755</u>	<u>19,374,585</u>

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Assets 2021 £	Assets 2020 £
<b>Group</b>		
Deferred tax asset on acquisition of subsidiary	15,659	-

The company has no deferred tax assets or liabilities.

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

### 22 Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	397,710	558,461

At the year end, there was £171,337 (2020 - £250,592) payable which is included within creditors.

### 23 Share capital

Group and company	2021 Number	2020 Number	2021 £	2020 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary A of 0.1p each	800,000	800,000	800	800
Ordinary B of 0.1p each	145,000	125,000	145	125
	945,000	925,000	945	925
<b>Preference share capital</b>				
<b>Issued and fully paid</b>				
Preference of 0.0001p each	15,822,836	15,822,836	16	16
Preference shares classified as liabilities			16	16

On 9 February 2021, the group issued 20,000 Ordinary B shares at nominal value.

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 24 Reserves

#### Share premium

The share premium account represents amounts paid over and above the nominal value of the shares that have been issued.

#### Retained Earnings

The profit and loss account represents all accumulated net gains and losses.

#### Capital redemption reserve

The capital redemption reserve represents the nominal value of shares which have been purchased by the group.

#### Ordinary shares

Share capital represents the nominal value of share that have been issued.

### 25 Acquisition of a business

On 1 September 2020 the group acquired Tiny Toes.

	Book Value	Adjustments	Fair Value
	£	£	£
<b>Net assets acquired</b>			
Intangible assets	692,500	-	692,500
Property, plant and equipment	925,000	-	925,000
	<u>1,617,500</u>	<u>-</u>	<u>1,617,500</u>
Total identifiable net assets	<u>1,617,500</u>	<u>-</u>	<u>1,617,500</u>
Goodwill			-
Total consideration			<u>1,617,500</u>
The consideration was satisfied by:			£
Cash			<u>1,617,500</u>
Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:			£
Revenue			974,722
Loss after tax			<u>(79,424)</u>

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 25 Acquisition of a business

(Continued)

On 2 March 2021 the group acquired Riverston Group Limited (Including Riverston Schools (UK) Limited, Riverston School Limited, Riverston Properties Limited, Beech Hall School Ltd).

	Book Value £	Adjustments £	Fair Value £
<b>Net assets acquired</b>			
Intangible assets	9,101,036	-	9,101,036
Property, plant and equipment	619,830	-	619,830
Trade and other receivables	861,251	-	861,251
Cash and cash equivalents	984,656	-	984,656
Borrowings	(90,774)	-	(90,774)
Trade and other payables	(1,229,012)	-	(1,229,012)
Total identifiable net assets	10,246,987	-	10,246,987
Goodwill			-
Total consideration			10,246,987
The consideration was satisfied by:			£
Cash			10,246,987
Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:			£
Revenue			3,795,490
Loss after tax			(3,714,302)

### 26 Operating lease commitments

#### Lessee

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

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	1,265,289	701,898	-	-
Between two and five years	4,881,508	2,554,848	-	-
In over five years	26,909,360	13,114,120	-	-
	33,056,157	16,370,866	-	-

# CHATSWORTH TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 27 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Acquisition of property, plant and equipment	-	375,060	-	-

### 28 Controlling party

The parent company of Chatsworth Topco Limited is Synova Capital GP 5 Limited and the ultimate parent is Synova Capital Fund III LP. The registered office address of the ultimate parent is 55 Wells Street, London, W1T 3PT.

### 29 Cash absorbed by group operations

	2021 £	2020 £
Loss for the year	(3,575,515)	(7,801,312)
<b>Adjustments for:</b>		
Taxation charged/(credited)	781	(72,796)
Finance costs	3,869,788	3,758,131
Amortisation and impairment of intangible assets	2,042,432	1,749,241
Depreciation and impairment of property, plant and equipment	607,703	454,376
Other exceptional costs	(3,231,452)	(108,415)
<b>Movements in working capital:</b>		
Increase in inventories	(380)	-
(Increase)/Decrease in trade and other receivables	(1,549,343)	1,282,095
Increase in trade and other payables	(1,312,117)	57,325
Increase/(decrease) in deferred income	2,166,517	(215,298)
<b>Cash absorbed by operations</b>	<b>(981,586)</b>	<b>(896,653)</b>

## CHATSWORTH TOPCO LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

**30 Analysis of changes in net debt - group**

	<b>1 September 2020 £</b>	<b>Cash flows 31 August 2021 £                      £</b>	
Cash at bank and in hand	617,045	2,044,889	2,661,934
Bank overdrafts	-	(888,324)	(888,324)
	<hr/>	<hr/>	<hr/>
	617,045	1,156,565	1,773,610
Borrowings excluding overdrafts	(30,877,645)	(8,625,305)	(39,502,950)
	<hr/>	<hr/>	<hr/>
	(30,260,600)	(7,468,740)	(37,729,340)
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