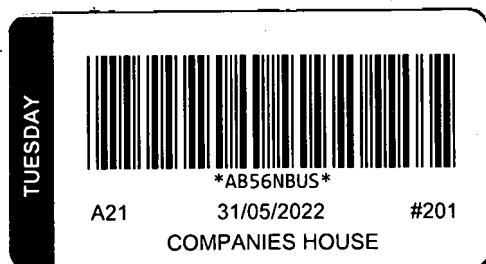


**Company Registration No. 06003756 (England and Wales)**

**BPP Services Limited**

**Annual report and financial statements  
for the year ended 31 August 2021**



## **BPP Services Limited**

### **Company information**

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**Directors** Gary James Dart  
Graham Stuart Mark Gaddes  
Alison Carol Wells

**Company number** 06003756

**Registered office** BPP House  
Aldine Place  
142-144 Uxbridge Road  
Shepherds Bush  
London  
W12 8AW

**Independent auditor** Deloitte LLP  
Statutory Auditor  
3 Victoria Square  
Victoria Street  
St Albans  
United Kingdom  
AL1 3TF

**Bankers** Barclays Bank plc  
27 Soho Square  
London  
W1D 3QR

**Solicitors** Eversheds LLP  
1 Wood Street  
London  
EC2V 7WS

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## **BPP Services Limited**

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## **BPP Services Limited**

### **Strategic report**

**For the year ended 31 August 2021**

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The directors present the Strategic report of BPP Services Limited ("the company") for the year ended 31 August 2021.

#### **Results and dividends**

The trading results for the year ended 31 August 2021, and the company's financial position at the end of the year, are shown in the attached financial statements. No ordinary dividends were paid (2020: £nil). The directors do not recommend payment of a final dividend.

#### **Principal activity of the business**

The principal activity of the company is the provision of a centralised treasury and central services function for companies in the BPPH1 Limited group (BPPH1 Limited and subsidiaries) which is partly recharged to other group companies.

#### **Strategic review**

On the 6th July 2021 the entire issued share capital and voting rights in BPPH1 Limited (Holdings intermediate parent) was acquired by Bright Acquisitions Limited, a company indirectly held by a group of investment funds managed by TDR Capital LLP (registered in the UK).

Operating loss for the year was £0.226 million (2020: £0.107 million) and loss after tax for the year was £2.349 million (2020: £1.877 million). The performance has remained consistent compared to prior year. Net assets as at 31 August 2021 were £40.119 million (31 August 2020: £42.468 million). The 6% decrease in net assets is due to performance in the year.

#### **Key performance indicators**

Cost control is the key measure of performance, and therefore operating costs have been identified as the key performance indicator. Operating costs for the year were £14.407 million (2020: £13.451 million). This increase in operating costs is due to an increase in central group costs following the increase in BPP Group trading revenue.

#### **Key risks and uncertainties**

##### *Inherent risk*

Due to the nature of the activities carried on by the company, the risks are limited. If inflation levels increase, this will have a significant impact on the results for the company as operating costs will be driven up. The company is also exposed to changes in interest rates.

##### *Liquidity and cash flow risks*

The company manages its financial risk through a cash pooling arrangement with its parent company and fellow subsidiary companies, meaning that they can lend and borrow funds between them where required. The BPPH1 Limited group and fellow subsidiaries are a cash-generating group with positive cash flows. The company uses this arrangement as an efficient treasuring management tool to manage its liquidity risk.

**Key risks and uncertainties (continued)**

*Economic and competition risk*

There is a risk that the company may not perform as expected either due to internal factors or competitive and political pressures in the markets in which it operates

Changes in the broader economic market can have an impact on the company's business. An example of a change impacting the company is the continued global impact of COVID-19, which is discussed further below.

Such risks could have a negative impact on student enrolment, currency fluctuation and turnover. The company therefore seeks to mitigate risks by closely monitoring the economic outlook caused by local and global economic events and maintaining flexible resources so that the company is able to respond to changes in economic and political conditions.

*COVID-19*

The continued global emergence of COVID-19 has impacted global economic activity, caused business disruption in a number of industries and caused significant volatility in UK, European and other international debt and equity markets. COVID-19 has impacted the majority of businesses in the UK and the response from the company to manage operations has continued from FY2020, where we continue to make innovations and improvements to teaching and exams online and adapt property strategy to adapt to the changing requirements for physical space and enforced restrictions.

**Section 172 (1) Statement**

The directors, in line with their duties under section 172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing so, the directors have regard, amongst other matters, to the:

- Likely consequences of any decisions in the long-term;
- Interests of the company's employees;
- Need to foster the company's business relationships with suppliers, customers and others;
- Impact of the company's operations on the community and environment;
- Desirability of the company maintaining a reputation for high standards of business conduct; and
- Need to act fairly as between members of the company.

In discharging the section 172 duties, the directors have regard to the factors set out above. The directors also have regard to other factors they consider relevant to the decision being made. Those factors, for example, include the interests and views of the company's investors. The directors acknowledge that every decision that is made will not necessarily result in a positive outcome for all of the company's stakeholders. However, by considering the company's purpose, vision and values together with its strategic priorities and having a process in-place for decision-making, the directors aim to make sure their decisions are consistent and predictable.

**Section 172 (1) Statement (continued)**

Strategic Reviews

As described earlier in this Strategic report, the company's strategy is to provide a centralized treasury and services function, accelerate organic growth of the company and improve the company's operating efficiency and effectiveness. The directors are responsible for establishing and monitoring the implementation of the company's strategy, oversight of performance and risk management and setting a strong cultural foundation built around ethical values. The directors delegate authority for day-to-day management of the company to executive management and to senior management in overseeing execution of the business strategy and related policies. Regular meetings are held between senior executives and directors where performance, key developments and future strategy are discussed. The approach allows the company to be more efficient and effective in responding to local economic, political, regulatory and other market changes that impact the company. Further, this approach ultimately supports the company in achieving its strategy to maximise its value for the company's investors.

Financial and operational performance

During the year, the directors review matters relating to a variety of areas, including, but not limited to, financial and operational performance, business strategy, key risks, governance, compliance and legal and regulatory matters. This is done through regular meetings and dialogue with senior management, and the consideration of reports and other supporting information. As part of this review process and through the company's business. For example, the company contacted many of its suppliers to move from quarterly to monthly payment terms so that it could manage its cash flow more effectively.

Stakeholder Engagement

The company's key stakeholders include its investors, employees, the communities in which the company operates and the partners and suppliers that the company works with. The company's success is impacted by the way it conducts itself with these key stakeholders. As such, the views and impact of the company's activities on its stakeholders are an important consideration for the directors when making relevant decisions. For example, the directors regularly engage with employees through employee surveys to ascertain how involved and satisfied employees feel in their position. As a result, action is taken by senior management to make improvements, for example continuous improvement to the employee appraisal system and roll out of new internal training platforms to enhance employee personal development. While there are cases where the directors determine that they should engage directly with certain stakeholder groups or on certain issues, the size of its stakeholders means that generally, the company's stakeholder engagement best takes place at an operational level. The company finds that this is a more efficient and effective approach, and also helps it achieve a greater positive impact on environmental, social and other issues.

The company strives to create a culture of collaboration and inclusion, and create an environment that ensures its employees have the requisite skills and resources needed to effectively complete their job and deliver value to the company's stakeholders. The company is culturally diverse and recognises the importance of engaging employees to help make their fullest contribution to the company, which is fundamental to achieving the company's strategy. The company, as part of the BPPH1 Limited group, leverages a number of different initiatives and tools in engaging with its employees, including offering learning, development and training courses, health and wellness programs such as a new wellbeing hub launched in 2021, and the roll out of a new benefits platform.

## **BPP Services Limited**

### **Strategic report (continued)**

**For the year ended 31 August 2021**

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#### **Section 172 (1) Statement (continued)**

##### Supplier relationships

The company recognises the importance of fostering business relationships with its suppliers in order to meet strategic priorities, maximise efficiency and optimize costs. The company engages with suppliers on a regular basis through multiple communication channels to ensure suppliers are providing the goods and services as anticipated by the company and seeking feedback from suppliers, when applicable. The company also negotiates discounts and tailored products from key suppliers.

##### Environmental

Finally, the company also recognises its responsibility to reducing its environmental impact. The BPPH1 Limited group reports environmental usage annually to its investors. The BPP group closely analyses its energy performance to understand usage trends, identify opportunities for reduction and recognize the impacts of its energy saving projects.

##### **Future developments**

The directors will continue to monitor the risks disclosed in the Strategic report. The nature of the company is to act as a central services company to the rest of the BPPH1 Limited group; to recharge any central costs to the BPPH1 Limited group; act as a central treasury function; and record interest on loans with other BPPH1 Limited group companies. The company is expected to continue to perform in line with previous years, but will strive to implement efficiencies to move towards profitability.

The Strategic report was approved by the Board of directors, and signed on its behalf by



.....  
Graham Stuart Mark Gaddes

**Director**

Date: 31/05/2022.....

## **BPP Services 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.

Information about the company's performance, outlook, strategy, policies, future developments, dividend distribution, section 172 statement and risks and uncertainties can be found in the strategic report.

#### **Principal activities**

The principal activity of the company continued to be that of a centralised treasury and central services function for companies in the BPP H1 Limited group (BPPH1 Limited and subsidiaries) which is partly recharged to other group companies.

#### **Results and dividends**

The results for the year are set out on page 14.

No ordinary dividends were paid (2020: £nil). The directors do not recommend payment of a final dividend.

#### **Directors**

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

Gary James Dart  
Graham Stuart Mark Gaddes  
Alison Carol Wells

#### **Energy and carbon reporting**

The company's sources of greenhouse gas emissions and energy usage are reported on as part of the BPPH1 Limited group financial statements, which are available from BPP House, Aldine Place, 142-144 Uxbridge Road, Shepherd's Bush, London, W12 8AA.

#### **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 company continues and that the appropriate training is arranged. It is the policy of the company 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 company'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 company's performance.

There is no employee share scheme at present.

#### **Events after the balance sheet date**

There were no events after the balance sheet date to be disclosed.

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**Qualifying third party indemnity provisions**

The company has made qualifying third-party indemnity provisions for the benefit of its directors which were in place throughout the year and remain in force at the date of this report.

**Going concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and operate within the level of their facilities for the foreseeable future and they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Going Concern considerations**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic and Directors' Report. The financial position of the company is described in the Strategic Report.

In assessing the company's going concern the directors continue to give consideration to the impact of the COVID-19 pandemic. However, given the company's financial performance in 2020, 2021 and year-end position, the directors assert that COVID is no longer a materially greater risk to the company than other risk factors considered in the going concern assessment.

The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent company, BPPH1 Limited and fellow subsidiaries. BPPH1 Limited has committed through a letter of support that it will lend as is necessary to this entity to pay the debts of the company as they become due.

**Conclusion**

BPPH1 Limited have committed that they will lend as is necessary to the company to pay debts as they become due for a period up to 30 June 2023. Having assessed the responses of the directors of BPPH1 Limited, the directors of the company have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern.

**Directors' report (continued)**

**For the year ended 31 August 2021**

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**Re-appointment of auditor**

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

**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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. 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 financial statements; and
- 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.

**Strategic report**

The company has chosen in accordance with Companies Act, s.414C(11) to set out in the company's Strategic report information required by Large and Medium-sized Companies and Groups (and Reports) Regulations 2008, Sch.7 to be contained in the directors' report. It has done so in respect of the company's future developments and the risks associated with financial instruments.

**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 company's auditor 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 company's auditor is aware of that information. The confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**BPP Services Limited**

**Directors' report (continued)**  
**For the year ended 31 August 2021**

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The Directors report was approved by the Board of directors, and signed on its behalf by



.....  
Graham Stuart Mark Gaddes  
Director

Date: 31/05/2022  
.....

## **BPP Services Limited**

### **Independent auditor's report To the members of BPP Services Limited**

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#### **Opinion**

In our opinion the financial statements of BPP Services Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 August 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; 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; and
- the related notes 1 to 21.

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).

#### **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.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **BPP Services Limited**

### **Independent auditor's report (continued) To the members of BPP Services Limited**

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#### **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.

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 company's industry and its control environment, and reviewed the company'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 company 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 UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax 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 and in-house legal counsel 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.

**BPP Services Limited**

**Independent auditor's report (continued)  
To the members of BPP Services Limited**

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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 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.

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 strategic report or the directors' report.

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

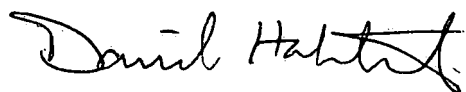
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.



**David Halstead, FCA (Senior Statutory Auditor)**

**For and on behalf of Deloitte LLP**

**Statutory Auditor**

**St Albans, United Kingdom**

31 May 2022

Date:.....

**BPP Services Limited****Statement of comprehensive income****For the year ended 31 August 2021**

	Notes	2021 £'000	2020 £'000
Turnover	3	14,181	13,347
Cost of sales		-	(3)
<b>Gross profit</b>		<u>14,181</u>	<u>13,344</u>
Administrative expenses		(14,407)	(13,451)
<b>Operating loss</b>	4	<u>(226)</u>	<u>(107)</u>
Interest receivable from group undertakings	7	259	11
Interest payable and similar expenses	8	(1,487)	(1,659)
<b>Loss before taxation</b>		<u>(1,454)</u>	<u>(1,755)</u>
Tax on loss	9	(895)	(122)
<b>Loss for the financial year</b>		<u><u>(2,349)</u></u>	<u><u>(1,877)</u></u>

The Statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

There were no recognised gains or losses other than those recognised through the Statement of comprehensive income above.

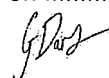


**BPP Services Limited****Statement of financial position****As at 31 August 2021**

		<b>2021</b>		<b>2020</b>	
	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fixed assets</b>					
Intangible assets	<b>10</b>		2,374		2,399
Tangible assets	<b>11</b>		870		667
Investments	<b>12</b>		109,342		109,342
			<u>112,586</u>		<u>112,408</u>
<b>Current assets</b>					
Debtors: falling due within one year	<b>14</b>	35,798		20,527	
<b>Current liabilities</b>					
Bank overdraft		(11,407)		(10,875)	
Creditors: falling due within one year	<b>15</b>	(79,214)		(61,670)	
<b>Net current liabilities</b>			<u>(54,823)</u>		<u>(52,018)</u>
<b>Non-current assets</b>					
Debtors: falling due after more than one year	<b>14</b>	3,156		2,878	
<b>Total assets less current liabilities</b>			<u>60,919</u>		<u>63,268</u>
<b>Creditors: amounts falling due after more than one year</b>	<b>16</b>		<u>(20,800)</u>		<u>(20,800)</u>
<b>Net assets</b>			<u>40,119</u>		<u>42,468</u>
<b>Capital and reserves</b>					
Called up share capital *	<b>19</b>		-		-
Other reserves	<b>20</b>		97,412		97,412
Profit and loss reserves	<b>20</b>		(57,293)		(54,944)
<b>Total equity</b>			<u>40,119</u>		<u>42,468</u>

\* = amount less than £1,000, due to rounding

The financial statements were approved by the board of directors and authorised for issue on 31/05/2022 and are signed on its behalf by:



Gary James Dart  
Director

Company Registration No. 06003756

**BPP Services Limited****Statement of changes in equity  
For the year ended 31 August 2021**

	Called-up share capital	Capital contribution reserves	Profit and loss reserves	Total
	£'000	£'000	£'000	£'000
<b>Balance at 1 September 2019</b>	-	97,412	(53,067)	44,345
<b>Year ended 31 August 2020:</b>				
Loss and total comprehensive expense for the year	-	-	(1,877)	(1,877)
<b>Balance at 31 August 2020</b>	-	97,412	(54,944)	42,468
<b>Year ended 31 August 2021:</b>				
Loss and total comprehensive expense for the year	-	-	(2,349)	(2,349)
<b>Balance at 31 August 2021</b>	-	97,412	(57,293)	40,119

**1 Accounting policies**

**Company information**

BPP Services Limited ("the company") is a private company limited by shares incorporated in the United Kingdom and registered in England and Wales. The registered office is BPP House, Aldine Place, 142-144 Uxbridge Road, Shepherds Bush, London, W12 8AW.

**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.

This 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:

- 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': 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; and
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

The results of the company are included in the consolidated financial statements of BPPH1 Limited, which are available from BPP House, Aldine Place, 142-144 Uxbridge Road, Shepherds Bush, London, W12 8AA.

**Notes to the financial statements (continued)**

**For the year ended 31 August 2021**

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**1 Accounting policies (continued)**

**1.2 Going concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and operate within the level of their facilities for the foreseeable future and they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Going Concern considerations**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic and Directors' Report. The financial position of the company is described in the Strategic Report.

In assessing the company's going concern the directors continue to give consideration to the impact of the COVID-19 pandemic. However, given the company's financial performance in 2020, 2021 and year-end position, the directors assert that COVID is no longer a materially greater risk to the company than other risk factors considered in the going concern assessment.

The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent company, BPPH1 Limited and fellow subsidiaries. BPPH1 Limited has committed through a letter of support that it will lend as is necessary to this entity to pay the debts of the company as they become due.

**Conclusion**

After careful consideration of the above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and operate within the level of their facilities for the foreseeable future and they continue to adopt the going concern basis in preparing the annual report and accounts. BPPH1 Limited have committed that they will lend as is necessary to the company to pay debts as they become due for a period up to 30 June 2023. Having assessed the responses of the directors of BPPH1 Limited, the directors of the company have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern.

**1.3 Turnover**

Turnover represents intragroup recharges of the shared services costs. Turnover is derived from the United Kingdom and represents the invoiced amount of services provided during the year, stated net of VAT. They are allocated between group entities based on relevant cost drivers such as head count and revenue.

**1 Accounting policies (continued)**

**Interest income**

Interest income is recognised when it is probable that the economic benefit 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 at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Government grants**

Government grants received during the year represent funds from a government funding scheme associated with COVID-19. 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. Government grants relating to turnover are recognised as income on an accrual basis over the periods when the related costs are incurred.

**1.4 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.

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. Previously capitalised IT Software development costs are included within intangibles and are amortised over three years.

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

Software & Licences	over three years
Other Intangibles	over two to three years

**1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Equipment	over three to five years
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Assets in the course of construction are not depreciated.

**1 Accounting policies (continued)**

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 credited or charged to the statement of comprehensive income.

**1.6 Fixed asset investments**

Interests 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 the statement of comprehensive income.

**1.7 Impairment of fixed assets**

At each reporting year end date, the company 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 the statement of comprehensive income, 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 the statement of comprehensive income, 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.

**1.8 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1 Accounting policies (continued)**

**1.9 Financial instruments**

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors, 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.

***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***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 company after deducting all of its liabilities.

**1 Accounting policies (continued)**

***Basic financial liabilities***

Basic financial liabilities, including creditors, 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 creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

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

**1.10 Equity instruments**

Equity instruments issued by the company 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 company.

**1.11 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.



**1 Accounting policies (continued)**

***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 year when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has 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.

**1.12 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 fixed assets.

The cost of any unused holiday entitlement is recognised in the year 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.

**1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

## Notes to the financial statements (continued)

For the year ended 31 August 2021

**2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

**Critical judgements**

The directors deem that there were no critical judgements (apart from those involving estimates) involved in these financial statements.

**Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

**Valuation of investments**

The valuation of the investments in subsidiaries is a key judgement which is underpinned by the current performance and future trading prospects of those subsidiaries. An annual impairment review is required. This assessment relies on estimates and assumptions and may involve a series of complex judgements about future events. See Note 12 for further disclosure around the valuation of investments.

**3 Turnover and other revenue**

The turnover of the company is derived from the recharge of central costs to other members of the group.

Turnover includes £160 (2020: £612) of government grants received from the Coronavirus Job Retention Scheme.

**4 Operating loss**

	2021	2020
	£'000	£'000
Operating loss for the year is stated after charging/(crediting):		
Exchange losses/(gains)	13	(3)
Fees payable to the company's auditor for the audit of the company's financial statements	25	29
Depreciation of owned tangible fixed assets	671	971
Amortisation of intangible fixed assets	1,328	1,296
	<u>      </u>	<u>      </u>

## Notes to the financial statements (continued)

For the year ended 31 August 2021

**5 Employees**

The average monthly number of persons employed by the company during the year was:

	2021 Number	2020 Number
Administration and services	4	5
	<u>4</u>	<u>5</u>

Their aggregate remuneration comprised:

	2021 £'000	2020 £'000
Wages and salaries	668	366
Social security costs	54	129
Pension costs	29	30
	<u>751</u>	<u>525</u>

**6 Directors' remuneration**

	2021 £'000	2020 £'000
Remuneration for qualifying services	-	1
	<u>-</u>	<u>1</u>

The amounts in respect of the highest paid director are as follows:

	2021 £'000	2020 £'000
Remuneration for qualifying services	-	-
	<u>-</u>	<u>-</u>

The directors of the Company are also directors of other BPP Holdings Limited subsidiaries. The directors' emoluments are allocated to the relevant entities based on qualifying services. The amount remunerated to directors of the Company by its subsidiaries and not included in Directors' emoluments disclosed above was £0.877 million (2020: £0.839 million). In addition, all of the directors are accruing benefits under the BPP Holdings Limited group pension scheme, which is a defined contribution scheme, in respect of their services to the group Companies. This is included in the amount remunerated to directors of the Company by its fellow group entities above.

**BPP Services Limited****Notes to the financial statements (continued)****For the year ended 31 August 2021****7 Interest receivable and similar income**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Interest income</b>		
Interest receivable from group companies	259	11
	<u>          </u>	<u>          </u>

**8 Interest payable and similar expenses**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Interest payable to group undertakings	1,487	1,659
	<u>          </u>	<u>          </u>

**9 Taxation**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	1,825	(1,351)
Adjustments in respect of prior periods	(690)	1,428
	<u>          </u>	<u>          </u>
Total current tax	1,135	77
	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(240)	45
	<u>          </u>	<u>          </u>
Total tax charge	895	122
	<u>          </u>	<u>          </u>

**Notes to the financial statements (continued)**  
**For the year ended 31 August 2021**

**9 Taxation (continued)**

The actual charge 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:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Loss before taxation	(1,454)	(1,755)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(276)	(333)
Tax effect of expenses that are not deductible in determining taxable profit	2,575	(817)
Under/(over) provided in prior years	(690)	1,428
Deferred tax - current year	482	45
Deferred tax - rate difference	(714)	-
Deferred tax - adjustments in respect of prior years	(8)	(201)
Other timing differences	(474)	-
Taxation charge for the year	895	122

On the 3 March 2021 it was announced in the UK Government's Budget that the reduction in the UK rate to 17% announced the previous year will now not occur and the Corporation Tax Rate will be held at 19% until 1 April 2023 when it will rise to 25%. The Group's deferred tax liabilities recorded in the United Kingdom have been revalued at the higher 25%. The company recorded a tax expense of £0.118 million, a tax expense of £0.057 million and a tax benefit of £0.012 million during the years ended 31 August 2021, 2020 and 2019, respectively, associated with the change in tax rates.

## Notes to the financial statements (continued)

For the year ended 31 August 2021

**10 Intangible fixed assets**

	Software & Licences £'000	Other Intangibles £'000	Total £'000
<b>Cost</b>			
At 1 September 2020	11,680	657	12,337
Disposals	(212)	-	(212)
Additions	1,423	-	1,423
Transfers	(570)	570	-
At 31 August 2021	12,321	1,227	13,548
<b>Amortisation and impairment</b>			
At 1 September 2020	9,717	221	9,938
Amortisation charged for the year	1,328	-	1,328
Disposals	(92)	-	(92)
Transfers	(107)	107	-
At 31 August 2021	10,846	328	11,174
<b>Carrying amount</b>			
At 31 August 2021	1,475	899	2,374
At 31 August 2020	1,963	436	2,399

Other intangibles additions relate to the capitalisation of internal IT Systems development costs. Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss. Amortisation charged for the year has been recognised within Administrative expenses.

**BPP Services Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 August 2021**

**11 Tangible fixed assets**

	<b>Equipment £'000</b>
<b>Cost</b>	
At 1 September 2020	12,716
Additions	874
	<hr/>
At 31 August 2021	13,590
	<hr/>
<b>Depreciation and impairment</b>	
At 1 September 2020	12,049
Depreciation charged in the year	671
	<hr/>
At 31 August 2021	12,720
	<hr/>
<b>Carrying amount</b>	
At 31 August 2021	870
	<hr/> <hr/>
At 31 August 2020	667
	<hr/> <hr/>

**12 Fixed asset investments**

	<b>Notes</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Investments in subsidiaries	<b>13</b>	109,342	109,342
		<hr/> <hr/>	<hr/> <hr/>

**Movements in fixed asset investments**

	<b>Shares in group undertakings £'000</b>
<b>Cost or valuation</b>	
At 1 September 2020 & 31 August 2021	125,900
	<hr/>
<b>Impairment</b>	
At 1 September 2020 & 31 August 2021	16,558
	<hr/>
<b>Carrying amount</b>	
At 31 August 2021	109,342
	<hr/> <hr/>
At 31 August 2020	109,342
	<hr/> <hr/>

## BPP Services Limited

### Notes to the financial statements (continued)

For the year ended 31 August 2021

#### 13 Subsidiaries

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

Name of undertaking	Registered office	Class of shares held	% Held Direct
BPP Learning Media Ltd	UK	Ordinary	100
BPP Professional Education Ltd	UK	Ordinary	100

Both companies undertake training and education as the nature of their business. The registered office address is BPP House, Aldine Place, 142-144 Uxbridge Road, London, W12 8AW.

At 31 August 2021 and 2020, 1 Ordinary share with par value of £1 is held in both BPP Professional Education Limited and BPP Learning Media Limited.

#### 14 Debtors

	2021 £'000	2020 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	33	159
Corporation tax recoverable	758	953
Amounts due from parent undertaking	31,976	16,534
Amounts due from fellow subsidiary undertakings	1,135	1,116
Other debtors	386	76
Prepayments	1,510	1,678
Accrued income		11
	<u>35,798</u>	<u>20,527</u>

Amounts owed from group undertakings falling due within one year represent loans repaid every quarter and trading balances at arm's length settled monthly. Interest is charged on the loan balances at 1.75% above the monthly LIBOR rate.



## Notes to the financial statements (continued)

For the year ended 31 August 2021

**14 Debtors (continued)**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due after more than one year:</b>		
Prepayments	145	107
Deferred tax asset (note 17)	3,011	2,771
	<u>3,156</u>	<u>2,878</u>
<b>Total debtors</b>	<u><u>38,954</u></u>	<u><u>23,405</u></u>

**15 Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	781	515
Amounts owed to fellow subsidiary undertakings	75,007	57,704
Taxation and social security	1,772	2,535
Other creditors	599	421
Accruals	1,055	495
	<u>79,214</u>	<u>61,670</u>

Amounts owed to group undertakings falling due within one year represent loans repaid every quarter and trading balances at arm's length settled monthly. Interest is charged on the loan balances at 1.75% above the monthly LIBOR rate.

**16 Creditors: amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to group undertakings	<u>20,800</u>	<u>20,800</u>

Amounts owed to group undertakings falling due in over one year represent loans without fixed repayment dates but are attracting interest repayments. Interest is charged at 1.75% above the monthly LIBOR rate.

**BPP Services Limited****Notes to the financial statements (continued)****For the year ended 31 August 2021****17 Deferred taxation**

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

	<b>Assets 2021 £'000</b>	<b>Assets 2020 £'000</b>
<b>Balances:</b>		
Accelerated capital allowances	2,976	2,737
Other timing differences	35	34
	<u>3,011</u>	<u>2,771</u>
<b>Movements in the year:</b>		<b>2021 £'000</b>
Asset at 1 September 2020		2,771
Credit to profit or loss		240
Asset at 31 August 2021		<u>3,011</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to accelerated capital allowances.

**18 Retirement benefit schemes**

	<b>2021 £'000</b>	<b>2020 £'000</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>29</u>	<u>30</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

**19 Share capital**

	<b>2021 £'000</b>	<b>2020 £'000</b>
102 ordinary shares of £1 each	<u>-</u>	<u>-</u>

As at 31 August 2021 and 2020, there are 102 Ordinary shares of par value £1, giving a total share value of £102.

**20 Reserves**

**Capital contribution reserves**

The capital contribution reserve was created from an increase in the investment in the company of £97.412 million (2020: £97.412 million).

**Profit and loss reserves**

The retained earnings reserve represents the cumulative distributable profits and losses net of dividends and other adjustments.

**21 Ultimate controlling party**

In the opinion of the directors, the Company's immediate parent is BPP Holdings Limited, a company incorporated in the United Kingdom and registered in England and Wales. The ultimate parent of the Company is Bright Holdings S.a.r.l. (registered in Luxembourg) and the ultimate controlling party is a group of investment funds managed by TDR Capital LLP (registered in the UK).

BPPH1 Limited is the largest and smallest group undertaking for which consolidated financial statements are prepared. Copies of the Group financial statements of BPPH1 Limited are available from BPP House, Aldine Place, 142-144 Uxbridge Road, Shepherds Bush, London, W12 8AA.