

Financial Statements PIL Middle East Holdings Limited

For the year ending 31 August 2021



Registered number: 08850410

Company Information

Registered number	08850410
Registered office	100 New Bridge Street London EC4V 6JA
Directors	S D R Brown D Mee B Mansukhani (resigned 11 August 2021)
Company Status	PIL Middle East Holdings Limited is a limited liability company incorporated and resident in England and Wales.

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Directors' Report

For the year ended 31 August 2021

The directors present their report and the unaudited financial statements for the year ending 31 August 2021. The financial statements are denominated in Euro.

For the year ending 31 August 2021, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

PIL Middle East Holdings Limited is a private limited company, incorporated and domiciled in England and Wales.

Primary activities

The primary activity of the company is as a holding company.

Results and dividends

The profit for the year, after taxation, amounted to profit of €6,761,460 (2020: loss of (€30,328,929)).

The directors have not recommended a dividend (2020: €Nil).

Directors

The directors who served during the year were:

D Mee

S D R Brown

B Mansukhani (resigned 11 August 2021)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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 company will continue in business.

Directors' Report (continued)

For the year ending 31 August 2021

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.

Going concern

The company has received written confirmation that continuing support will be provided by International Schools Partnership Limited and therefore it will be able to meet its financial obligations for the foreseeable future. Accordingly, the directors consider it is appropriate to prepare the financial statements on a going concern basis.

The report was approved by the board on 16 May 2022 and signed on its behalf.



D Mee
Director

Statement of profit or loss and other comprehensive income

For the year ending 31 August 2021

	Note	2021 €	2020 €
Administrative Expenditure		-	(18,674,273)
Other Operating income		12,798,432	-
Operating profit / (loss)		12,798,432	(18,674,273)
Interest receivable		599,717	226,284
Interest payable		(6,386,257)	(10,224,261)
Exchange (loss)		(250,432)	(1,696,679)
Loss on ordinary activities before tax		6,761,460	(30,328,929)
Tax on loss on ordinary activities	3	-	-
Loss for the financial year		6,761,460	(30,328,929)
Other comprehensive income		-	-
Total comprehensive income		6,761,460	(30,328,929)

All amounts relate to continuing operations.

There were no items of other comprehensive income in the year 31 August 2021.

The notes on pages 6 to 10 form part of these financial statements.

Statement of Financial Position

As at 31 August 2021

	Note	2021 €	2020 €
Fixed assets			
Investments	4	80,796,855	80,796,855
Current assets			
Debtors	5	29,493,742	28,658,971
Creditors: Amounts falling due within one year	6	(6)	(6)
Net current assets		<u>29,493,736</u>	<u>28,658,965</u>
Total assets less current liabilities		<u>110,290,591</u>	<u>109,455,820</u>
Creditors: Amounts falling due after more than one year	7	-	(155,352,309)
Net Assets / (Liabilities)		<u>110,290,591</u>	<u>(45,896,489)</u>
Capital and reserves			
Called up share capital	8	106,846,225	136,001
Share Premium Account	9	45,256,084	10,909,661
Redenomination Reserve	9	8,368,973	-
Profit and loss account	9	<u>(50,180,691)</u>	<u>(56,942,151)</u>
Shareholders' funds		<u>110,290,591</u>	<u>(45,896,489)</u>

For the year ending 31 August 2021, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 May 2022.



D Mee

Director

The notes on pages 6 to 10 form part of these financial statements.

Statement of Changes in Equity

	Called up share capital	Share Premium Account	Redenomination Reserve	Profit and loss account	Total
	€000's	€000's	€000's	€000's	€000's
At 31 August 2019	136,001	10,909,661	-	(26,613,222)	(15,567,560)
Profit/ (Loss) for the year	-	-	-	(30,328,929)	(30,328,929)
At 31 August 2020	136,001	10,909,661	-	(56,942,151)	(45,896,489)
Share issue during the year	115,079,197	34,346,423		-	149,425,620
Redenomination of shares	(8,368,973)		8,368,973		-
Profit/ (Loss) for the year	-	-		6,761,460	6,761,460
At 31 August 2021	106,846,225	45,256,084	8,368,973	(50,180,691)	110,290,591

Notes to the Financial Statements

For the year ending 31 August 2021

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS 101 Reduced Disclosure Framework. The entity qualifies to present information under the reduced disclosure framework as it is a part of a group that prepares publicly available consolidated financial statements, and it is included in that consolidation. The consolidated accounts of International Schools Partnership Limited (UK) are available through the Companies House website.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

The company has taken advantage of the following disclosure exemptions as permitted by FRS101:

- The company has not prepared a cash flow
- The company has not disclosed qualifying related party transactions
- The company has not prepared an IFRS 7 Financial Instruments note

The financial statements are presented in Euro (€).

1.2 Consolidation

The financial statements contain information about PIL Middle East Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the UK consolidated accounts of International Schools Partnership Limited.

1.3 Interest payable and receivable

Interest payable and receivable is recognised in the year in which it is incurred.

Notes to the Financial Statements

For the year ending 31 August 2021

1.4 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

1.5 Income tax expense

The tax expense for the year comprises current tax.

Current income tax assets and liabilities are measured at the reporting date at the amount expected to be recovered from or paid to taxation authorities using the tax rates and laws that have been enacted or substantively enacted by the consolidated statement of financial position date.

1.6 Foreign currency translation

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences are recognised in the statement of income and retained earnings. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

1.7 Significant judgements and estimates

The intercompany loan rate is considered to be market rate.

2. Directors' remuneration

No director received remuneration, retirement or other benefits from the company during either the current or prior year, as all directors are remunerated by other companies of the group.

Notes to the Financial Statements

For the year ending 31 August 2021

3. Taxation

	2021 €	2020 €
Total tax per Statement of Comprehensive Income	-	-
The charge for the year can be reconciled to the loss for the year as follows		
Profit/(Loss) for the period	<u>6,761,460</u>	<u>(30,328,929)</u>
Tax at time apportioned standard UK tax rate of 19% (2020: 19%)	1,284,677	(5,762,497)
Effects of:		
Non-deductible expenses / (Non-taxable income)	(2,431,702)	2,214,346
Group relief surrendered for nil consideration	1,147,025	
Losses carried forward with no deferred tax recognised	<u>-</u>	<u>3,548,151</u>
Tax charge for the year	<u>-</u>	<u>-</u>

The company has £12,912,979 of tax losses carried forward as at 31 August 2021 on which no deferred tax is provided (2020: £12,912,979).

4. Investments in subsidiaries

	€
At 31 August 2020 and 31 August 2021	<u>80,796,855</u>

At 31 August 2021 the company had interests in the following subsidiaries:

Subsidiaries	Types of shares held	Proportion held (%)	Country of incorporation	Nature of business
Hamilton International Development Limited (formerly known as Marlborough BVI Limited)	Ordinary	100	BVI	Holding company
Permotio Consultancy DWC - LLC	Ordinary	100	Dubai	Holding company
Promouvoir Management Consultancy LLC	Ordinary	49	Abu Dhabi	Consultancy
Al Nibras International Private School LLC	Ordinary	49	Dubai	Trading Company
Reach British School LLC	Ordinary	49	Abu Dhabi	Trading

Notes to the Financial Statements

For the year ending 31 August 2021

5. Debtors

	2021 €	2020 €
Trading amounts due from group undertakings	9,818,398	9,735,975
Loans due from group undertakings	19,675,344	18,922,996
	<u>29,493,742</u>	<u>28,658,971</u>

Trading amounts due from group undertakings are unsecured, repayable on demand and interest free.
Loans due from group undertaking are unsecured, repayable on demand and have an interest rate of 10.3313%.

6. Creditors: Amounts falling within one year

	2021 €	2020 €
Amounts owed to group undertakings	6	6
	<u>6</u>	<u>6</u>

Amounts owed to group undertaking due within one year are interest free, repayable on demand and unsecured.

7. Creditors: Amounts falling due after more than one year

	2021 €	2020 €
Amounts owed to group undertakings	-	155,352,309
	<u>-</u>	<u>155,352,309</u>

Amounts owed to group undertaking due after more than one year are repayable after more than five years, have an interest rate of 10.3313% and are unsecured.

Notes to the Financial Statements

For the year ending 31 August 2021

8. Share capital

	2021 €	2020 €
Allotted, called up and fully paid		
Ordinary share capital	<u>106,846,225</u>	<u>136,001</u>

On 10th May 2021 the company issued 84,616,957 Ordinary shares, with a nominal value of €1.36 each. The shares were redenominated from Euros on 23 August 2021 to 5.9308 AED each. Following this, on 23 August 2021 the nominal value for each share was reduced to 5.50 AED, with the difference credited to the redenomination reserve.

9. Reserves

Called-up share capital – represents the nominal value of shares that have been issued.

Share premium – represents the consideration received by the company upon issue of shares that is in excess to the nominal value of the shares.

Profit and loss account – includes all current and prior period retained profits and losses.

10. Ultimate parent undertaking and controlling party

The immediate parent company is International Schools Partnership Limited, a company incorporated and registered in the UK. As at 31 August 2021, the company's ultimate parent company was International Schools Partnership I S.à r.l.

The largest and smallest group for which group accounts are drawn up and of which the company is included is the group headed by International Schools Partnership Limited. Copies of these financial statements are available from Companies House.