

Company Registration No. 11104387 (England and Wales)

UK ACADEMIC HOLDINGS LTD

FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON 8 DECEMBER 2017

TO 31 JULY 2018

PAGES FOR FILING WITH REGISTRAR

UK ACADEMIC HOLDINGS LTD

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UK ACADEMIC HOLDINGS LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2018

	Notes	2018 £	£
Fixed assets			
Investments	2		65,707,802
Current assets			
Debtors	4	17,427,825	
Creditors: amounts falling due within one year	5	(3,456,230)	
Net current assets			13,971,595
Total assets less current liabilities			79,679,397
Creditors: amounts falling due after more than one year	6		(148,641,496)
Net liabilities			(68,962,099)
Capital and reserves			
Called up share capital	8		150
Profit and loss reserves			(68,962,249)
Total equity			(68,962,099)

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 17 February 2020 and are signed on its behalf by:

A Etingen
Director

Company Registration No. 11104387

UK ACADEMIC HOLDINGS LTD

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 JULY 2018

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Period ended 31 July 2018:				
Loss and total comprehensive income for the period		-	(68,962,249)	(68,962,249)
Issue of share capital	8	150	-	150
		<hr/>	<hr/>	<hr/>
Balance at 31 July 2018		150	(68,962,249)	(68,962,099)
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UK ACADEMIC HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JULY 2018

1 Accounting policies

Company information

UK Academic Holdings Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Belmont House, Station Way, Crawley, West Sussex, United Kingdom, RH10 1JA.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- 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': Carrying amounts, 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;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- 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 accounts. The financial statements present information about the company as an individual entity and not about its group.

UK Academic Holdings Ltd is a indirectly wholly owned subsidiary of Global University Systems Holding B.V. and the results of UK Academic Holdings Ltd are included in the consolidated financial statements of Global University Systems Holding B.V. which are available from Office 05.11, 5th floor, H Tower, WTC Amsterdam, 36 Zuidplein, Amsterdam 1077 XV, The Netherlands.

UK ACADEMIC HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2018

1 Accounting policies

(Continued)

1.2 Going concern

The financial statements have been prepared on a going concern basis which the Director believes to be appropriate for the following reason. The company is reliant on the support of other group companies as a result of the way that the group is financed. Global University Systems Holding B.V. has agreed to continue to provide financial and other support to the company for the foreseeable future to enable it to continue to trade.

As a result, having assessed the response of the directors of Global University Systems Holding B.V., in light of its support and on the basis of his assessment of the company's financial position and Global University Systems Holding B.V. financial position, the Director has a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future and continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

The financial year end of the company was shortened to 31 July from 31 December. This was so that the annual reporting falls in line with other companies of the group.

1.4 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 profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 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.

UK ACADEMIC HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, 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.

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.

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.

1.7 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.

1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Fixed asset investments

	2018 £
Investments	65,707,802

UK ACADEMIC HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2018

2 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 8 December 2017	-
Additions	130,197,951
At 31 July 2018	130,197,951
Impairment	
At 8 December 2017	-
Impairment losses	64,490,149
At 31 July 2018	64,490,149
Carrying amount	
At 31 July 2018	65,707,802

3 Subsidiaries

Details of the company's subsidiaries at 31 July 2018 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct Indirect
St. Patrick's College Limited	England & Wales	Limited by Guarantee	0 100.00
St Patrick's International College Limited	England & Wales	Ordinary	100.00 0

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
St. Patrick's College Limited	25,865,872	10,095,607
St Patrick's International College Limited	39,841,930	3,025,693

UK ACADEMIC HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2018

4 Debtors

	2018 £
Amounts falling due within one year:	
Amounts owed by group undertakings	17,426,634
Other debtors	1,191
	<u>17,427,825</u>

5 Creditors: amounts falling due within one year

		2018 £
Other borrowings	7	3,444,150
Trade creditors		4,080
Accruals and deferred income		8,000
		<u>3,456,230</u>

6 Creditors: amounts falling due after more than one year

	Notes	2018 £
Other borrowings	7	148,641,496

7 Loans and overdrafts

	2018 £
Other borrowings	152,085,646
Payable within one year	3,444,150
Payable after one year	148,641,496

UK ACADEMIC HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2018

7 Loans and overdrafts

(Continued)

Included in other borrowings is a floating rate loan notes (the "Notes") of €150,000,000, agreed on 22 December 2017, due for repayment on 18 December 2024. The interest rate for the loan is LIBOR plus 3.75% margin.

Included in other borrowings is a floating rate loan notes (the "Notes") of €19,900,000, agreed on 23 February 2018, due for repayment on 18 December 2024. Interest rate for the loan is LIBOR plus 4.75% margin.

The Notes were issued to Markermeer Finance B.V, a wholly own subsidiary of Global University Systems Holding B.V.

The Notes are secured by fixed and floating charges over the Company and other group companies provided a guarantee in favour of the holders of the Notes.

8 Called up share capital

2018
£

Ordinary share capital
Issued and fully paid

150 Ordinary of £1 each

150

During the period the company issued 150 ordinary shares of £1 each.

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Jonathan Isaacs.

The auditor was Jeffreys Henry LLP.

10 Financial commitments, guarantees and contingent liabilities

During the year, there was a significant restructuring and refinancing of the Global University Systems Holding B.V. group. Although the Company itself was not affected as a result of the restructure (other than through the early redemption of the £311,700,000 loan notes issued by Lake Bridge International Plc ("Lake Bridge") of which the Company was a guarantor), Global University Systems Holding B.V. incorporated a Dutch company and a UK company in order to facilitate the refinancing, while two fellow group undertakings each incorporated a UK company. One of these new companies, Markermeer Finance B.V. ("Markermeer"), a fellow subsidiary of Global University Systems Holding B.V., took on multi-currency term loans and a revolving credit facility.

The Company, along with other group companies, is named as a guarantor in the senior facilities agreement for Markermeer. A fixed and floating security shall be provided over the Company's assets. The various loans which total approximately £517m are due in December 2024 and the revolving credit facility is to be repaid in December 2023.

UK ACADEMIC HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2018

11 Events after the reporting date

Management of the company states that after the reporting date there were no other events, for which this financial statement requires adjustments or disclosures.

12 Related party transactions

The company has taken advantage of the exemption allowed in FRS 102 Section 33 - Related Party Disclosures and has not disclosed details of related party transactions with entities that are wholly owned within the group.

13 Parent company

The immediate parent company is St Patrick's Holdings B. V., a company registered in The Netherlands.

The ultimate parent company Riverhead Ventures Limited, a company registered in the British Virgin Islands.

The ultimate controlling party is The Heritage Trust, registered in Guernsey.

The smallest and largest group into which the entity is consolidated is Global University Systems Holding B.V., a company registered in The Netherlands. The registered office is 5th floor, H Tower, WTC Amsterdam, 36 Zuidplein, Amsterdam 1077 XV, The Netherlands from which copies of the group financial statements can be obtained.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.