

INTER-ED UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

INTER-ED UK LIMITED

COMPANY INFORMATION

Directors	Ms F Riaz Mrs T Rashid
Company number	05037242
Registered office	University House 55 East Road London N1 6AH
Auditor	Kallis and Partners Mountview Court 1148 High Road Whetstone London N20 0RA
Business address	University House 55 East Road London N1 6AH

INTER-ED UK LIMITED

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INTER-ED UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2020

The directors present their annual report and financial statements for the year ended 30 June 2020.

Principal activities

The principal activity of the company is the provision of facilities and services in connection with education.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms F Riaz
Mrs T Rashid

Auditor

Kallis and Partners were appointed auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 of disclosure to auditor


So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

INTER-ED UK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

On behalf of the board

A handwritten signature in black ink, appearing to read 'T Rashid', is written over a horizontal line. The signature is fluid and cursive.

Mrs T Rashid
Director

31 March 2021

INTER-ED UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTER-ED UK LIMITED

Opinion

We have audited the financial statements of Inter-Ed UK Limited (the "company") for the year ended 30 June 2020 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the 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 FRS 102 1A *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 30 June 2020 and of its profit 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INTER-ED UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF INTER-ED UK LIMITED

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.


Chris Pieri (Senior Statutory Auditor)
for and on behalf of Kallis and Partners

31 March 2021

Chartered Accountants
Statutory Auditor

Mountview Court
1148 High Road
Whetstone
London N20 0RA

INTER-ED UK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 £	2019 £
Turnover		1,027,637	1,435,337
Administrative expenses		(1,095,510)	(1,331,843)
Other operating income		76,524	-
Operating profit		8,651	103,494
Interest receivable and similar income		2,089	2,080
Interest payable and similar expenses		(43)	-
Profit before taxation		10,697	105,574
Taxation		(2,052)	(20,060)
Profit for the financial year		8,645	85,514

INTER-ED UK LIMITED

BALANCE SHEET

AS AT 30 JUNE 2020

	Notes	2020 £	£	2018 £	£
Fixed assets					
Tangible assets	3		35,704		43,551
Current assets					
Debtors	4	215,499		132,137	
Cash at bank and in hand		752,072		869,863	
		<u>967,571</u>		<u>1,002,000</u>	
Creditors: amounts falling due within one year	5	<u>(143,989)</u>		<u>(193,603)</u>	
Net current assets			<u>823,582</u>		<u>808,397</u>
Total assets less current liabilities			<u>859,286</u>		<u>851,948</u>
Provisions for liabilities			<u>(5,373)</u>		<u>(6,680)</u>
Net assets			<u><u>853,913</u></u>		<u><u>845,268</u></u>
Capital and reserves					
Called up share capital	7		50,000		50,000
Profit and loss reserves			<u>803,913</u>		<u>795,268</u>
Total equity			<u><u>853,913</u></u>		<u><u>845,268</u></u>

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

The financial statements were approved by the board of directors and authorised for issue on 31 March 2021 and are signed on its behalf by:


Mrs T Rashid
Director

Company Registration No. 05037242

INTER-ED UK LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 July 2018	50,000	709,754	759,754
Year ended 30 June 2019:			
Profit and total comprehensive income for the year	-	85,514	85,514
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2019	50,000	795,268	845,268
Year ended 30 June 2020:			
Profit and total comprehensive income for the year	-	8,645	8,645
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2020	<u>50,000</u>	<u>803,913</u>	<u>853,913</u>

INTER-ED UK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 £	£	2018 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	9		(119,837)		153,087
Interest paid			(43)		-
Income taxes paid			-		(48,047)
			<u> </u>		<u> </u>
Net cash (outflow)/inflow from operating activities			(119,880)		105,040
Investing activities					
Purchase of tangible fixed assets		-		(3,698)	
Interest received		2,089		2,080	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			2,089		(1,618)
Net cash used in financing activities			<u> </u>		<u> </u>
			-		-
Net (decrease)/increase in cash and cash equivalents			(117,791)		103,422
Cash and cash equivalents at beginning of year			869,863		766,441
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>752,072</u>		<u>869,863</u>

INTER-ED UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

Company information

Inter-Ed UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is University House, 55 East Road, London, N1 6AH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements have been prepared on a going concern basis.

During the year ended 30 June 2020 there was a decrease in sales. However the company maintained its working capital and controlled its expenditure which resulted in a profit.

In early March 2020 the Coronavirus Pandemic was recognised by the directors as a significant risk to the global economy with an unknown impact on the business. The carrying value of all assets and liabilities has been carefully considered and deemed appropriate with no extraordinary impairment needed. The full/future impact of the virus on the revenues and profitability is unknown. The directors are actively monitoring developments closely.

The current economic conditions, together with the Covid-19 pandemic present increased risks to all businesses. As the company is involved in the education services, the company had to temporarily close the college and the lectures were conducted online. In response to such conditions, the directors have carefully considered these risks including an assessment on future trading projection for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on the assessment, the directors consider that the company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations and external debt liabilities.

In addition, the company's assets are assessed for recoverability on a regular basis, and the directors consider that the company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubts upon the company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

1.3 Turnover

Turnover represents tuition fees receivable net of VAT in the year during which the related academic services are provided.

INTER-ED UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% per annum, reducing balance basis
Motor vehicles	25% per annum, reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

INTER-ED UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

INTER-ED UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	15	18

INTER-ED UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 July 2019 and 30 June 2020	224,102
Depreciation and impairment	
At 1 July 2019	180,551
Depreciation charged in the year	7,847
At 30 June 2020	188,398
Carrying amount	
At 30 June 2020	35,704
At 30 June 2019	43,551

4 Debtors

	2020 £	2018 £
Amounts falling due within one year:		
Trade debtors	63,320	47,667
Other debtors	152,179	84,470
	<u>215,499</u>	<u>132,137</u>

5 Creditors: amounts falling due within one year

	2020 £	2018 £
Trade creditors	77,711	91,715
Corporation tax	24,356	20,997
Other taxation and social security	33,738	72,068
Other creditors	8,184	8,823
	<u>143,989</u>	<u>193,603</u>

6 Government grants

The accounting policy adopted for grants is the accrual model.

During the year the company benefitted from £76,524 of government grants in the form of the Coronavirus Job Retention Scheme. In accordance with our accounting policy this credit is included in Other operating income.

INTER-ED UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

7	Called up share capital	2020	2018
		£	£
	Ordinary share capital		
	Issued and fully paid		
	50,000 Ordinary shares of £1 each	50,000	50,000
		<u> </u>	<u> </u>
8	Operating lease commitments		
	Lessee		
	At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases of £1,035,000 (2019 £1,511,300).		
9	Cash (absorbed by)/generated from operations	2020	2019
		£	£
	Profit for the year after tax	8,645	85,514
	Adjustments for:		
	Taxation charged	2,052	20,060
	Finance costs	43	-
	Investment income	(2,089)	(2,080)
	Depreciation and impairment of tangible fixed assets	7,847	9,886
	Movements in working capital:		
	(Increase)/decrease in debtors	(83,362)	30
	(Decrease)/increase in creditors	(52,973)	39,677
		<u> </u>	<u> </u>
	Cash (absorbed by)/generated from operations	(119,837)	153,087
		<u> </u>	<u> </u>