

Company registration number 07108783

BC Holdings (United Kingdom) Limited

Annual Report and Financial Statements

For the year ended 31 March 2020



BC Holdings (United Kingdom) Limited

Annual Report and Financial Statements for the year ended 31 March 2020

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BC Holdings (United Kingdom) Limited

Strategic report

Strategic report for the year ended 31 March 2020

The directors present their strategic report on the Company for the year ended 31 March 2020.

Business environment and future outlook

The Company acts as a holding company for various subsidiaries and both the level of activity, and the year-end position were as expected. The company began trading in Nigeria in the second half of the year and Nepal will start operating fully during the next financial year. Activity outside investments in subsidiaries was a joint venture with forty percent ownership. The joint venture will expand the British Council product range with possible revenue streams within the group entities.

BC Education Consulting (Beijing) Co Ltd, British Council (Taiwan) Limited and Limited Liability Company 'British Council (Ukraine)' generated enough operating income to make dividend payments to BC Holdings (United Kingdom) Limited during the financial year. Using dividend income received, BC Holdings (United Kingdom) Limited was able to pay a dividend of £14,855,090 to the British Council during the year and plan to pay dividends going forward.

The Company's dividend income will be disrupted by coronavirus (COVID-19) global pandemic. Management is unable to predict the impact the global pandemic will have on the company's operational and financial results. The company's low overheads should ensure that the company will remain profitable, however, the profit will reduce over the next financial year.

Results

The profit before taxation was £15,651,360 (2019: £13,022,643) and the profit for the financial year was £14,763,937 (2019: £12,310,779). The financial position decreased during the year based on the amount of dividend payments during the financial year with an overall net assets position of £8,578,719 (2019: £8,669,872). The cash at bank and in hand is higher than previous years at £1,321,016 (2019: £1,317,254) and retained mainly for the joint venture investments during the next financial year.

Principal risks and uncertainties

The principal risks to BC Holdings (United Kingdom) Limited as a holding company are the performances of the underlining subsidiaries and the foreign exchange risk associated with its investments and intercompany loans. The company mitigates the foreign exchange risk on loans by using pound sterling as the contractual currency.

In addition the board consider the changing environments of all subsidiaries and analyses performance accordingly with the view of recoverability of BC Holdings (United Kingdom) Limited's investments. As part of the review the board may consider impairing loan and investment values based on the current and projected performances of individual subsidiaries and its ability to meet loan repayments.

In addition, in March 2020, the World Health Organisation declared that coronavirus was a global pandemic and recommended containment and mitigation measures worldwide. These have continued into the first part of 2021. The ultimate financial impact and duration of these events is difficult to reasonably estimate, however the impact for BC Holdings (United Kingdom) Limited is relatively limited, as it operates as a holding company, with few operational activities which enables fixed costs to be kept at a minimum. Although there is uncertainty more widely in the sector, BC Holdings (United Kingdom) Limited also has significant cash reserves it is able to draw down upon.

On behalf of the board



Mark Robson
Director
2 March 2021

BC Holdings (United Kingdom) Limited

Directors' report

Directors's report for the year ended 31 March 2020

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2020.

Principal activities and future developments

As set out in the strategic report, during the year ended 31 March 2020 the principal activity of the Company continued to be to act as a holding company for various subsidiaries within the group headed by the British Council and this is expected to continue for the foreseeable future. In addition, the company investment in a joint venture to expand the British Council product range. The company has presented its financial position and financial performance under United Kingdom Accounting Standards, including Financial Reporting Standard 102.

Going concern

The directors believe that although the financial performance of the company is likely to continue to be affected by the coronavirus pandemic for some time to come, the nature of the company as a holding company, with a strong net asset and cash position, mitigates this risk. Further details on this can be found in the accounting policies on page 9.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements, except where otherwise shown, were as follows:

Mark Robson (Chair)

Richard Thomas

Mark Beddy

The company secretary is Geraldine Fay.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors during the financial year, and also at the date of approval of the financial statements.

Disclosure of information to auditors

Each of the persons who are a director at the date of approval of this report confirms 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 he ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Dividend

A dividend of £14,855,090 (2019: £13,858,645) was paid to the British Council during the year.

BC Holdings (United Kingdom) Limited

Directors' report

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

On behalf of the board



Mark Robson
Director
2 March 2021

BC Holdings (United Kingdom) Limited

Independent auditors' report to the members of BC Holdings (United Kingdom) Limited

Report on the audit of the financial statements

Opinion

In our opinion, BC Holdings (United Kingdom) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2020; the profit and loss account and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

BC Holdings (United Kingdom) Limited

Independent auditors' report to the members of BC Holdings (United Kingdom) Limited (continued)

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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. This description forms part of our auditors' report.

Use of report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Daniel Chan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
2 March 2021

BC Holdings (United Kingdom) Limited

Profit and loss account For the year ended 31 March 2020

	Note	2020 £	2019 £
Other income	3	-	14,868
Administrative expenses	3	(59,193)	(13,410)
Reversal of impairment loss on amounts owed by group undertakings	4	11,530	(948,164)
Operating loss		(47,663)	(946,706)
Other interest receivable and similar income	5	41,885	42,885
Income from shares in group undertakings	6	16,188,338	13,926,464
Share of loss on joint venture	7	(531,200)	-
Profit before taxation		15,651,360	13,022,643
Tax on profit	8	(887,423)	(711,864)
Profit for the financial year		14,763,937	12,310,779

There are no recognised gains and losses other than the profit for the financial year (2019: none). Accordingly, a separate statement of other comprehensive income is not presented.

All amounts arise from continuing operations.

The accompanying notes on pages 9 to 17 form an integral part of these financial statements.

BC Holdings (United Kingdom) Limited
Company no. 07108783

Balance sheet
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	9	5,799,172	5,635,109
		<u>5,799,172</u>	<u>5,635,109</u>
Current assets			
Debtors	10	1,497,584	1,737,472
Cash at bank and in hand		1,321,016	1,317,254
		<u>2,818,600</u>	<u>3,054,726</u>
Creditors: amounts falling due within one year	11	(39,053)	(19,963)
Net current assets		<u>2,779,547</u>	<u>3,034,763</u>
Total assets less current liabilities		<u>8,578,719</u>	<u>8,669,872</u>
Net assets		<u>8,578,719</u>	<u>8,669,872</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account		8,578,718	8,669,871
Total shareholders' funds		<u>8,578,719</u>	<u>8,669,872</u>

The accompanying notes on pages 9 to 17 form an integral part of these financial statements.

The financial statements of BC Holdings (United Kingdom) Limited on pages 6 to 17 were approved by the board of directors and authorised for issue on 26 February 2021. They were signed on its behalf by:



Mark Robson
 Director
 2 March 2021

BC Holdings (United Kingdom) Limited

Statement of changes in equity For year ended 31 March 2020

		Called up share capital	Profit and loss account	Total shareholders' funds
	Note	£	£	£
At 1 April 2018		1	10,217,737	10,217,738
Profit for the financial year and total comprehensive income		-	12,310,779	12,310,779
Dividend paid to the British Council	13	-	(13,858,645)	(13,858,645)
		<hr/>	<hr/>	<hr/>
At 31 March 2019		1	8,669,871	8,669,872
		<hr/>	<hr/>	<hr/>
At 1 April 2019		1	8,669,871	8,669,872
Profit for the financial year and total comprehensive income		-	14,763,937	14,763,937
Dividend paid to the British Council	13	-	(14,855,090)	(14,855,090)
		<hr/>	<hr/>	<hr/>
At 31 March 2020		1	8,578,718	8,578,719
		<hr/>	<hr/>	<hr/>

The profit and loss account represents the accumulated comprehensive profit for the financial year and prior years plus related tax credits and charges from the parent company.

BC Holdings (United Kingdom) Limited

Notes to the financial statements

For the year ended 31 March 2020 (Continued)

1. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting

BC Holdings (United Kingdom) Limited (Company number 07108783) is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 1 Redman Place, London, United Kingdom, E20 1JQ.

The separate financial statements of BC Holdings (United Kingdom) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates, especially in relation to the impairment of intercompany loans and investments. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There were no areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements.

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, the British Council, includes the company's cash flows in its own consolidated financial statements.

Consolidated financial statements

BC Holdings (United Kingdom) Limited owns seventeen subsidiary companies or associations. BC Holdings (United Kingdom) Limited is a wholly owned subsidiary of the British Council, whose principal place of business is 1 Redman Place, London, United Kingdom, E20 1JQ. It is included in the consolidated financial statements of the British Council which are publicly available. Therefore the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the company's separate financial statements.

Going concern

BC Holdings (United Kingdom) Limited had cash reserves of £1,321,016 as at 31 March 2020 and is forecast to continue to have a significant cash balance throughout 2021/22 and beyond. The company has relatively limited fixed costs, namely audit and tax fees, as it is a holding company that does not undertake operational activities that generate large costs.

In addition to this, any dividends paid to the British Council parent charity would need to be a legal distribution of funds, therefore the company requires sufficient distributable reserves to do so.

As a result, the directors believe that the Company will be able to maintain positive cash flows for the foreseeable future, and the going concern basis of accounting has been adopted.

BC Holdings (United Kingdom) Limited

Notes to the financial statements

For the year ended 31 March 2020 (Continued)

1. Accounting policies (continued)

Foreign currency

The company's functional and presentation currency is the pound sterling. Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised as an exchange gain or loss in the profit and loss account.

Fixed asset investments

The investments in subsidiary companies are held at cost less accumulated impairment losses.

Debtors

Debtors are amounts due from other group undertakings. Debtors are recognised at carrying value, reduced by appropriate provisions for estimated irrecoverable amounts. When assessing recoverability of debtors, which are all subsidiaries, management considers the current and projected performance and financial position of the subsidiary and its ability to meet loan repayments.

Cash at bank and in hand

Cash consists of cash at bank and in hand held to meet short-term cash commitments as they fall due.

Creditors

Creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised at their settlement amount. Creditors due in more than one year are discounted to present value, where material.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

BC Holdings (United Kingdom) Limited

Notes to the financial statements For the year ended 31 March 2020 (Continued)

1. Accounting policies (continued)

Taxation (continued)

(ii) Deferred tax (continued)

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Interest receivable and payable

Interest receivable and payable are calculated using the effective interest method.

Dividend income

Dividends are recognised when the company's right to receive payment is established.

Financial instruments

The company has financial assets and liabilities of a kind that qualify as basic and complex financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. BC Holdings (United Kingdom) Limited has opted to take advantage of the disclosure exemptions available in paragraph 1.12 (c) in relation to financial instrument disclosures required by sections 11 and 12 since BC Holdings (United Kingdom) Limited is a qualifying entity and equivalent disclosures are made in the British Council's group financial statements.

2. Employees and Directors

Employees

No employees (including directors) were employed by BC Holdings (United Kingdom) Limited during the financial year (2019: none).

Directors' remuneration

None of the directors of BC Holdings (United Kingdom) Limited were remunerated by the Company for their services as directors in the current or prior accounting periods. All costs of employing those directors, who are employees of the British Council, are met by the British Council, in whose financial statements all such costs have been recognised. Those directors of the Company who are trustees of the British Council are not remunerated, in accordance with charity law. They are entitled to be reimbursed for any travel expenses incurred in carrying out their duties as trustees and directors. All such reimbursements are made by the British Council, in whose financial statements these amounts are disclosed. The amount of remuneration paid to the directors cannot be apportioned accurately for their services to BC Holdings (United Kingdom) Limited, and would be immaterial to disclose.

3. Operating loss

	2020	2019
	£	£
The operating loss for the year is stated after charging / (crediting):		
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	7,387	9,635
Taxation compliance services	3,575	3,575
Foreign exchange loss / (gain) on intra-group loans	45,941	(14,868)

BC Holdings (United Kingdom) Limited

Notes to the financial statements

For the year ended 31 March 2020 (Continued)

4. Reversal of impairment loss on amounts owed by group undertakings

	2020	2019
	£	£
Reversal of impairment loss on amounts owed by group undertakings	(11,530)	948,164

The reversal of the impairment amount relates to the Russia entity loan repayment after prior year impairment (2019: £48,164) based on recoverability of the investment.

5. Other interest receivable and similar income

	2020	2019
	£	£
Interest receivable and similar income from group undertakings	41,885	42,885

6. Income from shares in group undertakings

	2020	2019
	£	£
Income from shares in group undertakings, see note 9	16,188,338	13,926,464

7. Share of loss on joint venture

	2020	2019
	£	£
Share of loss on joint venture, see note 9	531,200	-

8. Tax on profit

	2020	2019
	£	£
Current taxation		
United Kingdom corporation tax at 19% (2019:19%)	3,867,206	3,411,150
Double taxation relief	(3,842,541)	(3,411,150)
Overseas taxation	862,758	711,864
Total current tax	887,423	711,864
Deferred taxation	-	-
Tax on profit	887,423	711,864

BC Holdings (United Kingdom) Limited

Notes to the financial statements

For the year ended 31 March 2020 (Continued)

Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	2,973,758	2,474,302
Effects of:		
Double tax relief in the UK	(3,842,541)	(3,441,150)
Overseas corporation tax on dividends received	951,108	854,180
Overseas withholding tax on dividends received	854,244	711,864
Overseas withholding tax on interest receivable	8,514	-
Income exempt from tax	(172,535)	(59,058)
Expenses not deductible for tax purposes	114,875	180,151
Deemed income for tax purposes	-	7,361
Offset of tax losses	-	(15,786)
Tax on profit	887,423	711,864

The company had an unrecognised deferred tax asset in respect of carried forward tax losses at 31 March 2020 of £nil (2019: £33,636).

9. Investments

(i) Investments in subsidiaries

	2020 £	2019 £
At 1 April	5,635,109	6,535,108
Additions in the year	164,063	48,165
Impairment	-	(948,164)
At 31 March	<u>5,799,172</u>	<u>5,635,109</u>

The Company has ownership in the following subsidiaries and associates.

Organisation name	Country	Registered Address	Principal activities	Class shares / Contribution held/%	Investment amount £
BC Trading International Ltd	England and Wales	1 Redman Place, London, England, E20 1JQ	Raising funds through trading activities	Ordinary/100%	100
*BC Education Consulting (Beijing) Co Ltd (registered name: BC教育咨询(北京)有限公司)	China	7/F Landmark Building Tower 4, 8 Dongsanhuan Beilu, Chaoyang District, Beijing, China	Carrying out charitable objectives of the British Council	Ordinary/100%	3,360,000
British Council English Training (Jiangsu) Co. Ltd.(registered name: 英协英语培训(江苏)有限公司)	China	8/F Building E07, Suning Wisdom Valley, 272 Jiqingmen Avenue, Gulou District, Nanjing, Jiangsu	Carrying out charitable objectives of the British Council	Ordinary/100%	-
Ying He Advertising (Beijing) Co. Ltd. (registered name: 英合广告(北京)有限公司)	China	Office 2151, 21/F, Sunflower Tower, No.37, Maizidian Street, Chaoyang District,	Raising funds through trading activities	Indirect Holding/100%	-

BC Holdings (United Kingdom) Limited

Notes to the financial statements

For the year ended 31 March 2020 (Continued)

Organisation name	Country	Registered Address	Principal activities	Class shares / Contribution held/%	Investment amount £
		Beijing			
British Council in France	France	1 Boulevard Victor, 75015 Paris, France	Carrying out charitable objectives of the British Council	Ordinary/100%	1
BC Management Services Private Limited	India	17 Kasturba, Ghandi Marg, New Delhi, 110001, India.	Provision of support services to the British Council	Ordinary/99.997%	961,826
BC English and Examinations Services India Private Limited	India	6th Floor, One Horizon Centre, Sector 43, Golf Course Road, DLF Phase V, Gurgaon -122002 India	Raising funds through trading activities	Indirect Holding/99.99%	-
Yayasan Dewan Inggris	Indonesia	Office Eight, 9 th Floor Sudirman Central Business District (SCBD) Lot 28 Jl. Jend. Sudirman kav. 52-53 (Jl. Senopati Raya No. 88) Jakarta 12190	Carrying out charitable objectives of the British Council	Contribution/100%	7,000
British Council (Kazakhstan) LLP	Kazakhstan	Republic of Kazakhstan, Almaty, 97 Zholdasbekov street, Block A-2, floor 11	Carrying out charitable objectives of the British Council	Ordinary/100%	-
British Council Civil Association (registered name: British Council Asociación Civil)	Mexico	British Council Lope de Vega 316 Col. Chapultepec orales Mexico City 11570 D.F. Mexico	Carrying out charitable objectives of the British Council	Contribution /0.01%	0.05
British Council Associated Civil Association (registered name: British Council Asociados)	Mexico	British Council Lope de Vega 316 Col. Chapultepec orales Mexico City 11570 D.F. Mexico	Raising funds through trading activities	Contribution /99%	5,000
British Council (Myanmar) Ltd.	Myanmar	78 Kanna Road, Kyauktada, Yangon, Myanmar	Carrying out charitable objectives of the British Council	Ordinary/100%	-
British Council Services Nepal Private Limited	Nepal	Ward No. 26, Kathmandu Metropolitan City, Kathmandu District, Nepal	Carrying out charitable objectives of the British Council	Ordinary/100%	1,500
British Council Trading Services (Nigeria) Limited	Nigeria	20 Thompson Avenue, PO Box 53702, Falomo, Ikoyi, Lagos, Nigeria	Carrying out charitable objectives of the British Council	Ordinary/99%	162,564
British Council Foundation in Poland (registered name:	Poland	54 Koszykowa Street, 00-675 Warsaw,	Carrying out charitable objectives of the British	Contribution/100%	417

BC Holdings (United Kingdom) Limited

Notes to the financial statements

For the year ended 31 March 2020 (Continued)

Organisation name	Country	Registered Address	Principal activities	Class shares / Contribution held/%	Investment amount £
Fundacja British Council)		Poland	Council		
Smart Education, Culture and Language Services Limited Liability Company (registered name: ООО "Умные культурно-образовательные и языковые услуги")	Russia	9 Zemlyanoi val, Moscow, 105064, Russian Federation	Carrying out charitable objectives of the British Council	Ordinary/99%	-
*British Council (Taiwan) Limited (registered name: 英協文教有限公司)	Taiwan	27F., No.9, Song Gao Road.,Xinyi District, Taipei City 110, Taiwan	Carrying out charitable objectives of the British Council	Ordinary/100%	306,569
BC Holdings (Thailand) Limited	Thailand	254 Chulalongkorn Soi 64, Siam Square, Phyathai Rd, Pathumwan, Bangkok, 10330, Thailand	Holding company	Ordinary/48.8%	1,002
BC Operations (Thailand) Limited	Thailand	254 Chulalongkorn Soi 64, Siam Square, Phyathai Rd, Pathumwan, Bangkok, 10330, Thailand	Carrying out charitable objectives of the British Council	Ordinary/49% Indirect Holding/73.89%	905,544
BC Language Teaching (Thailand) Limited	Thailand	254 Chulalongkorn Soi 64, Siam Square, Phyathai Rd, Pathumwan, Bangkok, 10330, Thailand	Carrying out charitable objectives of the British Council	Indirect Holding/73.89%	-
British Council Education Services Company (registered name: British Council Eğitim Hizmetleri Limited Şirketi)	Turkey	Gaziosmanpaşa Mahallesi İran Cadde 21/436 Çankaya / Ankara, Turkey	Carrying out charitable objectives of the British Council	Ordinary/100%	-
*Limited Liability Company 'British Council (Ukraine)' (registered name: Товариство з обмеженою відповідальністю «Британська Рада (Україна)»)	Ukraine	12/4 Voloska street, Kyiv, 04070, Ukraine	Carrying out charitable objectives of the British Council	Ordinary/99%	34,650
Private Extra-Curricular Educational Institution 'British Council (Ukraine)' (registered name: Приватний позашкільний навчальний заклад «Британська Рада (Україна)»)	Ukraine	12/4 Voloska Street, Kyiv, 04070, Ukraine	Carrying out charitable objectives of the British Council	Indirect Holding/99%	-
British Council (Viet Nam) LLC (registered name: Công ty TNHH British Council (Việt Nam))	Vietnam	20 Thuy Khue street, Tay Ho district, Ha Noi, Viet Nam	Carrying out charitable objectives of the British Council	Ordinary/100%	53,000

BC Holdings (United Kingdom) Limited

Notes to the financial statements

For the year ended 31 March 2020 (Continued)

The entities in China, Kazakhstan, Mexico, Russia and Ukraine all have an accounting year end reporting date of 31 December due to their local statutory requirements.

Investments during the financial year

New investments were made in Nepal and Nigeria. An entity in Myanmar was incorporated with no investment or trading activities as at 31 March 2020. In the prior year, a new investment was made in France, but no activity had taken place as at 31 March 2019.

Dividends received during the financial year

*BC Education Consulting (Beijing) Co Ltd

BC Holdings (United Kingdom) Limited owns 100% of the equity share capital of BC Education Consulting (Beijing) Co Ltd. During the financial year total dividends of £14,835,604 (2019: £13,239,072) were received, future dividend payments from China are expected in the next financial year.

* British Council (Taiwan) Limited

BC Holdings (United Kingdom) Limited owns 100% of the equity share capital of British Council (Taiwan) Limited. During the financial year a dividend of £896,547 (2019: £310,834) was received, future dividend payments from Taiwan are expected in the next financial year.

* Limited Liability Company 'British Council (Ukraine)

BC Holdings (United Kingdom) Limited owns 99% of the equity share capital of Limited Liability Company 'British Council (Ukraine). During the financial year a dividend of £456,187 (2019: £376,558) was received, future dividend payments from Ukraine are expected in the next financial year.

(ii) Investment in Joint Venture

	2020	2019
	£	£
BC EnglishScore Limited:		
At 1 April	-	-
Investment during the year	531,200	-
Share of Profit or (Loss)	(531,200)	-
	<hr/>	<hr/>
At 31 March	-	-

BC Holdings (United Kingdom) Ltd hold a 40 per cent equity investment in BC EnglishScore Limited. The other shareholder is BCI Finance Nominee Limited (Blenheim Chalcot). The entity is accounted for using the equity method of accounting.

BC EnglishScore Limited is a private limited company incorporated in England and Wales. The company has been established to develop, launch and operate software to help people develop their English language skills.

10. Debtors

	2020	2019
	£	£
Amounts owed by group undertakings	919,281	1,737,472
Amounts owed by IELTS UK Services Ltd	411,860	-
Other Debtors	166,443	-
	<hr/>	<hr/>
	1,497,584	1,737,472

The British Council as parent holds one third of shares in IELTS UK Services Ltd with University of Cambridge Local Examinations Syndicate and IELTS Australia Pty Ltd.

BC Holdings (United Kingdom) Limited

Notes to the financial statements

For the year ended 31 March 2020 (Continued)

10. Debtors (continued)

Other debtors represent the investment process in the Philippines was deposited to a local bank account as part of the incorporation process in the Philippines. Incorporation was still in progress at 31 March 2020.

11. Creditors: amounts falling due within one year

	2020	2019
	£	£
Amounts owed to group undertakings	1	1
Accruals and deferred income	14,387	19,962
Corporation tax	24,665	-
	<u>39,053</u>	<u>19,963</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12. Called up share capital

	2020	2019
	£	£
Allotted and called up:		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

13. Dividends

	2020	2019
	£	£
Equity - Ordinary	<u>14,855,090</u>	<u>13,858,645</u>

14. Ultimate parent undertaking

The immediate and ultimate parent undertaking and controlling party is the British Council.

The British Council is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 March 2020. The consolidated financial statements of the British Council can be obtained from the British Council's website at www.britishcouncil.org or at its registered address 1 Redman Place, London, E20 1JQ, United Kingdom, or from the Charity Commission website at www.charity-commission.gov.uk.

15. Related party transactions

BC Holdings (United Kingdom) Limited has no related party transactions except with other companies that are wholly owned within the British Council Group. The company has taken advantage of the exemption under FRS102 from disclosing related party transactions with other companies that are wholly owned within the group.

16. Subsequent events

On 7 December 2020, a new entity, BC Education India Private Limited was incorporated.