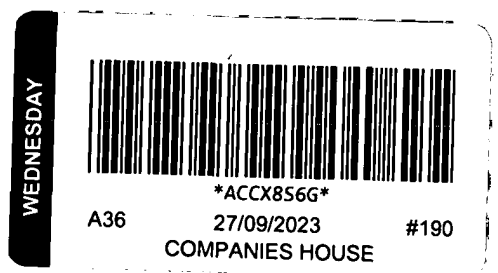


**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**FOR**

**UNITED LANGUAGE SCHOOLS LIMITED**



# **UNITED LANGUAGE SCHOOLS LIMITED**

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**UNITED LANGUAGE SCHOOLS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**DIRECTORS:**

N F Pamplin  
A G Hutchinson

**SECRETARY:**

A W Green

**REGISTERED OFFICE:**

The Old Casino  
28 Fourth Avenue  
Hove  
East Sussex  
BN3 2PJ

**REGISTERED NUMBER:**

00881183 (England and Wales)

**AUDITORS:**

Galloways Accounting (Audit) Limited  
Statutory Auditors  
The Old Casino  
28 Fourth Avenue  
Hove  
East Sussex  
BN3 2PJ

## UNITED LANGUAGE SCHOOLS LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report for the year ended 31 December 2022.

#### REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The Company operates as an international college offering academic courses (e.g. A Levels and Foundation programmes) as well as a wide range of English language programmes.

#### Business Performance

	2022 £'000	2021 £'000
Turnover	4,065	2,422
Gross profit	1,694	428
Profit/(loss) before tax	(257)	(836)
Gross profit %	42%	18%

In 2022, the Company's performance showed a very significant recovery following the impact of the global pandemic during the two previous years.

Revenues increased by 67% YOY, rebounding to over £4m. This recovery in revenues was reflected in all product areas but especially in the Company's academic courses and in near maximum residential accommodation occupancy.

The Company's gross profit also increased by 295%. While overheads rose in real terms, they decreased as a proportion of turnover. This was driven by the long-term sustainability of restructuring and efficiencies implemented during the pandemic.

Strong future bookings and consistent credit control have contributed to healthy cash, payments on account and deferred income balances.

The Directors believe the balance sheet position of the company at the year-end to be satisfactory given the massive impact of the pandemic to the business and the international education sector as a whole.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The impact of Covid-19 will continue to decrease in the next year as the English language sector continues to recover towards pre-pandemic levels.

However, the Russian invasion of Ukraine and other global factors have caused a global cost of living crisis. Rising energy prices, product shortages and labour constraints have contributed to high inflation, and rapid interest rate rises. This continues to impact on rent reviews on the Company's properties, the operational costs of the college, and the living costs of its employees and host families.

During the course of 2023, however, the Company continues to see improving student numbers and revenues and the directors are confident that the business has a sufficient mix of revenues streams to offset downturns in any area.

## UNITED LANGUAGE SCHOOLS LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

#### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise loans to the company, bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for and to finance the company's operations.

In respect of bank balances, the Company manages the risk by maintaining the correct balance for fees received for courses and remains within trading terms for supplier payments.


In respect of loans and overall liquidity risk, the Company ensures there are sufficient funds in place to meet its repayment obligations.

Trade debtors are managed in respect of credit and cash flow risk by regular monitoring of future course bookings and payments.

Trade creditor liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The Company is exposed to the higher rates on interest bearing loans and borrowings, due to the variable rate loan agreement in place. As a result, significant repayments have now commenced on the company's higher cost CBIL. The Directors will closely monitor the impact to the business of rising interest rates in 2023 and beyond.

#### ON BEHALF OF THE BOARD:

  
.....

N F Pamplin Director

Date: 18/09/23 .....

## **UNITED LANGUAGE SCHOOLS LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of an international language college

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2022.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

N F Pamplin  
A G Hutchinson

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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;
- 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.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **AUDITORS**

The auditors, Galloways Accounting (Audit) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

#### **ON BEHALF OF THE BOARD:**

  
.....  
N F Pamplin - Director

Date: 18/09/23

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UNITED LANGUAGE SCHOOLS LIMITED**

### **Opinion**

We have audited the financial statements of United Language Schools Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, 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 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Auditors' 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**

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 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.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

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 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.

### **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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have 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 Strategic Report or the Report of the Directors.

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UNITED LANGUAGE SCHOOLS LIMITED**

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UNITED LANGUAGE SCHOOLS LIMITED**

### **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 a Report of the Auditors 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.

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:

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of English language schools;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery and employment.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
UNITED LANGUAGE SCHOOLS LIMITED**

**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 a Report of the Auditors 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.



Hannah Doherty FCCA (Senior Statutory Auditor)  
for and on behalf of Galloways Accounting (Audit) Limited  
Statutory Auditors  
The Old Casino  
28 Fourth Avenue  
Hove  
East Sussex  
BN3 2PJ

Date: .....18/9/23.....

**UNITED LANGUAGE SCHOOLS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>TURNOVER</b>	3	4,065,153	2,422,316
Cost of sales		2,371,298	1,994,486
<b>GROSS PROFIT</b>		1,693,855	427,830
Administrative expenses		1,938,722	1,401,863
		(244,867)	(974,033)
Other operating income		(10,113)	138,466
<b>OPERATING LOSS</b>	5	(254,980)	(835,567)
Interest receivable and similar income		-	5
		(254,980)	(835,562)
Interest payable and similar expenses	6	1,329	-
<b>LOSS BEFORE TAXATION</b>		(256,309)	(835,562)
Tax on loss	7	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		(256,309)	(835,562)
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		(256,309)	(835,562)

The notes form part of these financial statements

**UNITED LANGUAGE SCHOOLS LIMITED (REGISTERED NUMBER: 00881183)**

**BALANCE SHEET  
31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	8	168,334	56,012
<b>CURRENT ASSETS</b>			
Stocks	9	8,062	5,410
Debtors	10	1,780,596	1,687,968
Cash at bank and in hand		418,995	413,679
		<u>2,207,653</u>	<u>2,107,057</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>3,455,166</u>	<u>2,985,939</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,247,513)</u>	<u>(878,882)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(1,079,179)</u>	<u>(822,870)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	3,750	3,750
Retained earnings	14	<u>(1,082,929)</u>	<u>(826,620)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>(1,079,179)</u>	<u>(822,870)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 18/9/22 and were signed on its behalf by:

  
N F Pamplin - Director

**UNITED LANGUAGE SCHOOLS LIMITED**

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

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2021</b>	3,750	8,942	12,692
<b>Changes in equity</b>			
Total comprehensive income	-	(835,562)	(835,562)
<b>Balance at 31 December 2021</b>	<u>3,750</u>	<u>(826,620)</u>	<u>(822,870)</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(256,309)	(256,309)
<b>Balance at 31 December 2022</b>	<u><u>3,750</u></u>	<u><u>(1,082,929)</u></u>	<u><u>(1,079,179)</u></u>

The notes form part of these financial statements

## UNITED LANGUAGE SCHOOLS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. PRESENTATIONAL CURRENCY

The accounts are presented in the companies functional currency of pound sterling (£).

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared on the basis that the company will continue to be a going concern. If this assumption is not considered valid, then adjustments would need to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

##### **Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

United Language Schools Ltd has taken the exemption of preparing a cashflow statement. The shareholders have been informed in writing and there have been no objections.

The parent company is Prime Education and Training Ltd, consolidated accounts are prepared and filed, including the consolidated cashflow statement. The consolidated accounts are available from Companies House.

##### **Turnover**

Turnover represents the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the company's activities. Turnover is net of any discounts.

For the rendering of services where a customer receives consideration over a period of more than one day, turnover is recognised on a straight-line basis over the duration of the period of consideration.

For the rendering of services where a customer receives all the consideration of the sale on one day, turnover is recognised on that day.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at the following rates in order to write off each asset over its estimated useful life

Short leasehold	- over the life of the lease
Fixtures and fittings	- 20% on cost
Computer equipment	- 25% on cost

##### **Stocks**

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

##### **Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## UNITED LANGUAGE SCHOOLS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. ACCOUNTING POLICIES - continued

##### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

##### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### Hire purchase and leasing commitments

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

##### Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

#### 3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2022 £	2021 £
Course and related income	2,530,562	1,802,330
Accommodation sales	1,244,111	508,838
Other sales	290,480	111,148
	<u>4,065,153</u>	<u>2,422,316</u>

#### 4. EMPLOYEES AND DIRECTORS

	2022 £	2021 £
Wages and salaries	1,684,433	1,474,121
Other pension costs	33,966	31,928
	<u>1,718,399</u>	<u>1,506,049</u>

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

	2022	2021
Teaching and administration staff	<u>71</u>	<u>63</u>
	2022 £	2021 £
Directors' remuneration	<u>-</u>	<u>-</u>

# UNITED LANGUAGE SCHOOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

### 5. OPERATING LOSS

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

	2022 £	2021 £
Other operating leases	147,180	102,180
Depreciation - owned assets	21,873	53,286
Loss/(profit) on disposal of fixed assets	83	(2,067)
Auditors' remuneration	11,644	8,200
	<u>11,644</u>	<u>8,200</u>

### 6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £	2021 £
Interest payable	1,329	-
	<u>1,329</u>	<u>-</u>

### 7. TAXATION

#### Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2022 nor for the year ended 31 December 2021.

#### Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
Loss before tax	(256,309)	(835,562)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(48,699)	(158,757)
Effects of:		
Expenses not deductible for tax purposes	1,086	-
Capital allowances in excess of depreciation	(26,094)	-
Tax loss carried forward	<u>73,707</u>	<u>158,757</u>
Total tax charge	<u>-</u>	<u>-</u>



**UNITED LANGUAGE SCHOOLS LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**
**8. TANGIBLE FIXED ASSETS**

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2022	71,578	853,254	248,983	1,173,815
Additions	21,469	7,273	105,927	134,669
Disposals	-	(41,890)	(13,358)	(55,248)
At 31 December 2022	93,047	818,637	341,552	1,253,236
<b>DEPRECIATION</b>				
At 1 January 2022	30,773	841,756	245,274	1,117,803
Charge for year	6,594	6,148	9,131	21,873
Eliminated on disposal	-	(41,416)	(13,358)	(54,774)
At 31 December 2022	37,367	806,488	241,047	1,084,902
<b>NET BOOK VALUE</b>				
At 31 December 2022	55,680	12,149	100,505	168,334
At 31 December 2021	40,805	11,498	3,709	56,012

**9. STOCKS**

	2022 £	2021 £
Stock	8,062	5,410

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade debtors	841,682	464,571
Amounts owed by group undertakings	742,902	1,073,553
Other debtors	23,150	27,276
Prepayments	172,862	122,568
	1,780,596	1,687,968

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Payments on account	642,705	595,287
Trade creditors	25,491	82,914
Amounts owed to group undertakings	373,141	839,061
Social security and other taxes	33,943	31,552
VAT	27,227	13,256
Other creditors	328,886	197,907
Deferred income	1,973,108	1,203,376
Accrued expenses	50,665	22,586
	3,455,166	2,985,939

# UNITED LANGUAGE SCHOOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

### 12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	433,182	431,683
Between one and five years	1,318,212	1,484,796
In more than five years	26,295	104,824
	<u>1,777,689</u>	<u>2,021,303</u>

### 13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £	2021 £
3,750	Ordinary	£1	<u>3,750</u>	<u>3,750</u>

### 14. RESERVES

	Retained earnings £
At 1 January 2022	(826,620)
Deficit for the year	(256,309)
At 31 December 2022	<u>(1,082,929)</u>

### 15. RELATED PARTY DISCLOSURES

United Language Schools Limited is a 100% subsidiary of Prime Education and Training Limited.

The Company has taken advantage of the exemption available by FRS 8 from disclosing related party transactions on the grounds that the results are included in consolidated accounts of the parent company.

### 16. ULTIMATE CONTROLLING PARTY

The controlling party is Prime Education & Training Limited.

The ultimate controlling party is N Pamplin, A Hutchinson, A Green & J A Flores.

This is by virtue of their majority holding of the issued share capital of Prime Education & Training Limited.

### 17. ACCOUNTING BASIS

As stated in the accounting policy note, these financial statements have been prepared on the basis that the company will continue to be a going concern. During the year the company made a loss of £256,309 and as at the year end the current liabilities exceeded current assets by £1,247,513.

The validity of this basis depends upon the continued support of the company's directors. The directors confirm that they will give the required support.