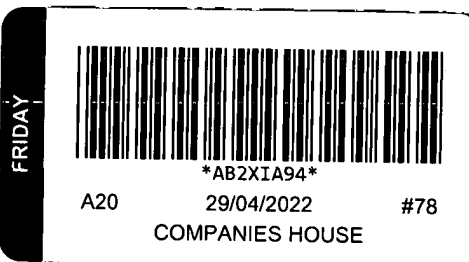


Registered number: 05855261

**EDUKEY EDUCATION.LTD**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**



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<b>EDUKEY EDUCATION LTD</b>
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**COMPANY INFORMATION**

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<b>Directors</b>	Mr J Romer-Lee Mr G Sasnauskas Mr P Simpson Mr R Williams
<b>Registered number</b>	05855261
<b>Registered office</b>	26 Red Lion Square London England WC1R 4HQ
<b>Independent auditor</b>	Deloitte LLP Statutory Auditor 1 City Square Leeds LS1 2AL

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**EDUKEY EDUCATION LTD**

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**EDUKEY EDUCATION LTD**

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

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The Directors present their report and the audited financial statements for the year ended 31 August 2021.

**Principal activities**

The principal activity of the Company was that of the provision of educational software, prior to the transfer of its trade to Tes Global Limited during the year.

**Business update**

On 17 March 2016, Tes Global Limited acquired a 45% stake in the Company and exercised an option for an additional 30% stake holding on 1 July 2018, the option for a further 19% was exercised on 31 May 2020.

During the year, the company's trade was hived up into its parent, TES Global Limited, with the Company ceasing to trade from this point. Following the plan for TES Global Limited to exercise the option to acquire the final 6% stake in the Company in July 2022, the Company will become dormant from this point onwards.

**Results and dividends**

Revenue for the year grew 13% to £5,759k (2020: £5,081k) as a result of continued business growth with operating profit decreasing in the year to £2,415k (2020: £3,144k) as trade and assets were transferred to Tes Global Limited. The profit for the year, after taxation, amounted to £2,396k (2020: £2,769k).

The financial performance of the Company is set out in these financial statements. Financial performance of the Tes Topco Limited Group as a whole, for the year ended 31 August 2021, is set out in the consolidated financial statements of Tes Topco Limited.

The Directors do not recommend payment of a dividend (2020: £nil).

**Directors**

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Mr J Romer-Lee  
Mr G Sasnauskas  
Mr P Simpson  
Mr R Williams

**Directors' and officers' indemnity**

The Company maintains qualifying third-party liability insurance for its Directors and officers and had this in place throughout the year and up to the date of signing the financial statements.

**Political donations**

The Company did not make any political donation during the year (2020: £nil).

**Going concern**

The company's trade was hived up into its parent, TES Global Limited, in the year, with the Company ceasing to trade from this point. As such the financial statements have been prepared on a basis other than going concern. No material adjustments arise as a result of ceasing to apply the going concern basis. Following the plan for TES Global Limited to exercise the option to acquire the final 6% stake in the Company in July 2022, the Company will become dormant from this point onwards.

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**EDUKEY EDUCATION LTD**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Principal risks and uncertainties**

The principal risks and uncertainties, including financial risks, facing the business are set out below:

*Market risk*

The Company performs periodic market reviews to identify any underlying changes in the level of demand. The technology underpinning the product offering is continually developed to address market needs and demand. Given the trade and assets of the Company have now been hived up into its parent, TES Global Limited, the impact of this risk to the Company is now minimal.

*Competitive risk*

The main competitive threats facing the Company are from current competitors and potential new entrants into the market, offering similar technology services into schools. In the opinion of the Directors, the Company has sufficiently well-established positions in the local markets within which it operates to depend against potential threats. Given the trade and assets of the Company have now been hived up into its parent, TES Global Limited, the impact of this risk to the Company is now minimal.

*Cash flow / liquidity risk*

There is a risk that the Company does not have sufficient cash reserves to continue its trade or cover its liabilities. The Company has sufficient funds to cover liabilities as they fall due. The Group, of which the Company belongs to, has access to a £25m revolving credit facility, which is reasonably expected to be made available to the Company, if required. As at 31 August 2021, there was no RCF drawn.

*COVID-19*

The Company continues to monitor the impact of the global pandemic and continues to follow ongoing Government guidance. There is no material adverse impact of the pandemic on the Company.

**Financial risk management**

The Company's debt financing exposes it to a variety of financial risks that include the effects of changes in liquidity and interest rates. Further discussion of these risks and uncertainties, in the context of the group as a whole, is provided in the Group's Annual Report which does not form part of this report.

**Small company**

In preparing this report, the Directors have taken advantage of the small companies exemption provided by Section 415A of the Companies Act 2006.

**Future developments**

During the year, the Company novated all of its trade to another Group company, Tes Global Limited. Trade is not expected to recommence in the future and the entity will remain dormant. Following the transfer of trade and assets to the Company's parent, Tes Global Limited, the Company has ceased to trade.

**Subsequent events**

On 5 December 2021, Caribou Bidco Limited, a Company owned and controlled by Onex Partners 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 by Caribou Bidco Limited at completion.

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

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**EDUKEY EDUCATION LTD**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Directors' responsibilities statement**

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), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**Disclosure of information to auditors**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Independent auditor**

In June 2021 the Directors appointed Deloitte LLP as the external auditor. The auditor will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board on 8 March 2022 and signed on its behalf.



P Simpson  
Director

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDUKEY EDUCATION LTD  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of Edukey Education Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 May 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

**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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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.

**Emphasis of matter – Financial statements prepared other than on a going concern basis**

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of directors**

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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDUKEY EDUCATION LTD  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Responsibilities of directors (continued)**

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

We considered the nature of the group's industry and its control environment and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006 and relevant tax legislation; and
- had an indirect effect on the financial statements. These included GDPR and data protection laws, and the UK Bribery act.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDUKEY EDUCATION LTD  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Report on other legal and regulatory requirements**

**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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in respect of these matters.

**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.



Matthew Hughes  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Leeds, United Kingdom  
8 March 2022

EDUKEY EDUCATION LTD
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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £'000	2020 £000
Revenue	2	5,759	5,081
<b>Gross profit</b>		<b>5,759</b>	<b>5,081</b>
Other income	3	-	22
Administrative expenses		(3,349)	(1,959)
<b>Operating profit</b>	3	<b>2,410</b>	<b>3,144</b>
Interest receivable and similar income	6	518	316
Interest payable and similar expenses	7	(2)	(3)
<b>Profit before taxation</b>		<b>2,926</b>	<b>3,457</b>
Tax on profit	8	(530)	(688)
<b>Profit and total comprehensive income for the financial year</b>		<b><u>2,396</u></b>	<b><u>2,769</u></b>

The notes on pages 10 to 25 form part of these financial statements.

All activities of the Company are now discontinued, following the hive up of its trade and assets into its parent company, TES Global Limited.

**EDUKEY EDUCATION LTD**

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

	Note	2021 £000	2020 £000 <i>Restated</i>
<b>Non-current assets</b>			
Property, plant and equipment	9	-	4
Right of use assets	10	-	-
Intangible assets	11	-	497
Amounts owed by Group undertakings	12	8,453	5,347
		<u>8,453</u>	<u>5,848</u>
<b>Current assets</b>			
Trade and other receivables	12	-	940
Cash and cash equivalents		169	2,742
		<u>169</u>	<u>3,682</u>
<b>Current liabilities</b>			
Trade and other payables	13	(1,602)	(4,906)
<b>Net current liabilities</b>		<u>(1,433)</u>	<u>(1,224)</u>
<b>Net assets</b>		<u><u>7,020</u></u>	<u><u>4,624</u></u>
<b>Capital and reserves</b>			
Called up share capital	14	-	-
Retained earnings		7,020	4,624
<b>Total Equity</b>		<u><u>7,020</u></u>	<u><u>4,624</u></u>

The notes on pages 10 to 25 form part of these financial statements.

The financial statements on pages 7 to 25 were approved and authorised for issue by the board of directors on 8 March 2022 and were signed on its behalf by:



P Simpson  
Director

**EDUKEY EDUCATION LTD**

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

	<b>Called up share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 September 2020</b>	-	4,624	4,624
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,396	2,396
<b>Total comprehensive income for the year</b>	-	2,396	2,396
<b>At 31 August 2021</b>	-	<b>7,020</b>	<b>7,020</b>

	<b>Called up share capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 September 2019</b>	-	1,855	1,855
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,769	2,769
<b>Total comprehensive income for the year</b>	-	2,769	2,769
<b>At 31 August 2020</b>	-	<b>4,624</b>	<b>4,624</b>

The notes on pages 10 to 25 form part of these financial statements.

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## EDUKEY EDUCATION LTD

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

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#### 1. Accounting policies (continued)

##### 1.1 Reporting entity

EduKey Education Ltd (the 'Company') is a private company limited by shares incorporated in the United Kingdom and domiciled in England and Wales. The Company's registered office is at 26 Red Lion Square, London, England, WC1R 4HQ. The Company's principal activity is the provision of educational software.

##### 1.2 Basis of preparation of financial statements

The financial statements of Tes Global 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 Limited and is included in the consolidated financial statements of Tes Topco Limited, which are publicly available. The financial statements have been prepared under the historical cost convention and in accordance with FRS 101 and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement 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; and
- 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 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;
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS15 Revenue from contracts with customers;
- The requirements of IFRS 7 Financial Instruments: Disclosures;
- 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.

##### 1.3 Going concern

The company's trade was hived up into its parent, TES Global Limited, in the year, with the Company ceasing to trade from this point. As such the financial statements have been prepared on a basis other than going concern. No material adjustments arise as a result of ceasing to apply the going concern basis. Following the plan for TES Global Limited to exercise the option to acquire the final 6% stake in the Company in July 2022, the Company will become dormant from this point onwards.

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**EDUKEY EDUCATION LTD**

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

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**1. Accounting policies (continued)**

**1.4 Functional currency**

The Company's functional and presentational currency is the pound sterling and the financial statements are presented as such.

Transactions in currencies other than the functional currency of the Company, are recorded at the rates of exchange prevailing on the date of the transaction.

At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies, are retranslated at the rate prevailing at the statement of financial position date.

Gains and losses arising on retranslation of monetary items are included in net profit or loss for the period.

Non-monetary assets and liabilities carried at fair value and denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

**1.5 Revenue**

Revenue comprises the fair value of the consideration receivable by the Company for the sale of goods and services in the ordinary course of its business. Revenue is shown net of value added tax, returns and trade discounts. Revenue is raised under a software subscription contract and is recognised on a straight-line basis over the period that the subscription runs.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities. If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known by management.

**1.6 Interest receivable, payable and similar income and expenses**

Finance income is recognised using the effective interest method. When a loan or receivable is impaired, the Company reduces the carrying value to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues to unwind the discount as interest income.

Finance costs are accrued on a time basis, by reference to the principal outstanding and the interest rate applicable.

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## EDUKEY EDUCATION LTD

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

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#### 1. Accounting policies (continued)

##### 1.7 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 1.8 Property plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal is recognised in profit and loss. Subsequent expenditure is capitalised if it is probable that future economic benefits associated with the expenditure, will flow to the Company.

Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

The estimated useful lives range as follows:

Furniture and equipment	25% reducing balance
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.9 Internally generated intangible assets**

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if all of the following have been demonstrated:

- Technical feasibility of completing the intangible asset, so that it will be made available for use or sale;
- Intention to complete the intangible asset and use or sell it;
- Ability to use or sell the intangible asset;
- The ability of the asset to generate probable future economic benefit;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria as listed above. Where no internally generated asset can be recognised, development expenditure is recognised in profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria as listed above. Where no internally generated asset can be recognised, development expenditure is recognised in profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

**1.10 Trade and other receivables**

Trade and other receivables includes amounts due from group companies and customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. Balances due after one year are presented as non-current assets. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Appropriate provisions for impairment are recognised as per note 1.13. Subsequent recoveries of amounts previously written off, are credited to profit and loss.

**1.11 IFRS 9 Expected credit loss**

The Company has applied the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced. The current and forward-looking information on macroeconomic factors affecting the ability of customers to settle the receivables are also considered. The Company has assessed that no material adjustment to provisions is required to reflect the lifetime expected loss.



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**EDUKEY EDUCATION LTD**

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

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**1. Accounting policies (continued)**

**1.12 Trade and other payables**

Trade payables includes amounts owed to group companies and 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 in one year or less. For payments due over one year, balances are classified as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**1.13 Cash and cash equivalents**

Cash and cash equivalents are represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**1.14 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.

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

**2. Revenue**

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

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Software subscription revenue	<b>5,759</b>	<b>5,081</b>
	<b><u>5,759</u></b>	<b><u>5,081</u></b>

Revenues are recognised over the period of a contract term.

All revenue arose within the United Kingdom.

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

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3. Operating profit

The operating profit is stated after charging:

	2021 £000	2020 £000
Foreign exchange (gain)/loss	(5)	2
Depreciation of right of use assets	-	18
Depreciation of tangible fixed assets	-	1
Amortisation of intangible assets, including goodwill	136	93

Fees for Audit services are borne by the Company's parent company, Tes Global Limited. The below £19k of costs were recharged to the Company in respect of these services for the year (2020: £5k).

The Company received £nil (2020: £22k) of Coronavirus Job Retention Scheme funding from the UK government in the year, a scheme the Government set up in the wake of the COVID-19 pandemic to help businesses secure jobs.

No research and development costs have been expensed during the year (2020: £nil).

	2021 £000	2020 £000
<b>Auditor's remuneration</b>		
Audit fees	19	5

4. Employees

Staff costs were as follows:

	2021 £000	2020 £000
Wages and salaries	-	961
Social security costs	-	123
Other pension costs	-	28
	-	1,112

The wages for Edukey staff were remunerated by Tes Global Services Limited from the 1 September 2020. Amounts of £2,280k were recharged to the Company in respect of these services for the year ended 31 August 2021.

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

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**4. Employees (continued)**

The average monthly number of employees, including the Directors, employed by the Company during the year was as follows:

	2021	2020
	No.	No.
Train and Product	-	30
IT	-	13
Operations and Customer Services	-	4
Finance	-	2
Marketing	-	1
	<u>-</u>	<u>50</u>

**5. Directors' remuneration**

	2021 £000	2020 £000
Aggregate emoluments (excluding pension contributions)	<u>81</u>	<u>122</u>

There was 1 Director remunerated by the Company (2020: 2).

The emoluments of P Simpson and R Williams are remunerated by Tes Acquisition Limited and those of J Romer-Lee by Tes Global Limited. Their emoluments are deemed to be wholly attributable to their services to these companies. Accordingly, the Directors received no emoluments (2020: £nil) for services provided to the Company. No amounts were recharged to the Company in respect of these services for the year ended 31 August 2021 (2020: £nil).

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

6. Interest receivable and similar income

	2021 £000	2020 £000
Interest receivable from group companies	518	316
	<u>518</u>	<u>316</u>

7. Interest payable and similar expenses

	2021 £000	2020 £000
Interest payable to group companies	2	3
	<u>2</u>	<u>3</u>

8. Tax on profit

	2021 £000	2020 £000
<b>Corporation tax</b>		
Current tax on profits for the year	556	655
Adjustments in respect of previous periods	(25)	31
<b>Total current tax</b>	<u>531</u>	<u>686</u>
Origination and reversal of timing differences	(1)	2
<b>Total deferred tax</b>	<u>(1)</u>	<u>2</u>
<b>Taxation on profit</b>	<u>530</u>	<u>688</u>

**EDUKEY EDUCATION LTD**

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

**8. Tax on profit (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £000	2020 £000
Profit before tax	<u>2,926</u>	<u>3,457</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	556	657
<b>Effects of:</b>		
Adjustments in respect of prior periods	(26)	31
<b>Total tax charge for the year</b>	<u><u>530</u></u>	<u><u>688</u></u>

**Factors that may affect future tax charges**

The Finance Act 2016 included provisions to reduce the main rate of corporation tax to 19% effective from 1 April 2017 and 17% with effect from 1 April 2020. The March 2021 Budget announced an increase in the UK standard rate of corporation tax to 25% with effect from 1 April 2023 and cancelled the earlier suggested change to 17%. The Finance Act 2021 contains the provisions for the increase in rate to 25% and was substantively enacted on 24 May 2021. Accordingly deferred tax has been provided at either 19% or 25% depending on when the deferred tax liability/asset is expected to crystallise.

**Deferred taxation**

	2021 £000	2020 £000
At beginning of year	1	3
Charged to profit or loss	(1)	(2)
At end of year	<u><u>-</u></u>	<u><u>1</u></u>

The deferred tax asset comprises short term timing differences.

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

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**9. Property, plant and equipment**

	<b>Furniture and Equipment £000</b>
<b>Cost</b>	
At 1 September 2020	13
Disposal of assets	<u>(13)</u>
<b>At 31 August 2021</b>	<u><u>-</u></u>
<b>Accumulated depreciation</b>	
At 1 September 2020	9
Charge in year	1
Eliminated on disposal of assets	<u>(10)</u>
<b>At 31 August 2021</b>	<u><u>-</u></u>
<b>Net book value</b>	
<b>At 31 August 2021</b>	<u><u>-</u></u>
<i>At 31 August 2020</i>	<u><u>4</u></u>

**EDUKEY EDUCATION LTD**

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

**10. Right of use assets**

	<b>Right of use assets £000</b>
<b>Cost</b>	
At 1 September 2020	55
Cessation of lease	<u>(55)</u>
<b>At 31 August 2021</b>	<u><u>-</u></u>
<b>Accumulated depreciation</b>	
At September 2020	55
Cessation of lease	<u>(55)</u>
<b>At 31 August 2021</b>	<u><u>-</u></u>
<b>Net book value</b>	
<b>At 31 August 2021</b>	<u><u>-</u></u>
<i>At 31 August 2020</i>	<u><u>-</u></u>

**Amounts recognised in the income statement:**

	<b>2021 £000</b>	<b>2020 £000</b>
Depreciation charge (note 3)	-	18
	<u>-</u>	<u>18</u>

Right of use assets relate to property leases held by the Company. The depreciation charge of £nil (2020: £18k) in the year is included within administrative expenses (note 3).

**EDUKEY EDUCATION LTD**

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

**11. Intangible assets**

	Development expenditure £000	Assets under construction £000	Total £000
<b>Cost</b>			
At 1 September 2020	528	78	606
Additions	186	94	280
Transfer of trade and assets (note 18)	(714)	(172)	(886)
<b>At 31 August 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Accumulated amortisation</b>			
At 1 September 2020	109	-	109
Charge for the year	136	-	136
Transfer of trade and assets (note 18)	(245)	-	(245)
<b>At 31 August 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book value</b>			
<b>At 31 August 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>At 31 August 2020</b>	<u>419</u>	<u>78</u>	<u>497</u>

An amortisation charge of £136k (2020: £93k) in the year is included within administrative expenses in the Statement of Comprehensive Income.

The Company continue to research new products to take to market. The total development expenses in the year have been capitalised in line with IAS 38.



**EDUKEY EDUCATION LTD**

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

**12. Trade and other receivables**

	<b>2021</b>	<i>Restated</i> <b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Due after more than one year</b>		
Deferred tax asset	-	1
Amounts owed by undertakings (note 20)	<b>8,453</b>	<b>5,346</b>
	<u><b>8,453</b></u>	<u><b>5,347</b></u>

The deferred tax asset comprises short term timing differences.

	<b>2021</b>	<i>Restated</i> <b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Due within one year</b>		
Trade receivables	-	940
	<u>-</u>	<u>940</u>

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

A bad debt provision of £nil (2020: £48k) is held by the Company, included within trade receivables.

In determining the recoverability of a trade receivable, the Company considers the ageing of each receivable and any change in circumstances of the individual customer. The Directors believe that there is no further provision required in excess of the allowance for doubtful debts.

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**EDUKEY EDUCATION LTD**

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

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**12. Trade and other receivables (continued)**

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which use a lifetime loss allowance for all trade receivables and contract assets. The expected loss rates are based on the payment profiles of sales and the historical credit losses experienced. The current and forward-looking information on macroeconomic factors affecting the ability of customers to settle the receivables are also considered. The Company have assessed that there is no material adjustment to provisions required, to reflect the lifetime expected loss.

The maximum exposure to credit risk at the end of the year is the fair value of trade and other receivables. The Directors estimate that the carrying value of receivables is an approximation of their fair value.

**13. Trade and other payables**

	2021 £000	2020 £000
Trade creditors	-	18
Amounts owed to group undertakings	703	62
Corporation tax	555	668
Other taxation and social security	344	733
Accruals and deferred income	-	3,425
	<u>1,602</u>	<u>4,906</u>

**14. Called up share capital**

	2021 £	2020 £
Allotted, called up, authorised and fully paid		
100 (2020 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

**15. Related party disclosure**

Under FRS101 the exemption in paragraphs 17 and 18A in respect of related party transactions applies.

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## EDUKEY EDUCATION LTD

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

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#### 16. Controlling party

As of 1 July 2018, Tes Global Limited owned 75% of the share capital and Mr D Wilson and Mr G Sasnauskas owned 13% and 12%, respectively. During the previous year, the Company's parent, Tes Global Limited, acquired a further 19% of the share capital, 13% from Mr D Wilson and 6% from Mr G Sasnauskas. There have been no changes in the current year.

At the year end, Tes Global Limited therefore owned 94% of the share capital, with Mr G Sasnauskas owning the remaining 6%.

The immediate parent undertaking is Tes Global 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 Topco Jersey Limited became the ultimate 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, England, 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 18, following a change of ownership on 2 February 2022, the ultimate controlling party then became Onex Partners V and parent company, Caribou Topco Jersey Ltd.

#### 17. Events after the reporting date

The Company has considered the impact of post reporting date events up to and including the date of signing.

On 5 December 2021, Caribou Bidco Limited, a Company owned and controlled by Onex Partners V agreed to purchase the entire share capital of Tes Topco Limited and its subsidiaries, including Edukey Education Ltd, 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 £177,00k and £30,000k respectively, were settled in full. A new bank loan facility of £340,000k was drawn by Caribou Bidco Limited at completion.

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

**EDUKEY EDUCATION LTD**

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

**18. Transfer of trade to Tes Global Limited**

On 1 July 2021 the trade and assets of Edukey Education Ltd was purchased by the Tes Global Limited for nil consideration. The net assets at the date of purchase were as follows:

	2021 £000	2020 £000
Intangible fixed assets	641	-
Debtors	1,196	-
Creditors	(5,054)	-
<b>Net liabilities disposed of</b>	<b>(3,217)</b>	<b>-</b>

**20. Restatement of 2020**

The Company has restated its balance sheet for 2020 as per the below:

		2020 £000	Adjustment £000	Restated 2020 £000
<b>Non-current assets</b>				
Property, plant and equipment		4	-	4
Right of use assets		-	-	-
Intangible assets		497	-	497
Amounts owed by Group Undertakings	A	-	5,347	5,347
		<b>501</b>	<b>5,347</b>	<b>5,848</b>
<b>Current assets</b>				
Amounts owed by Group Undertakings	A	6,287	(5,347)	940
Cash and cash equivalents		2,742	-	2,742
		<b>9,029</b>	<b>(5,347)</b>	<b>3,682</b>

- A There was an error in presentation of intercompany assets owed to the Company by a fellow Group subsidiary of £5,347k. Previously, this was presented as a current asset however, the directors note that as it was not expected to be realised within 12 months of following 31 August 2020 and is still not expected to be realised in the 12 months following 31 August 2021. As such, the debtors is deemed to be a non-current asset as defined by IAS 1.