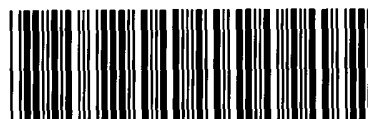


Learning at Work Limited

Report and Financial Statements

31 January 2018

TUESDAY



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SCT 23/10/2018 #24
COMPANIES HOUSE

Directors

J D Cummins
G Higgins
B McLeish
R Mayers
I Wallis

Auditor

BDO LLP
65 Haymarket Terrace
Edinburgh
EH12 5HD

Bankers

HSBC Bank plc
110-116 Grey Street
Newcastle upon Tyne
NE1 6JG

Solicitors

DWF LLP
Scott Place
2 Hardman Street
Manchester
M3 3AA

Registered Office

51-53 Innovation House
Longfield Road
Bishop Auckland
County Durham
DL14 6XB

Registered No. 06388790

Directors' report

The directors present their report and financial statements for the 18 month period ended 31 January 2018.

During the year, the directors decided to extend the accounting period to 18 months as this was considered to better suit the needs of the business. The trade and net assets of Learning at Work were transferred to Learning Curve Group on 31 July 2017.

Learning at Work Limited is now dormant.

Principal activity

The principal activity of the company is the provision of learning materials to the Further Education sector.

Results

The profit for the period was £1,185,735 (2016: £763,739).

Directors

The directors who served the company during the year and to the date of approval of the financial statements were as follows:

J D Cummins
B McLeish
G Higgins (Appointed 21 August 2017)
R Mayers
I Wallis

Disclosure of information to the 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, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company exemptions

In preparing this directors' report, advantage has been taken of the small companies exemption

On behalf of the Board



G Higgins
Director
2 July 2018

Statement of directors' responsibilities

The directors are responsible for preparing the directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make 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;
- 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.

Independent auditor's report

to the members of Learning at Work Limited

Opinion

We have audited the financial statements of Learning at Work Limited (the 'company') for the period ended 31 January 2018 which comprise the income statement, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2018 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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

We have nothing to report in respect of the following matters in relation to which the 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.

Independent auditor's report

to the members of Learning at Work Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Independent auditor's report

to the members of Learning at Work Limited

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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Bao W

9 Jun 2018

Martin Gill (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Edinburgh, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Income statement

for the period ended 31 January 2018

	<i>18 months Ended 31 Jan 2018</i>	<i>Year ended July 31 2016</i>
<i>Notes</i>	<i>£</i>	<i>£</i>
Turnover	2,918,868	2,769,148
Cost of sales	<u>(743,079)</u>	<u>(936,564)</u>
Gross profit	2,175,788	1,832,584
Administrative expenses	<u>(724,128)</u>	<u>(876,805)</u>
Operating profit	2 1,451,661	955,779
Interest receivable and similar income	<u>-</u>	<u>-</u>
Profit on ordinary activities before taxation	1,451,661	955,779
Tax on profit on ordinary activities	4 <u>(265,926)</u>	<u>(192,040)</u>
Profit and total comprehensive income for the financial year	<u>1,185,735</u>	<u>763,739</u>

All activities were transferred to Learning Curve Group in August 2017.

The notes on pages 11 to 16 form part of the financial statements.

Balance sheet

at 31 January 2018

Registered No. 06388790

		31 January 2018	31 July 2016
	Notes	£	£
Fixed assets			
Intangible assets	5	-	315,153
Tangible assets	6	-	18,420
		-	333,573
Current assets			
Stocks		-	312,524
Debtors	7	6,080,458	4,354,653
Cash at bank and in hand		-	334,123
		6,080,458	5,001,300
Creditors: amounts falling due within one year	8	-	(436,834)
Net current assets		6,080,458	4,564,466
Total assets less current liabilities		6,080,458	4,898,039
Provisions for liabilities			
Deferred taxation	4(b)	-	(3,316)
Net assets		6,080,458	4,894,723
Capital and reserves			
Called up share capital	9	2,370	2,370
Share premium account		109	109
Profit and loss account		6,077,979	4,892,244
Shareholders' funds		6,080,458	4,894,723

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

The financial statements were approved and authorised for issue by the Board of Directors on 2 July 2018 and signed on their behalf by:



G Higgins

Director

Statement of changes in equity

at 31 January 2018

	<i>Called up share capital</i>	<i>Share premium</i>	<i>Profit and loss account</i>	<i>Total</i>
		£	£	£
At 31 July 2015	2,370	109	4,128,505	4,130,984
Profit for the year	-	-	763,739	763,739
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2016	2,370	109	4,892,244	4,894,723
Profit for the period	-	-	1,185,735	1,185,735
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 January 2018	2,370	109	6,077,979	6,080,458
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the financial statements

at 31 January 2018

1. Accounting policies

Statement of compliance

Learning at Work Limited is a limited liability company incorporated in England.

The Registered Office is:

51 - 53 Innovation House
Longfield Road
Bishop Auckland
County Durham
DL14 6XB

During the year, the directors decided to extend the accounting period from 12 months to 18 months as this was considered to better suit the needs of the business.

The trade and net assets of Learning at Work were transferred to Learning Curve Group at 31 July 2017 at book value, therefore the income statement covers the 12 months to July 31 2017.

Learning at Work Limited is now dormant.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have been prepared using accounting principles based on historical cost, unless stated otherwise.

The financial statements are prepared in GBP sterling which is the functional currency of the company and rounded to the nearest £.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The Directors consider there to be no significant judgements impacting on amounts recognised in the financial statements.

Turnover

Turnover comprises revenue recognised by the company in respect of the provision of learning materials supplied during the period, exclusive of Value Added Tax and trade discounts.

Intangible fixed assets

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Development costs – 3 years straight line

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements

at 31 January 2018

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	–	15% reducing balance
Computer equipment	–	25% reducing balance

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements

at 31 January 2018

2. Operating profit

This is stated after charging:

	2018	2016
	£	£
Auditor's remuneration	2,000	5,500
Depreciation of tangible fixed assets	5,694	6,182
Amortisation of intangible fixed assets	284,385	188,488
	<u>284,385</u>	<u>188,488</u>

3. Staff costs and directors' remuneration

The average monthly number of employees during the year was made up as follows:

	2018	2016
Management and administration	<u>7</u>	<u>7</u>

	2018	2016
	£	£
Directors' remuneration	<u>64,590</u>	<u>64,590</u>

4. Tax on profit on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2018	2016
	£	£
Current tax:		
UK corporation tax on the profit for the year	-	195,365
Group relief payable/(receivable)	268,024	-
Adjustment in respect of prior periods	1,218	(1,864)
	<u>269,242</u>	<u>193,501</u>
Deferred tax:		
Origination and reversal of timing differences	(3,131)	(1,237)
Adjustment in respect of prior periods	-	144
Effect of changes tax rates	(185)	(368)
Total deferred tax (note 4(b))	<u>(3,316)</u>	<u>(1,461)</u>
Tax on profit on ordinary activities	<u>265,926</u>	<u>192,040</u>

Notes to the financial statements

at 31 January 2018

4. Tax on profit on ordinary activities (continued)

(b) Deferred taxation

	2018	2016
	£	£
Provision at start of period	(3,316)	(4,777)
Charge to the statement of comprehensive income for the year	3,316	1,461
Provision at end of period	<u>-</u>	<u>(3,316)</u>

The provision for deferred taxation is made up as follows:

	2018	2016
	£	£
Accelerated capital allowances	<u>-</u>	<u>3,316</u>

5. Intangible fixed assets

	<i>Development Costs</i>	<i>Total</i>
	£	£
Cost:		
At 1 August 2016	569,092	569,092
Additions	379,843	379,843
Transfers in period	<u>(948,935)</u>	<u>(948,935)</u>
At 31 January 2018	-	-
Depreciation:		
At 1 August 2016	253,939	253,939
Charge for the period	284,385	284,385
Transfers in period	<u>(538,324)</u>	<u>(538,324)</u>
At 31 January 2018	-	-
Net book value:		
At 31 January 2018	<u>-</u>	<u>-</u>
At 1 August 2016	<u>274,180</u>	<u>274,180</u>

Notes to the financial statements

at 31 January 2018

6. Tangible fixed assets

	<i>Office equipment</i>	<i>Computer equipment</i>	<i>Total</i>
	£	£	£
Cost:			
At 1 August 2016	14,055	25,395	49,450
Additions	-	18,639	18,639
Transfers in period	(14,055)	(44,034)	(58,089)
At 31 January 2018	-	-	-
Depreciation:			
At 1 August 2016	5,580	15,450	21,030
Charge for the year	1,271	4,423	5,694
Transfers in period	(6,851)	(19,873)	(26,724)
At 31 January 2018	-	-	-
Net book value:			
At 31 January 2018	-	-	-
At 1 August 2016	<u>8,475</u>	<u>9,945</u>	<u>18,420</u>

7. Debtors

	<i>31 January 2018</i>	<i>31 July 2016</i>
	£	£
Trade debtors	-	494,931
Amounts owed by group undertakings	6,080,458	3,588,661
Other debtors	-	271,061
	<u>6,080,458</u>	<u>4,354,653</u>

8. Creditors: amounts falling due within one year

	<i>31 January 2018</i>	<i>31 July 2016</i>
	£	£
Trade creditors	-	130,137
Current corporation tax	-	184,147
Other taxes and social security costs	-	79,394
Other creditors	-	43,156
	<u>-</u>	<u>436,834</u>

Notes to the financial statements

at 31 January 2018

9. Issued share capital

<i>Allotted, called up and fully paid</i>	<i>31 January</i>		<i>31 July</i>	
	<i>No.</i>	<i>£</i>	<i>No.</i>	<i>£</i>
Ordinary Class A shares of £1 each	1,185	1,185	1,185	1,185
Ordinary Class B shares of £1 each	1,185	1,185	1,185	1,185
		<u>2,370</u>		<u>2,370</u>

10. Related party transactions

The company has taken advantage of the exemption given in FRS102 not to disclose transactions with wholly owned related parties on the grounds that it is a wholly owned subsidiary of a group headed by Genius Holdco Limited, and group financial statements consolidating the company are publicly available.

11. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking is Genius Holdco Limited. The directors consider MML Capital Partners to be the ultimate controlling party.

The smallest and largest group in which the results of the company are currently consolidated are those headed by Genius Holdco Limited. The group financial statements of Genius Holdco Limited are available to the public and may be obtained from Companies House.