Registered number: 02666738

OXFORD INTERNATIONAL EDUCATION & TRAVEL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

COMPANY INFORMATION

Directors	D Brown L Bremermann-Richard T De Clerck C Skidmore J Smith A Palmer (appointed 4 November 2022)
Registered number	02666738
Registered office	New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG
Independent auditors	BDO LLP 55 Baker Street London United Kingdom W1U 7EU

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

Introduction

The Directors present their Strategic Report for Oxford International Education & Travel Limited ("the Company") and its subsidiary undertakings (together “the Group”) for the year ended 31 August 2023.

Principal activity

The Company is part of the Oxford International Education Group (“OIEG”) which provides a range of international education services to domestic and international students. The Group comprises two principal divisions, listed below:

- Higher Education, consisting of:
  - Partnerships with UK and North American universities to provide on-campus embedded colleges which allow international students to study academic foundation, undergraduate and postgraduate courses;
  - Independent pathways college (“OIPC”), providing remote pathways courses which allow international students to study academic foundation, undergraduate and postgraduate courses; and
  - Digital services including providing potential higher education students with high quality online English Language testing and other pre-sessional courses; and year round academic language courses for adults.

- English Language:
  - Academic and vocational based English courses to juniors principally during Easter and Summer holidays across numerous centres in the UK, as well as year round English language programmes based in the UK.

Business review

During the year, the Group has executed its strategic plan to grow its capability across its range of academic activities particularly in its Higher Education division. The Group continues to invest in its global student recruitment capability which has helped significantly grow its academic student numbers.

The Group's embedded University Partnership colleges at De Montfort University, Bangor University, University of Dundee, University of Greenwich, and University of Bradford continued to provide excellent academic support to international students helping to drive growth in student numbers during the year, with additional partnerships scheduled to launch during FY24. The Group also continued its investment in businesses providing enrolment services for universities and other educational establishments during the year, which contributed towards increased revenue and margin. This trend is expected to continue throughout FY24 alongside continued increases in new student enrolments within the embedded University Partnership colleges.

Our independent pathways college, OIPC, saw growth of 55% during the year, as the courses offered were recognised by a wider range of universities, and brand recognition grew.

Digital services saw growth of 13% in the year, due to significant investment in business development and increased numbers of universities accepting the online English Language testing provided. New products have also contributed towards continued growth of the digital business.

The lifting of significant amounts of global travel restrictions following the Covid-19 pandemic resulted in a partial return of the English language courses during FY22, with the UK business seeing a full recovery in FY23, with an associated increase in revenue of £8.6m.

Review of financial performance

The Group's key financial highlights are as follows:

	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
Turnover	83,159	49,284
Gross Profit	37,185	22,321
Gross Profit %	44.7%	45.3%
Administrative expenses	(28,610)	(18,178)
Other operating income	-	6
Operating profit	8,575	4,154

KPIs

	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
Revenue – University Partnerships	56,504	33,079
Revenue - OIPC	3,726	2,399
Revenue – Digital Services	4,648	4,109
Revenue – English Language Courses	18,281	9,697

FY23 saw continued improvement of 68.7% in revenue, generated by a combination of growth in our existing businesses, and full years of trading in some of our more recent acquisitions and start-up businesses. Gross margin improved in many areas, mostly in relation to economies of scale that have been generated as our revenues have grown. Although administrative expenses have increased, these have also not increased at the same rate as revenue, resulting in EBITDA rising from £7.9m to £10.2m.

University Partnerships have seen a £23.4m increase in revenue year on year, representing continued growth of our existing partnerships. This has predominantly been achieved through significant increase in New Student Enrolments (“NSEs”), alongside a slightly higher average selling price. The increase in NSEs and change in student mix has enabled gross margins to increase. This has, in turn, translated to a significant increase in EBITDA, with a 65.4% increase from £9.3m to £15.4m.

Our independent pathways college, OIPC saw further success, increasing revenues by £1.3m as our offerings are recognised by a wider number of universities. Gross margin fell however, and EBITDA saw a reduction also, as we experienced delay in implementation of new products.

Digital services remained consistent this year following a full year of trading, generating improvements in revenue and delivering similar levels of gross margin and EBITDA to FY22 as recognition of our offerings stabilised. New products have been developed for launch in FY24 and beyond, which are expected to not only grow our revenue, but also our profitability.

Our English Language business saw a return to pre-Covid levels, with the UK being at capacity during Summer 2023, generating £18.3m, up from £9.7m in the prior year. This did not translate directly into EBITDA, due to inflationary pressures for certain suppliers. In addition to this there was reduced seasonal workforce availability caused by both Brexit and Covid-19, which had an impact on both cost of employees, and the cost of externally provided services.

The Group has experienced increased payroll costs of £10.3m year on year, due to:

- The full return of seasonal programmes following Covid-19 increased the need for higher staffing levels;
- Increased teaching cost needed to service the substantial increase in University Partnerships revenue; and
- Significant increase in headcount across the Group, which was necessary to deal with our increased levels of trading. We simultaneously invested heavily in our support services in order to ensure we have future scalability.

Travelling and marketing expenses also saw a significant increase of £1.6m, because of the cost of finding and recruiting new students. Most other expenses remained relatively consistent year on year.

The Group continues to invest significantly to support its growing academic businesses and continues to work on both organic and acquisition growth opportunities. During FY23, the Group invested £2.3m in website and software as part of the ongoing strategy to support this growth. The year end net assets position is £10.3m. Adjusted net current assets (excluding deferred income and payments on account) as at the balance sheet date are £19.1m including a cash balance of £27.6m. Net current assets are adjusted for deferred income and payments on account as these are non-cash items and relate to an obligation to deliver a service rather than satisfaction via future cash flows.

Principal risks and uncertainties

The principal risk facing the business is around the continued recruitment of new students, which is influenced by certain external factors such as visa regulations and macro-economic conditions. Whilst the UK education market has been growing and remains strong, the Group does monitor and react to any weakness in the market to minimise its exposure. Following recent economic events which have triggered significant inflation, a recession and a fall in value of GBP, the Group's management have been closely evaluating the impact on trade. Although the cost of overseas suppliers has risen as a result of this, demand from overseas students has increased, in part due to exchange rates being favourable to them.

Given the volume of overseas trading, the Group considers foreign exchange risk to be a principal risk, however, the Group continues to monitor foreign exchange movements and has not experienced any significant impacts during the period as the result of changes in exchange rate.

Management pro-actively manages the risks associated with liquidity. These are managed by implementing effective financial policies and procedures and working capital management. In addition, and including post the balance sheet date, management continues to rigorously monitor the performance of the Group, controlling and minimising costs and preserving cashflow where possible. Were a pandemic such as, or similar to Covid-19 to arise again, this would have an impact on the Easter, Summer and Winter English Language programmes due to students being unable to travel. Management considers this not only to be remote, but also considered the Group to have sufficiently diversified its trade to minimise the impact at Group level.

Going concern

The Directors have reviewed the balance sheet for the period ended 31 August 2023 noting that, while the net current assets shown on the balance sheet total £7,273k, adjusting this to take account of £2,808k deferred income and £18,583k payments on account, which are non-cash current liabilities, leaves adjusted net current assets of £28,664k. Payments on account comprise non-refundable payments for language courses, while deferred income is reflecting the prepaid tuition and accommodation fees. The Group made a profit of £7,602k. Adjusting this for non-cash items such as £199k of amortisation and £275k of depreciation, means that the Group made an underlying profit of £8,076k. This is forecast to continue going forwards.

Trading post period end is forecast to generate positive EBITDA during the year to 31 August 2024 and, with that, significant cash. Forecasting has taken place for the subsequent 2 years, continuing to forecast high levels of growth, EBITDA and cash generation. The directors have considered detailed cash flow projections, including scenario and sensitivity analysis and even when considering worst case scenarios, including a scenario whereby travel restrictions such as those experienced under Covid return, this further supports the net current assets position of the business going forward, as well as the cash and liquidity needed to support the business for at least the next 12 months. On this basis the Directors consider the Group to be a going concern.

SECTION 172 STATEMENT

Section 172(1) of the Companies Act 2006 requires the Directors to act in a way that they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its shareholders, having regard to (amongst other things) the following:

- The likely long term consequences of decisions;
- The interests of employees;
- The need to foster relationships with suppliers, customers and others;
- The impact of the Group's operations on the community and the environment; and
- The desirability to maintain a reputation for high standards of business conduct.

Identity of shareholders

The Group is jointly owned by its founders, members of the senior leadership team and THI Holdings GmbH.

Aims and values

The Group is a unique accredited education provider dedicated to creating life-enhancing experiences for students worldwide. The Group's extensive portfolio covers academic short courses, university partnership programmes, English language courses for adult and junior students in the UK, Canada and USA and a comprehensive range of online academic courses through the Group's OI Digital Institute.

The Group is focussed on quality and academic outcomes, with a strong desire to lead in its chosen market sectors. The Group's workforce is dedicated, enthusiastic and like-minded, with a genuine interest in what it does.

Other key stakeholders

These include the following:

- Pupils, students and their respective fee payers;
- Employees of the Group; and
- Certain suppliers.

Key decisions during the year

The Board regularly discusses proposals for new business opportunities, capital expenditure investment and various efficiency initiatives. Whilst financial benefit and shareholder return is one of the key decision criteria, the long-term effect on the Group's going concern, the quality of the learning environment, job security and staff satisfaction, the quality of student academic outcomes, value and service for key stakeholders and fair trading terms for suppliers are also key considerations.

Maintaining a reputation for high standards of business conduct and monitoring of risk

The Group has its own internal governance processes and is also regulated by a number of external bodies including The Office for Students, Independent Schools Inspectorate and the British Council. External regulatory bodies regularly inspect the Group's activities/sites to ensure regulatory standards are, as a minimum, being met.

The Group maintains its own internal Code of Ethical and Professional Conduct with which all employees are required to affirm compliance annually.

The Board of Directors maintains a Risk Register to:

- Identify the nature and extent of significant risks facing the Group's business;
- Advise the Board on the Group's appetite and tolerance of the risks it is willing to take in achieving its strategic objectives; and
- To consider mitigation plans to address key risks and to present solutions for managing those which cannot be eliminated.

Future developments

The Group continues to invest in its infrastructure, innovate its programme content and streamline operations to ensure it provides both a comprehensive as well as a quality driven educational experience to its students.

Equality and diversity policy

The Group is firmly committed to equality and diversity in all areas of its activities. As part of its responsibilities under the Equality Act 2010, the Company has a duty to promote equality of opportunity as well as tackling unlawful discrimination (whether direct and/or indirect and this also incorporates victimisation).

Under the Equality Act 2010, the Company ensures that characteristics such as age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation are protected. Recruitment is carried out on the sole basis of the applicant's abilities and suitability for the job not taking into account any of the above mentioned characteristics. The Company recognises that all employees have equal rights to training, promotion, and other aspects of career development based purely on their abilities. Promotion and training will be made accessible to disabled employees by such adjustments as are reasonable.

This report was approved by the board and signed on its behalf:

L Bremermann-Richard
Director

Date: 14/12/2023

The directors present their report and the financial statements for the year ended 31 August 2023.

Results and dividends

The profit for the year, after taxation, amounted to £7,602,545 *(2022 - £3,341,233)*.

The Directors do not recommend the payment of a dividend (2022: nil).

Directors

The directors who served during the year were:

D Brown
L Bremermann-Richard
T De Clerck
C Skidmore
J Smith
A Palmer (appointed 4 November 2022)

SECR reporting

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per student, the recommended ratio for the sector

UK Greenhouse gas emissions and energy use data

	Current reporting year 2022/23	**Previous reporting year 2021/22**
Energy consumption used to calculate emissions (kWh)	285,899	329,941
Energy consumption breakdown (kWh) (optional):		
- Gas	114,565	149,945
- Electricity	171,334	179,996
- Transport fuel	n/a	n/a
Scope 1 emissions in metric tonnes CO2e Gas consumption	20.91	27.37
Scope 2 emissions in metric tonnes CO2e Purchased electricity	33.13	34.81
Scope 3 emissions in metrictonnes CO2e Business travel in employee owned vehicles	n/a	n/a
Total gross emissions in metric tonnes CO2e	54.05	62.18
Intensity ratio (metric tonnes CO2e per student)	0.04	0.07

Measures taken to improve energy efficiency

We have replaced all lights in our Greenwich school with LED lights to reduce our energy consumption in the school by up to 90% (project completed in September 2022). We are continuing to encourage staff behaviour to increase awareness of turning off air-conditioning units when leaving the office. Most meetings are conducted by video-conferencing thus reducing the need to travel and, since the Covid pandemic, most staff are permitted to work flexibly only having to travel into the office two days a week, thus, reducing commuting into the office. The Grosvenor Street office has bike racks and showers available for employees and we offer the Cycle to Work scheme to encourage reduced reliance on driving. Additionally, there is no parking and our Grosvenor Street office is within the congestion charge zone so all staff use public transport, walking/running or cycling to reach this office.

Political contributions

The Company made no political donations or incurred any political expenditure during the current year (2022: £nil).

Disclosure of information to auditors

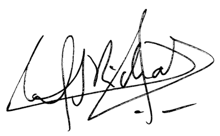
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf:



L Bremermann-Richard
Director

Date: 14/12/2023

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXFORD INTERNATIONAL EDUCATION & TRAVEL LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 August 2023 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Oxford International Education & Travel Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 August 2023, which comprise the Consolidated statement of comprehensive income, Consolidated statement of financial position, Company statement of financial position , Consolidated statement of changes in equity, Company statement of changes in equity, Consolidated statement of cash flows, 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).

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 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 are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standardand we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXFORD INTERNATIONAL EDUCATION & TRAVEL LIMITED (CONTINUED)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Group strategic report, Directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and 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 by the Group and Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Group and Parent Company 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.

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 Group's and the Parent 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 Group or the Parent 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations
Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the compliance with Companies Act 2006, UK accounting standards and UK tax legislation.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred

Fraud
We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Review of minutes of meetings of those charged with governance for any known or suspected instances of

fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of internal controls.

Our procedures in respect of the above included:
For revenue recognition:
- We performed a review of the Group's revenue recognition policy to confirm that it was in line with applicable accounting standards.
- Where applicable, we recalculated expected recognisable and deferred tuition fee income based on published fee rates and student number data extracted from the internal systems. A sample of students were traced to registration and attendance supporting records to confirm existence. We compared our expectation of revenue to revenue recognised and deferred at year end in the financial statements.
- We substantively tested a sample of tuition fees and other income to registration and attendance to confirm existence and examined supporting evidence of revenue value and point of recognition.
- We substantively tested a sample of revenue relating to intakes that span across multiple financial years.
- To address the risk of fraud relating to revenue recognition, through our journal testing we obtained a list of journal entries to revenue and reviewed manual postings which are unusual or outside of normal course of business.

For management override of controls:
- We tested a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatements due to fraud; and
- Reviewed estimates and judgements applied by Management in the financial statements to assess their appropriateness and the existence of any systematic bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXFORD INTERNATIONAL EDUCATION & TRAVEL LIMITED (CONTINUED)

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 Auditors' 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.

DocuSigned by:
David Wildey
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David Wildey (Senior Statutory Auditor)
for and on behalf of
BDO LLP
Statutory Auditors
London, UK
Date: 14 December 2023

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	*2022 £*
Turnover	4	83,158,529	*49,284,176*
Cost of sales		(45,973,720)	*(26,963,255)*
Gross profit		37,184,809	*22,320,921*
Administrative expenses		(28,610,263)	*(18,172,540)*
Other operating income	5	-	*6,055*
Operating profit	6	8,574,546	*4,154,436*
Loss on sale of tangible assets		(15,302)	*(5,222)*
Profit on ordinary activities before interest		8,559,244	*4,149,214*
Interest receivable and similar income	9	418,292	*18,683*
Profit before taxation		8,977,536	*4,167,897*
Tax on profit	10	(1,374,991)	*(826,664)*
Profit for the financial year		7,602,545	*3,341,233*
Profit for the year attributable to:			
Owners of the parent Company		7,602,545	*3,341,233*

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

The notes on pages 21 to 42 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2023

	Note		2023 £		*2022 £*
Fixed assets					
Intangible assets	11		2,983,852		*885,599*
Tangible assets	12		646,387		*707,537*
Investments	13		1,876		*1,876*
			3,632,115		*1,595,012*
Current assets					
Stocks	15	231,216		*142,784*	
Debtors: amounts falling due within one year	16	17,749,551		*15,613,689*	
Cash at bank and in hand	17	27,644,881		*29,442,784*	
		45,625,648		*45,199,257*	
Creditors: amounts falling due within one year	18	(38,353,044)		*(43,721,768)*	
Net current assets			7,272,604		*1,477,489*
Total assets less current liabilities			10,904,719		*3,072,501*
Provisions for liabilities					
Deferred tax		(432,227)		*(210,055)*	
Other provisions	21	(220,275)		*(220,275)*	
			(652,502)		*(430,330)*
Net assets			10,252,217		*2,642,171*
Capital and reserves					
Called up share capital	22		100		*100*
Foreign exchange reserve			6,828		*(673)*
Profit and loss account			10,245,289		*2,642,744*
			10,252,217		*2,642,171*

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Tom De Clerck

Director

Date: 14/12/2023

The notes on pages 21 to 42 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2023

	Note		2023 £		2022 £
Fixed assets					
Intangible assets	11		403,508		125,964
Tangible assets	12		626,750		692,626
Investments	13		2,777		2,576
			1,033,035		821,166
Current assets					
Stocks	15	231,216		142,784	
Debtors: amounts falling due within one year	16	18,315,124		12,095,082	
Cash at bank and in hand	17	1,376,447		1,195,144	
		19,922,787		13,433,010	
Creditors: amounts falling due within one year	18	(34,596,960)		(20,051,476)	
Net current liabilities			(14,674,173)		(6,618,466)
Total assets less current liabilities			(13,641,138)		(5,797,300)
Provisions for liabilities					
Deferred taxation	20	(68,006)		(26,139)	
Other provisions	21	(220,275)		(220,275)	
			(288,281)		(246,414)
Net liabilities			(13,929,419)		(6,043,714)
Capital and reserves					
Called up share capital	22		100		100
Profit and loss account			(13,929,519)		(6,043,814)
			(13,929,419)		(6,043,714)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Tom De Clerck

Director

Date: 14/12/2023

The notes on pages 21 to 42 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2023

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 September 2021	100	-	(698,489)	(698,389)
Profit for the year	-	-	3,341,233	3,341,233
Foreign exchange	-	(673)	-	(673)
Total comprehensive income for the year	-	(673)	3,341,233	3,340,560
At 1 September 2022	100	(673)	2,642,744	2,642,171
Profit for the year	-	-	7,602,545	7,602,545
Foreign exchange	-	7,501	-	7,501
At 31 August 2023	100	6,828	10,245,289	10,252,217

The notes on pages 21 to 42 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 September 2021	100	(948,527)	(948,427)
Loss for the year	-	(5,095,287)	(5,095,287)
At 1 September 2022	100	(6,043,814)	(6,043,714)
Loss for the year	-	(7,885,705)	(7,885,705)
At 31 August 2023	100	(13,929,519)	(13,929,419)

The notes on pages 21 to 42 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	7,602,545	*3,341,233*
Adjustments for:		
Amortisation of intangible assets	198,865	*183,905*
Depreciation of tangible assets	275,450	*252,399*
Loss on disposal of tangible assets	-	*5,222*
Interest received	(418,292)	*(18,683)*
Taxation charge	1,374,991	*826,664*
(Increase)/decrease in stocks	(88,434)	*10,338*
(Increase) in debtors	(2,326,643)	*(8,186,065)*
(Decrease)/increase in creditors and provisions	(5,362,865)	*28,989,337*
Corporation tax (paid)/received	(952,753)	*-*
Loss on disposal of intangible assets	15,303	*-*
Net cash generated from operating activities	318,167	*25,404,350*
Cash flows from investing activities		
Purchase of intangible fixed assets	(2,312,422)	*(743,779)*
Purchase of tangible fixed assets	(215,080)	*(203,009)*
Sale of tangible fixed assets	-	*846*
Purchase of current asset investments	-	*(1,876)*
Interest received	418,292	*18,683*
Net cash from investing activities	(2,109,210)	*(929,135)*
Net (decrease)/increase in cash and cash equivalents	(1,791,043)	*24,475,215*
Cash and cash equivalents at beginning of year	29,442,784	*4,961,717*
Foreign exchange gains and losses	(6,860)	*5,852*
Cash and cash equivalents at the end of year	27,644,881	*29,442,784*
Cash at bank and in hand	27,644,881	*29,442,784*

The notes on pages 21 to 42 form part of these financial statements.

1. General information

Oxford International Education & Travel Limited ("the Company") is a private company limited by shares, incorporated, domiciled and registered in England and Wales in the United Kingdom. The registered number is 02666738 and the registered address is New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG.

2. Statement of compliance

The financial statements of the Company 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.

3. Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

3.2 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. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Debtor recoverability

Debtors are reviewed regularly by management based on value, age and other qualitative metrics in order to ascertain the risk of bad debt and therefore the level of provision required. As a result, this is considered to be an area of significant judgement.

3. Accounting policies (continued)

3.3 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

3.4 Going concern

The Directors have reviewed the balance sheet for the period ended 31 August 2023 noting that, while the net current assets shown on the balance sheet total £7,273k, adjusting this to take account of £2,808k deferred income and £18,583k payments on account, which are non-cash current liabilities, leaves adjusted net current assets of £28,664k. Payments on account comprise non-refundable payments for language courses, while deferred income is reflecting the prepaid tuition and accommodation fees. The Group made a profit of £7,602k. Adjusting this for non-cash items such as £199k of amortisation and £275k of depreciation, means that the Group made an underlying profit of £8,076k. This is forecast to continue going forwards.

Trading post period end is forecast to generate positive EBITDA during the year to 31 August 2024 and, with that, significant cash. Forecasting has taken place for the subsequent 2 years, continuing to forecast high levels of growth, EBITDA and cash generation. The directors have considered detailed cash flow projections, including scenario and sensitivity analysis and even when considering worst case scenarios, including a scenario whereby travel restrictions such as those experienced under Covid return, this further supports the net current assets position of the business going forward, as well as the cash and liquidity needed to support the business for at least the next 12 months. On this basis the Directors consider the Group to be a going concern.

3.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP, rounded to the nearest pound.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

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 and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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 in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

3. Accounting policies (continued)

3.5 Foreign currency translation (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

3.6 Revenue

Revenue represents the invoiced value of services supplied net of discounts and is recognised in the profit and loss when these services are delivered as follows:

- University Partnerships and Independent Pathways - revenue recognised over the period these courses are provided to the students

- Digital Services - revenue recognised over the period these courses are provided to the students.

- Other English Language Courses - revenue recognised over the period these courses are provided to the students.

3.7 Other operating income

Other operating income represents amounts received in the normal course of business not for educational courses and related services and includes receipt of UK Government furlough grants and the net release of amounts owed by and to group undertakings.

3.8 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

3.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

3. Accounting policies (continued)

3.10 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

3.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Accounting policies (continued)

3.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Capitalised software	-	4 years

3.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- 4-15 years
Fixtures and fittings	- 25% straight line
Office equipment	- 25% straight line
Teaching equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

3.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Unlisted investments which are equity investments in another group entity are also measured at cost less impairment.

3.15 Impairment of fixed assets

The Group and Company considers annually whether fixed assets have suffered any impairment, in accordance with the Group and Company’s accounting policy. Management uses judgment to assess whether any indicators of impairment exist as at year and whether an impairment review is required. Management reviews both internal and external impairment triggers as per the requirements of FRS 102.

3. Accounting policies (continued)

3.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

3.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

3.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

3.19 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

3. Accounting policies (continued)

3.19 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

4. Turnover

An analysis of turnover by class of business is as follows:

	2023 **£**	*2022* *£*
University Partnerships and Independent Pathways	60,229,704	*35,478,940*
Digital Services	4,647,673	*4,108,941*
Other English Language Courses	18,281,152	*9,696,295*
	83,158,529	*49,284,176*

All turnover arose within the United Kingdom.

5. Other operating income

	2023 **£**	*2022* *£*
Grant income	-	*6,055*

During the prior year, the Group received some Covid-19 related grant and furlough income.

6. Operating profit

The operating profit is stated after charging/(crediting):

	2023 £	*2022* £
Amortisation of intangible assets	198,865	*183,905*
Depreciation of tangible assets	275,450	*252,399*
Foreign exchange gain/(loss)	158,892	*(83,129)*
Operating lease expenditure	346,267	*267,195*

7. Auditors' remuneration

	2023 £	*2022* £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	86,688	*123,000*
Fees payable to the Group's auditors in respect of other advisory services	8,560	*33,453*

8. Employees

Staff costs were as follows:

	Group 2023 £	*Group 2022* £	**Company 2023** £	*Company 2022* £
Wages and salaries	24,535,681	*14,685,516*	8,166,311	*4,551,488*
Social security costs	1,176,104	*655,022*	551,218	*236,185*
Cost of defined contribution scheme	212,585	*240,813*	107,433	*80,579*
	25,924,370	*15,581,351*	8,824,962	*4,868,252*

8. Employees (continued)

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	*2022 No.*
Directors	6	*5*
Human Resources and Finance	30	*17*
Marketing	22	*8*
Sales	26	*19*
Operations staff	161	*123*
Teaching staff	403	*334*
	648	*506*

The highest paid director received remuneration of £351,022 (2022: £215,453).

9. Interest receivable and similar income

	2023 £	*2022 £*
Other interest receivable	418,292	*18,683*

10. Taxation

	2023 £	*2022 £*
Corporation tax		
Current tax on profits for the year	765,434	-
Deferred tax		
Origination and reversal of timing differences	609,557	*656,143*
Changes to tax rates	-	*170,521*
Total deferred tax	609,557	*826,664*
Tax on profit	1,374,991	*826,664*

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2022 - higher than)* the standard rate of corporation tax in the UK of 21.4% *(2022 - 19%)*. The differences are explained below:

	2023 **£**	*2022* *£*
Profit on ordinary activities before tax	8,977,536	*4,167,897*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.4% (2022 - 19%)	1,924,145	*791,900*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(395,736)	*23,563*
Change in tax rate	229,763	*170,521*
Group relief	(464,440)	*(125,584)*
Under/(over) provision in prior year	79,498	*(33,736)*
Higher rate taxes on overseas earnings	1,761	*-*
Total tax charge for the year	1,374,991	*826,664*

Factors that may affect future tax charges

As announced in the 2022 Autumn Budget, the UK corporation tax rate has risen to 25% effective from 1 April 2023. This increased rate is only effective where UK taxable entities generate profits over £250,000. Otherwise a sliding scale rate between 19% and 25% applies where profits range from £50,000 to £250,000.

The Group operates in a number of jurisdictions and its future tax charge is subject to various factors outside of the Group's control as outlined above with changes in statutory tax rates and legislative alterations.

11. Intangible assets

Group

	Capitalised software £
Cost	
At 1 September 2022	1,354,917
Additions	2,312,422
Disposals	(30,403)
At 31 August 2023	3,636,936
Amortisation	
At 1 September 2022	469,318
Charge for the year	198,865
Amortisation on disposal	(15,099)
At 31 August 2023	653,084
Net book value	
At 31 August 2023	2,983,852
At 31 August 2022	*885,599*

Included in Capitalised software and website costs are £2,159,889 (2022: £nil) of assets under construction, which have not been amortised.

11. Intangible assets (continued)

Company

	Computer software £
Cost	
At 1 September 2022	481,455
Additions	386,425
At 31 August 2023	867,880
Amortisation	
At 1 September 2022	355,491
Charge for the year	108,881
At 31 August 2023	464,372
Net book value	
At 31 August 2023	403,508
At 31 August 2022	*125,964*

12. Tangible fixed assets

Group

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Teaching equipment £	Total £
Cost or valuation					
At 1 September 2022	1,784,857	260,400	659,638	83,555	2,788,450
Additions	1,452	40,139	165,247	8,242	215,080
Exchange adjustments	-	-	(950)	-	(950)
At 31 August 2023	1,786,309	300,539	823,935	91,797	3,002,580
Depreciation					
At 1 September 2022	1,391,044	246,219	366,121	77,529	2,080,913
Charge for the year	125,031	14,655	131,074	4,691	275,451
Exchange adjustments	-	-	(171)	-	(171)
At 31 August 2023	1,516,075	260,874	497,024	82,220	2,356,193
Net book value					
At 31 August 2023	270,234	39,665	326,911	9,577	646,387
At 31 August 2022	*393,813*	*14,181*	*293,517*	*6,026*	*707,537*

12. Tangible fixed assets (continued)

Company

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Teaching equipment £	Total £
Cost or valuation					
At 1 September 2022	1,784,857	258,804	617,099	83,555	2,744,315
Additions	1,452	40,139	152,553	8,242	202,386
At 31 August 2023	1,786,309	298,943	769,652	91,797	2,946,701
Depreciation					
At 1 September 2022	1,391,044	244,623	338,493	77,529	2,051,689
Charge for the year	125,031	14,656	123,884	4,691	268,262
At 31 August 2023	1,516,075	259,279	462,377	82,220	2,319,951
Net book value					
At 31 August 2023	270,234	39,664	307,275	9,577	626,750
At 31 August 2022	*393,813*	*14,181*	*278,606*	*6,026*	*692,626*

13. Fixed asset investments

Group

	Unlisted investments £
Cost	
At 1 September 2022	1,876
At 31 August 2023	1,876

13. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost			
At 1 September 2022	700	1,876	2,576
Additions	201	-	201
At 31 August 2023	901	1,876	2,777

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
LIPC Partnership Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
OIDI Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
BIC Partnership Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
JIC Partnership Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
ICD Partnership Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
Greenwich International College Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
Bradford International College Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%

13. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Oxford International Education Group Services Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
Edinburgh Napier International College Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
Kent International College Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Ordinary	100%
Bejing Pathways Education Consulting Company Limited	7f-126, 101, floor 7, No. 219, Wangfujing Street, Dongcheng District, Beijing	Ordinary	100%

The aggregate of the share capital and reserves as at 31 August 2023 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
LIPC Partnership Limited	16,712,107	12,149,558
OIDI Limited	1,441,797	(169,149)
BIC Partnership Limited	2,597,356	670,988
JIC Partnership Limited	(354,571)	20,062
ICD Partnership Limited	249,420	660,840
Greenwich International College Limited	2,121,971	1,036,356
Bradford International College Limited	1,635,902	1,175,617
Oxford International Education Group Services Limited	(48,683)	(2,637)
Edinburgh Napier International College Limited	(35,231)	(35,331)
Kent International College Limited	(5,005)	(5,105)
Bejing Pathways Education Consulting Company Limited	(134,199)	-

14. Unlisted Investments

On 4 December 2021, the Company invested £1,876 for a 1% stake in both Mohit Gambir Education Pvt Ltd and EXIMMG Educational Consultants Private Limited.

The company has the following investments in group undertakings:

	Country of incorporation **£**	*Class of shares* *£*	*Holding* *£*
Mohit Gambir Education Pvt Ltd	India	*Ordinary*	*1%*
EXIMMG Educational Consultants Private	India	*Ordinary*	*1%*
OIEG Education Services LLP	India	*Ordinary*	*1%*

The registered offices of these associated companies is A-1103/04, Lake Lucerne, Adi Shankaracha, Rya Marg, Gopal Sharma School, Powai, Mumbai., except for OIEG Education Services LLP, whose registered address is A-004A Boomerang, Chandivali Farm Road, Powai, Mumbai - 400 072.

15. Stocks

	Group 2023 £	*Group 2022 £*	**Company 2023 £**	*Company 2022 £*
Travel cards, bus tickets and luncheon vouchers	231,216	*142,784*	231,216	*142,784*

The difference between purchase price of stocks and their replacement cost is not material.

The amount included in cost of sales in the period amounted to £399,978 (2022: £416,851).

16. Debtors

	Group 2023 £	*Group 2022 £*	**Company 2023 £**	*Company 2022 £*
Trade debtors	5,201,645	*7,060,383*	3,421,348	*3,214,843*
Amounts owed by group undertakings	9,535,582	*6,345,887*	14,189,108	*7,663,127*
Other debtors	155,825	*271,156*	70,001	*201,160*
Prepayments and accrued income	2,669,194	*1,548,706*	634,667	*628,395*
Coproration tax	187,305	-	-	-
Deferred taxation	-	*387,557*	-	*387,557*
	17,749,551	*15,613,689*	18,315,124	*12,095,082*

Amounts owed by related parties are non-interest bearing and repayable on demand.

17. Cash and cash equivalents

	Group 2023 £	*Group 2022 £*	**Company 2023 £**	*Company 2022 £*
Cash at bank and in hand	27,644,881	*29,442,784*	1,376,447	*1,195,144*

Some bank accounts are subject to an intercompany guarantee secured on the assets of UK based Group companies.

18. Creditors: Amounts falling due within one year

	Group 2023 £	*Group 2022 £*	**Company 2023 £**	*Company 2022 £*
Payments received on account	18,582,582	*28,480,818*	1,257,029	*1,597,092*
Trade creditors	4,930,140	*3,014,545*	2,265,925	*1,445,893*
Amounts owed to group undertakings	-	*191,787*	26,541,636	*14,040,400*
Corporation tax	-	*172*	-	*172*
Other taxation and social security	898,450	*565,682*	743,839	*553,877*
Other creditors	70,392	*626,480*	-	*565,826*
Accruals and deferred income	13,871,480	*10,842,284*	3,788,531	*1,848,216*
	38,353,044	*43,721,768*	34,596,960	*20,051,476*

Payment on account relates to cash received for future courses not invoiced yet and deferred income reflects invoiced tuition and accommodation fees relating to future courses.

Amounts owed to related parties are non-interest bearing and repayable on demand.

19. Financial instruments

	Group 2023 £	*Group 2022 £*	**Company 2023 £**	*Company 2022 £*
Financial assets				
Trade debtors	5,201,646	*7,060,383*	3,421,348	*3,214,843*
Amounts owed by related parties	9,535,582	*6,345,887*	14,189,108	*7,663,127*
Other debtors	155,821	*271,156*	70,001	*201,160*
Cash at bank and in hand	27,644,881	*29,442,784*	1,376,447	*1,195,144*
	42,537,930	*43,120,210*	19,056,904	*12,274,274*
Financial liabilities				
Trade creditors	4,930,140	*3,014,545*	2,265,925	*1,445,893*
Amounts owed to related parties	-	*191,787*	26,541,636	*14,040,400*
Other creditors	70,393	*626,480*	(776)	*565,826*
Accruals	11,063,652	*7,547,178*	3,436,456	*1,630,836*
	(16,064,185)	*(11,379,990)*	(32,243,241)	*(17,682,955)*

20. Deferred taxation

Group

	2023 £	*2022* £
At beginning of year	177,502	*1,004,166*
Charged to profit or loss	(609,729)	*(184,248)*
Utilised in year	-	*(642,416)*
At end of year	(432,227)	*177,502*

Company

	2023 £	*2022* £
At beginning of year	361,418	*898,728*
Charged to profit or loss	(429,424)	*(683)*
Utilised in year	-	*(536,627)*
At end of year	(68,006)	*361,418*

	Group 2023 £	*Group 2022* £	**Company 2023** £	*Company 2022* £
Accelerated capital allowances	(432,227)	*(210,055)*	(68,006)	*(26,139)*
Tax losses carried forward	-	*387,557*	-	*387,557*
	(432,227)	*177,502*	(68,006)	*361,418*
Comprising:				
Asset - due within one year	-	*387,557*	-	*387,557*
Liability	(432,227)	*(210,055)*	(68,006)	*(26,139)*
	(432,227)	*177,502*	(68,006)	*361,418*

Deferred tax is measured at 25%, being the rate substantively enacted on 22 July 2020, taking effect from 1 April 2023, and being the rate at which deferred tax is expected to crystallise.

21. Provisions

Group

	Other provisions £
At 1 September 2022	220,275
At 31 August 2023	220,275

Provision for dilapidations

At 31 August 2023 the Group and Company held current provisions of £220K in respect of dilapidations. These reflect the economic outflow expected as a result of restoring leased properties to their original condition on termination of the relevant lease agreements.

Company

	Other provisions £	Total £
At 1 September 2022	220,275	220,275
At 31 August 2023	220,275	220,275

22. Share capital

	2023 £	*2022 £*
Allotted, called up and fully paid		
100 *(2022 - 100)* Ordinary shares shares of £1.00 each	100	*100*

23. Pension commitments

The Group operates a defined contribution pension scheme for the benefit of all employees. The assets of the scheme are administered by the trustees in a fund independent from those of the Group.

The total contributions payable in the year amounted to £212,585 (2022: £240,813). The amount unpaid at 31 August 2023 was £Nil (2022: £Nil).

24. Commitments under operating leases

At 31 August 2023 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £	*Group 2022 £*
Not later than 1 year	1,130,124	*768,791*
Later than 1 year and not later than 5 years	1,517,440	*688,879*
Later than 5 years	1,475,488	*364,142*
	4,123,052	*1,821,812*

During the year, £346,267 was recognised as an expense in the profit and loss account in respect of operating leases (2022: £267,195).

25. Related party transactions

The company has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the Group.

The land and buildings at Brighton are leased, at arm's length, from a director on a 15 year period starting 25 March 2011. During the year the company paid rent amounting to £48,000 (2022: £48,000) to D Brown, a director of the company with no amount owing as at the balance sheet date.

26. Controlling party

The Directors consider THI Holdings GmbH to be the ultimate controlling party by virtue of the fact they are the majority shareholder of Sparrowhawk 1 Limited, which owns and controls 100% of the Group.

The largest group in which the results of the Company are consolidated is THI Holdings GmbH. Copies of financial statements are available on request from THI Investments, Eberhardstraße 65, 70173 Stuttgart Germany.