
TES MIDCO LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

WEDNESDAY



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COMPANIES HOUSE

TES MIDCO LIMITED

COMPANY INFORMATION

Directors	R Williams P Simpson
Registered number	11726755
Registered office	26 Red Lion Square London England WC1R 4HQ

TES MIDCO LIMITED

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TES MIDCO LIMITED
REGISTERED NUMBER: 11726755

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Investments	2	130,100	130,100
Amounts due from group undertakings	3	30,244	-
		<u>160,344</u>	<u>130,100</u>
Current assets			
Trade and other receivables		-	-
Current liabilities			
Trade and other payables	4	(30,244)	-
Net current (liabilities)/assets		<u>(30,244)</u>	<u>-</u>
Net assets		<u><u>130,100</u></u>	<u><u>130,100</u></u>
Capital and reserves			
Called up share capital	5	13,010	13,010
Share premium account	6	117,090	117,090
Total equity		<u><u>130,100</u></u>	<u><u>130,100</u></u>

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

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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

TES MIDCO LIMITED
REGISTERED NUMBER: 11726755

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

The financial statements on pages 1 to 10 were approved and authorised for issue by the Board of Directors on 26 April 2022 and signed on its behalf by



P Simpson
Director

The notes on pages 4 to 10 form part of these financial statements.

TES MIDCO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 AUGUST 2021**

	Called up share capital	Share premium account	Total equity
	£000	£000	£000
At 1 September 2020	13,010	117,090	130,100
At 31 August 2021	<u>13,010</u>	<u>117,090</u>	<u>130,100</u>

	Called up share capital	Share premium account	Total equity
	£000	£000	£000
At 1 September 2019	13010	117,090	130,100
Shares issued during the period	-	-	-
At 31 August 2020	<u>13,010</u>	<u>117,090</u>	<u>130,100</u>

The notes on pages 4 to 10 form part of these financial statements.

TES MIDCO LIMITED

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

1. Accounting policies

1.1 Reporting entity

Tes Midco Limited (the "Company") is a limited company incorporated in the United Kingdom and domiciled in England. The Company's registered office is 26 Red Lion Square, London, WC1R 4HQ. The Company's principal activity is a holding company.

1.2 Basis of preparation of financial statements

The financial statements of Tes Midco Limited have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101).

The Company is a wholly owned subsidiary of Tes Global Finance Limited and is included in the consolidated financial statements of Tes Topco Limited, which are publicly available. The financial statements have been prepared in accordance with Companies Act 2006 as applicable to companies using FRS101, and under the historical cost convention. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The preparation of financial statements of Tes Midco Limited in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IAS 7 Statement of Cash Flows;
- the requirements in IAS 24 Related Party Disclosures, to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraph 33(c) of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations;
- the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements; and
- the requirement 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

Accounting policies have been applied consistently throughout these financial statements, other than where new policies have been adopted.

TES MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Going concern

The company is reliant on support from the ultimate parent company, Tes Topco Limited, for it to continue to trade and a group letter of support is in place to support the Company if required, as a result of COVID-19.

The directors have considered the trading position of the company and its business risks and have prepared a cash flow forecast for a period of 12 months from the date of approval of the financial statements for Caribou Bidco Limited and its subsidiaries which included this entity, including considering a severe but plausible downside case. The Company benefits from Tes group financial strength and funds are provided as required by the Company. A letter of support had been obtained from Tes Topco Limited who have confirmed that they will continue to support the Company and provide any further funds, if required, for a period of a least 12 months from the date of approval of these financial statements. The directors have reviewed the group forecasts and determined that the aforementioned support is available should it be needed.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of 12 months from the date of approving these financial statements. The Company, therefore, continues to adopt the going concern basis in preparing its financial statements.

1.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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

1.5 Financial instruments

Financial assets and liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than those at fair value through profit or loss) are added to, or deducted from the fair value of the financial asset or liability, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or liabilities at fair value through profit or loss are recognised immediately in profit or loss.

TES MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.6 Critical accounting estimates and judgements

The preparation of the Company's financial statements in accordance with FRS 101 requires decisions and estimates for some items, which might have an effect on their recognition and measurement in the statement of financial position and profit and loss. The actual amounts realised may differ from these estimates.

Investments

Investments in subsidiary undertakings and associates, are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the Directors when there has been an indication of potential impairment. Cost is defined as the fair value of the consideration transferred, excluding acquisition related costs.

There were no other critical accounting estimates or judgements required in the preparation of these financial statements.

TES MIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2021**

2. Investments

	Investments in subsidiary undertakings £000
Net book value	
At 1 September 2020	130,100
Additions	-
At 31 August 2021	<u>130,100</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Holding
Tes Global Finance Limited*	Holding and finance company	100%
Tes Acquisition limited	Holding company	100%
Tes Global Group Limited	Holding company	100%
Tes Global Holdings Limited	Holding company	100%
Tes Finance Limited	Holding and finance company	100%
TSL Education SPV 2 Limited	Holding and finance company	100%
Tes Education Resources Limited	Digital resources platform	100%
Electronic Blackboard Limited	Dormant	100%
englishteaching.co.uk Limited	Dormant	100%
Tes Global Limited	Digital education services	100%
Tes Global Services Limited	Holding company	100%
TSL Education US Holdings Limited	Holding company	100%
TSL Education US, Inc.^	Holding company	100%
Tangient LLC^	Software and development services	100%
Tes Global Hong Kong Limited^	Recruitment	100%
Tes Supply Limited	Holding company	100%
Tes Bidco Limited	Holding company	100%
ABC Teachers Limited	Teacher recruitment agency	100%
Vision for Education Limited	Provision of supply teachers	100%
Smart Education Limited	Provision of supply teachers	100%
Smart Education (Australia) Pty Limited^	Provision of supply teachers	100%
Smart Teachers Limited	Dormant	100%
Hibernia College UK Limited	Provider of web based education qualifications	100%

TES MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

2. Investments (continued)

EduKey Education Limited	Provision of education services	94 %
Tes Aus Global Pty Limited^	Information provider	100 %
TSL Education Limited	Dormant	100 %
The Times Education Supplement Limited	Dormant	100 %
Educational Exhibitions Limited	Dormant	100 %
The Times Higher Education Supplement Limited	Dormant	100 %
Educare Education Limited	Provision of e-learning services	100 %
Motivation Management Limited	Dormant	100 %
Edval Timetables Pty Limited (Australia)	Holding company	100 %
Edval Holdings Pty Limited (Australia)	Holding company	100 %
Edval Education Pty Limited (Australia)	Software company	100 %
Edval Education Limited (UK)	Software company	100 %
Tutor In Limited (UK)	Software company	100 %

* denotes subsidiaries held directly by the company

^All companies are registered to: 26 Red Lion Square, London, WC1R 4HQ except for:

- TSL Education US, Inc: 160 Greentree Drive, Suite 101, Dover, Delaware 19904 USA
- Tangient LLC: 818 West Seventh Street, Suite 930, Los Angeles, CA 90017 USA
- Tes Aus Global Pty Ltd: 250 Bay Street, Brighton, Vic, 3186, Australia
- Tes Global Hong Kong Ltd: 18th Floor, Edinburgh Tower, The Landmark, 15 Queen's Road, Central, Hong Kong
- Smart Education (Australia) Pty Ltd: Level 18 530 Collins Street, Melbourne VIC 300, Australia

TES MIDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2021**

3. Trade and other receivables

	2021	2020
	£000	£000
Due after more than one year		
Amounts due from group undertakings	<u>30,244</u>	<u>-</u>

Amounts owed by group undertakings are unsecured, repayable on demand and bear interest at a rate of 5% per annum (2020: 8%).

4. Trade and other payables

	2021	2020
	£000	£000
Amounts due to group undertakings	<u>30,244</u>	<u>-</u>

Amounts owed to group undertakings are unsecured, repayable on demand and bear interest at a rate of 5% per annum (2020: 8%).

5. Called up share capital

	2021	2020
	£000	£000
Allotted, authorised, called up and fully paid		
130,100,000 (2020: 130,100,000) Ordinary shares of £0.10 each	<u>13,010</u>	<u>13,100</u>

6. Share premium

	2021	2020
	£000	£000
Share premium	<u>117,090</u>	<u>117,090</u>

7. Controlling party

The immediate parent undertaking is Tes Topco Limited, a company registered in England & Wales. The company and its immediate parent are both consolidated entities of Tes Topco Limited a company registered in England & Wales. As at the 31 August 2021, Tes Topco Limited is the ultimate parent company. Following the sale of Tes Topco Limited on 2 February 2022, Caribou Bidco Limited became the immediate parent company.

Copies of the smallest and largest parent in the group, Tes Topco Limited consolidated financial statements, which include the Company, are available from the Company Secretary, Tes Topco Limited, 26 Red Lion Square, London, WC1R 4HQ.

The directors consider that the ultimate controlling party of the Company is Providence Equity Partners LLC, headquartered in the US, on behalf of the funds under its management. As per Note 8, following a change of ownership on 2 February 2022, the ultimate controlling party then became Onex Partners V and immediate parent company, Caribou Topco Jersey Ltd.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2021**

8. Events after the reporting period

On 5 December 2021, Caribou Bidco Limited, a Company owned and controlled by Onex Partners V agreed to purchase the entire share capital of TTCL and its subsidiaries from Tes Holdings Sarl, a company owned and controlled by Providence Equity Partners LLP. Following this initial exchange of contracts, the purchase was subsequently completed on 2 February 2022.

On completion of the sale to Onex, the Group's liabilities to the bank and its previous shareholders of £177,000k and £30,000k respectively, were settled in full. A new bank loan facility of £340,000k was drawn at completion by Caribou Bidco Limited.

No other material events affecting the Company have taken place subsequent to the reporting date.