

Registered number: 11727093

TES TOPCO LIMITED

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



TES TOPCO LIMITED

COMPANY INFORMATION

Directors	P Simpson R Williams
Company secretary	P Simpson
Registered number	11727093
Registered office	Building 3 St Paul's Place Norfolk Street Sheffield England S1 2JE

TES TOPCO LIMITED

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TES TOPCO LIMITED
REGISTERED NUMBER: 11727093

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2022

	Note	31 August 2022 £000	31 August 2021 £000
Fixed assets			
Investments	2	133,762	133,762
Amounts due from group undertakings	3	4,809	528
		138,571	134,290
Current assets			
Trade and other receivables	3	-	28
		-	28
Non-current liabilities			
Preference share capital	5	-	(129,943)
		-	(129,943)
Current liabilities			
Creditors: amounts falling due within one year	4	(4,167)	(38,041)
Net current assets / (liabilities)		(4,167)	(38,013)
Net assets / (liabilities)		134,404	(33,666)
Capital and reserves			
Called up share capital	5	13,095	100
Share premium account	5	117,853	904
Accumulated losses		3,456	(34,670)
		134,404	(33,666)

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

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

For the period ended 31 August 2022, the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The shareholders have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

TES TOPCO LIMITED
REGISTERED NUMBER: 11727093

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2022

The financial statements on pages 1 to 10 were approved by the Board of Directors on 19 April 2023 and signed on its behalf by

DocuSigned by:

56E571A7B90949D
P Simpson
Director

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

TES TOPCO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2022**

	Called up share capital £000	Share premium account £000	Accumulated losses £000	Total equity £000
At 1 September 2021	100	116,949	(34,670)	(33,666)
Redesignation of preference shares	12,994	116,949	-	129,943
Comprehensive income for the year				
Profit for the year	-	-	38,126	38,126
Total comprehensive income for the year	-	-	38,126	38,126
At 31 August 2022	13,094	117,853	3,456	134,403

	Called up share capital £000	Share premium account £000	Accumulated losses £000	Total equity £000
At 1 September 2020	100	904	(21,477)	(20,473)
Comprehensive income for the year				
Loss for the year	-	-	(15,897)	(15,897)
Total comprehensive income for the year	-	-	(15,897)	(15,897)
Share based payments	-	-	2,704	2,704
Transactions with owners in their capacity as owners	-	-	2,704	2,704
At 31 August 2021	100	904	(34,670)	(33,666)

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

TES TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies

1.1 Reporting entity

Tes Topco Limited (the "Company") is a limited company, incorporated in the United Kingdom and domiciled in England. The Company's registered office is Building 3, St Paul's Place, Norfolk Street, Sheffield, S1 2JE. The Company's principal activity is that of a holding company.

1.2 Basis of preparation of financial statements

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

The Company is a wholly owned subsidiary of Caribou Bidco Limited and is included in the consolidated financial statements of Caribou Bidco Limited, which are publicly available. The Company has therefore taken the exemption from producing consolidated financial statements. The financial statements have been prepared in accordance with Companies Act 2006 as applicable to companies using FRS101, and under the historical cost convention.

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

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

- IAS 7 Statement of Cash Flows;
- the requirements in IAS 24 Related Party Disclosures, to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraph 33(c) of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations;
- the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements; and
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - i) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - ii) paragraph 118(e) of IAS 38 Intangible Assets

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

1.3 Going concern

The company is reliant on support from the ultimate parent company, Caribou Bidco Limited, for it to continue to trade and a group letter of support is in place to support the Company if required.

TES TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.3 Going concern (continued)

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

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

1.4 Interest receivable and similar income and interest payable and similar expense

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

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

1.5 Current taxation

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

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

1.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.7 Trade and other receivables

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

TES TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.8 IFRS 9 Expected credit loss

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

1.9 Trade and other payables

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.10 Financial instruments

Financial assets and liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

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

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, current balances and other short-term, highly liquid investments with banks and similar institutions.

1.12 Called up share capital

Ordinary shares, A ordinary shares and preference shares are classified as equity and carry the same voting and dividend rights.

Incremental costs, directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Preference share dividends are discretionary and become payable when there are sufficient distributable reserves available.

1.13 Critical accounting estimates and judgements

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

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

TES TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Investments
**Investments in
subsidiary companies
£000**
Net book value

At 1 September 2021	133,762
At 31 August 2022	133,762

Investments represent investment in Tes Midco Limited of £130,100k (2021: £130,100k) and share-based payments of £3,662k (2021: £3,662k). The Directors believe that the carrying value of the investment is supported by its underlying net assets.

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Holding
Tes Finance Limited	Holding and finance company	100 %
Tes Midco Limited	Holding and finance company	100 %
Tes Global Finance Limited	Holding and finance company	100 %
Tes Acquisition Limited	Holding and finance company	100 %
Tes Global Group Limited	Holding and finance company	100 %
Tes Global Holding Limited	Holding and finance company	100 %
TSL Education SPV 2 Ltd*	Holding and finance company	100 %
Tes Education Resources Limited	Digital resources platform	100 %
Tes Global Limited	Digital education services	100 %
Educare Learning Limited	Digital education services	100 %
Tes Global Services Limited	Holding company	100 %
TSL Education US Holdings Limited	Holding company	100 %
TSL Education US, Inc^	Holding company	100 %
Tangent, LLC^	Dormant	100 %
Tes Aus Global Pty Limited^	Information provider	100 %
Tes Global Hong Kong Limited^	Digital education services	100 %
Orovia Group Limited	Payroll software services	100 %
RootDoor Limited	Holding company	100 %
Orovia Research Limited	Holding company	100 %
Orovia Software Limited	Holding company	100 %
Orovia India Private Limited	Software development services	100 %
Smart Education (Australia) Pty Limited^	Provision of supply teachers	100 %
Tes Institute Limited	Provider of education training	100 %
EduKey Education Limited	Provision of educational services	100 %
TSL Education Limited	Dormant	100 %
The Times Educational Supplement Limited	Dormant	100 %
Edval Timetables Pty Limited (Australia)	Holding company	100 %
Edval Holdings Pty Limited (Australia)	Holding company	100 %

TES TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Investments (continued)**Subsidiary undertakings (continued)**

The following were subsidiary undertakings of the Company:

Name	Principal activity	Holding
Edval Education Pty Limited (Australia)	Software company	100%
Edval Education Limited (UK)	Software company	100%

*Denotes subsidiaries held directly by the company

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

- TSL Education US, Inc: 160 Greentree Drive, Suite 101, Dover, Delaware 19904 USA
- Tangient LLC: 818 West Seventh Street, Suite 930, Los Angeles, CA 90017 USA
- Tes Aus Global Pty Ltd: Level 44, 600 Bourke Street, Melbourne VIC 3000, Australia
- Tes Global Hong Kong Ltd: 25th Floor, Three Exchange Square, 8 Connaught Place, Hong Kong
- Smart Education (Australia) Pty Ltd: Level 44, 600 Bourke Street, Melbourne VIC 3000, Australia

3. Trade and other receivables

	31 August 2022 £000	31 August 2021 £000
Due after more than one year		
Amounts owed by group undertakings	4,809	495
Other receivables	-	33
	4,809	528
Due within one year		
Corporation tax debtor	-	28
	-	28

Amounts owed by group undertakings are unsecured, repayable on demand and bear interest at a rate of 5% per annum (2021: 5%).

TES TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. Trade and other payables due within one year

	31 August 2022 £000	<i>31 August 2021 £000</i>
Amounts owed to group undertakings	1,088	-
Accruals	76	38,041
Other payables	3,003	-
	4,167	38,041

Amounts owed to group undertakings are unsecured, repayable on demand and bear interest at a rate of 5% per annum (2021: 5%).

5. Share capital and share premium

	31 August 2022		31 August 2021	
	No of shares (‘000’s)	Share capital £’000	No of shares (‘000’s)	Share capital £’000
A ordinary shares of 10p each	-	-	744	74
B ordinary shares of 10p each	-	-	11	1
C ordinary shares of 10p each	-	-	250	25
Ordinary shares of 10p each	1,300,433	13,095	-	-
10.5% cumulative preference shares of £1	-	-	129,948	129,943
	1,300,433	13,095	130,953	130,043

	31 August 2022 £000	<i>31 August 2021 £000</i>
Share premium	117,853	904
	117,853	904

On 2 February 2022, the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares, all of which were issued and fully paid up, were re-designated as ordinary shares of £0.10 each.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

7. Controlling party

The immediate parent undertaking is Caribou Bidco Limited, a company registered in England & Wales. The company is a consolidated entity of Caribou Bidco Limited a company registered in England & Wales. As at the 31 August 2022, Caribou Topco Jersey Limited is the ultimate parent company.

The smallest consolidated financial statements produced for the Group are for Caribou Bidco Limited, which include the Company, are available from the Company Secretary, Caribou Bidco Limited 3rd Floor, Building 3 St Paul's Place, Norfolk Street, Sheffield, England, S1 2JE.

The largest consolidated financial statements are for Caribou Midco I Limited, which include the Company, are available from the Company Secretary, Tes Topco Limited, 3rd Floor, Building 3 St Paul's Place, Norfolk Street, Sheffield, England, S1 2JE.

The directors consider that the ultimate controlling party of the Company is Onex Partners V, headquartered in the US and immediate parent company, Caribou Topco Jersey Ltd.

8. Events after the reporting period

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