

Registration number: 04422774

RTC Education Limited

Annual Report and Financial Statements

for the Period from 1 April 2016 to 31 July 2017

Cameron & Associates Limited
35-37 Lowlands Road
Harrow-on-the-Hill
Middlesex
HA1 3AW

RTC Education Limited

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RTC Education Limited

Company Information

Directors	Mr S Pankayachelvan Mrs T Pankayachelvan
Registered office	167 Imperial Drive Harrow Middlesex HA2 7JP
Auditors	Cameron & Associates Limited 35-37 Lowlands Road Harrow-on-the-Hill Middlesex HA1 3AW

RTC Education Limited

Directors' Report for the Period from 1 April 2016 to 31 July 2017

The directors present their report and the financial statements for the period from 1 April 2016 to 31 July 2017.

Directors of the company

The directors who held office during the period were as follows:

Mr S Pankayachelvan

Mrs T Pankayachelvan

Principal activity

The principal activity of the company is the provision of educational services ranging from nursery services to sixth form and higher education.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

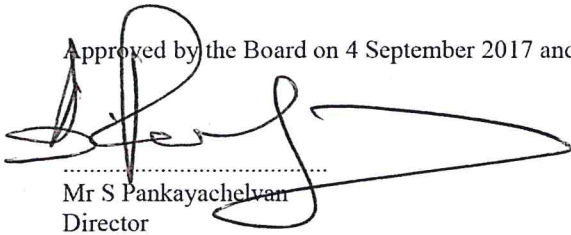
Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Cameron & Associates Limited as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 4 September 2017 and signed on its behalf by:



.....
Mr S Pankayachelvan
Director

RTC Education Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 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.

RTC Education Limited

Independent Auditor's Report to the Members of RTC Education Limited

We have audited the financial statements of RTC Education Limited for the period from 1 April 2016 to 31 July 2017, set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)".

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

RTC Education Limited

Independent Auditor's Report to the Members of RTC Education Limited

Opinion on other matter prescribed by the Companies Act 2006

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

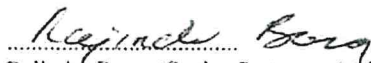
- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of our 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.

Matters on which we are required to report by exception

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.



Rajinder Basra (Senior Statutory Auditor)

For and on behalf of Cameron & Associates Limited, Statutory Auditor

35-37 Lowlands Road
Harrow-on-the-Hill
Middlesex
HA1 3AW

4 September 2017

RTC Education Limited

Profit and Loss Account for the Period from 1 April 2016 to 31 July 2017

	Note	Total 31 July 2017 £	Total 31 March 2016 £
Turnover		9,662,644	4,611,202
Administrative expenses		<u>(8,315,464)</u>	<u>(3,903,985)</u>
Operating profit		<u>1,347,180</u>	<u>707,217</u>
Other interest receivable and similar income		104,247	66,148
Interest payable and similar expenses		<u>-</u>	<u>(8,049)</u>
		<u>104,247</u>	<u>58,099</u>
Profit before tax	5	1,451,427	765,316
Taxation		<u>(285,586)</u>	<u>(152,877)</u>
Profit for the financial period		<u><u>1,165,841</u></u>	<u><u>612,439</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

RTC Education Limited

Statement of Comprehensive Income for the Period from 1 April 2016 to 31 July 2017

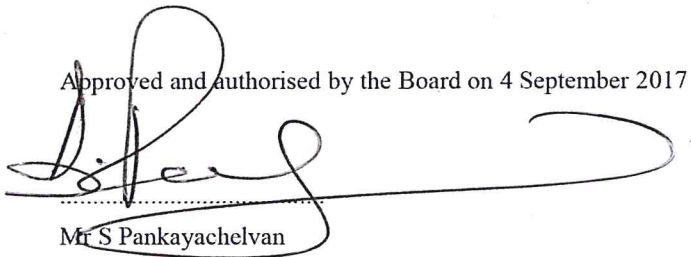
	Note	2017 £	2016 £
Profit for the period		<u>1,165,841</u>	<u>612,439</u>
Total comprehensive income for the period		<u><u>1,165,841</u></u>	<u><u>612,439</u></u>

RTC Education Limited
(Registration number: 04422774)
Balance Sheet as at 31 July 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	6	134,121	47,341
Current assets			
Debtors	7	2,667,180	2,188,538
Cash at bank and in hand		<u>2,176,137</u>	<u>1,776,461</u>
		4,843,317	3,964,999
Creditors: Amounts falling due within one year	8	<u>(393,929)</u>	<u>(357,821)</u>
Net current assets		<u>4,449,388</u>	<u>3,607,178</u>
Total assets less current liabilities		4,583,509	3,654,519
Provisions for liabilities		<u>(16,555)</u>	<u>(3,406)</u>
Net assets		<u><u>4,566,954</u></u>	<u><u>3,651,113</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>4,566,854</u>	<u>3,651,013</u>
Total equity		<u><u>4,566,954</u></u>	<u><u>3,651,113</u></u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 4 September 2017 and signed on its behalf by:



 Mr S Pankayachelvan
 Director

RTC Education Limited

Statement of Changes in Equity for the Period from 1 April 2016 to 31 July 2017

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	100	3,651,013	3,651,113
Profit for the period	-	1,165,841	1,165,841
Total comprehensive income	-	1,165,841	1,165,841
Dividends	-	(250,000)	(250,000)
At 31 July 2017	100	4,566,854	4,566,954
		Profit and loss account £	Total £
At 1 April 2015	100	3,268,574	3,268,674
Profit for the period	-	612,439	612,439
Total comprehensive income	-	612,439	612,439
Dividends	-	(230,000)	(230,000)
At 31 March 2016	100	3,651,013	3,651,113

RTC Education Limited

Notes to the Financial Statements for the Period from 1 April 2016 to 31 July 2017

1 General information

The company is a private company limited by share capital incorporated in England .

The address of its registered office is:

167 Imperial Drive

Harrow

Middlesex

HA2 7JP

These financial statements were authorised for issue by the Board on 4 September 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

RTC Education Limited

Notes to the Financial Statements for the Period from 1 April 2016 to 31 July 2017

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	25% on a reducing balance
Leasehold premises	Depreciated over 8 years of its leased term on a straight line basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

RTC Education Limited

Notes to the Financial Statements for the Period from 1 April 2016 to 31 July 2017

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 76 (2016 - 62).

4 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>14,310</u>	<u>14,350</u>

5 Profit before tax

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	<u>58,649</u>	<u>15,781</u>

RTC Education Limited

Notes to the Financial Statements for the Period from 1 April 2016 to 31 July 2017

6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2016	-	208,562	208,562
Additions	25,000	120,011	145,011
At 31 July 2017	25,000	328,573	353,573
Depreciation			
At 1 April 2016	-	161,221	161,221
Charge for the year	2,865	55,366	58,231
At 31 July 2017	2,865	216,587	219,452
Carrying amount			
At 31 July 2017	22,135	111,986	134,121
At 31 March 2016	-	47,341	47,341

Included within the net book value of land and buildings above is £22,135 (2016 - £Nil) in respect of short leasehold land and buildings.

7 Debtors

	2017 £	2016 £
Trade debtors	623,331	376,024
Other debtors	2,043,849	1,812,514
Total current trade and other debtors	2,667,180	2,188,538

8 Creditors

	Note	2017 £	2016 £
Due within one year			
Trade creditors		15,622	58,747
Directors current accounts	11	-	57
Other creditors		378,307	299,017
		393,929	357,821

RTC Education Limited

Notes to the Financial Statements for the Period from 1 April 2016 to 31 July 2017

9 Dividends

Final dividends paid

	2017 £	2016 £
Final dividend of £1 per each Ordinary share capital share	<u>250,000</u>	<u>230,000</u>

10 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £4,901,077 (2016 - £4,887,791).

11 Related party transactions

Summary of transactions

Regent House, 167-173 Imperial Drive, HA2 7JP is owned by the Directors. Rentals of £186,667 were paid during the year (2016: £140,000).

Nursery House, 459 Rayners Lane, HA5 5ET is also owned by the Directors. Rentals of £26,667 (2016: £20,000) were paid during the year.

During the financial period, a further loan of £76,000 was made to SPRO Ltd, a UK resident company under common control. Interest of £5,451 (2016: £4,200) was charged during the year. At the year-end a balance of £188,952 (2016: £107,500) was owed to the Company.

During the financial period, a loan of £76,265 was made to Regent House Ltd, a UK resident company under common control. Interest of £2,657 (2016: NIL) was charged during the year. At the year-end a balance of £78,921 (2016: £NIL) was owed to the Company.

During the financial period, a loan of £66,109 was made to Regent Education Ltd, a UK resident company under common control. At the year-end a balance of £66,109 (2016: £NIL) was owed to the Company.

A further loan of £44,754 (2016: £712,850) was made to FP (GB) Ltd, a UK resident company under common control. Interest of £94,911 (2016: £59,723) was charged during the year. At the year-end, a balance of £1,550,074 (2016: £1,410,410) was owed to the company.

12 Parent and ultimate parent undertaking

The company is a standalone company and is controlled by Mr S Pankayachelvan and Mrs T Pankayachelvan by virtue of the fact that they hold the entire issued share capital of the company.

13 Transition to FRS 102

No adjustments to prior periods have arisen due to the transition to FRS 102.

RTC Education Limited

Detailed Profit and Loss Account for the Period from 1 April 2016 to 31 July 2017

	2017 £	2016 £
Turnover		
Sales, UK	9,662,644	4,611,202
Employment costs		
Wages and salaries	2,820,965	1,580,128
Directors remuneration	266,666	200,000
Directors pensions	108,946	90,293
Subcontract cost	1,353,020	655,397
Compensation cost	5,000	-
Recruitment - CRB	408,442	8,656
Travel & subsistence	210,963	37,605
	(5,174,002)	(2,572,079)
Establishment costs		
Rent & rates & lease	919,780	504,738
Water rates	4,452	2,267
Light, heat and power	91,966	53,769
Insurance	31,530	22,247
Fire & security	9,170	5,845
Repairs and maintenance	100,498	38,397
Cleaning	43,521	21,048
Premises expenses	2,850	4,889
	(1,203,767)	(653,200)
General administrative expenses		
Telephone and fax	63,831	24,740
Courses and field fees	53,950	13,498
Computer maintenance	133,983	49,306
Software updates	75,403	60,762
Postage	5,265	5,491
Printing & stationery	71,556	75,147
Books	8,120	8,740
Exam boards	259,843	117,636
Charitable donations	404	-
Sports expenses	5,839	3,710
Sundry expenses	3,368	8,576
Lab and art room expense	11,503	6,144
Advertising & PR	340,805	192,147
Subscriptions	5,000	-
Accountancy fees	13,958	8,034
Auditor's remuneration	14,310	14,350
Consultancy fees	667,732	-

This page does not form part of the statutory financial statements.

RTC Education Limited

Detailed Profit and Loss Account for the Period from 1 April 2016 to 31 July 2017

Legal and professional fees	<u>124,098</u>	<u>61,686</u>
	<u>(1,858,968)</u>	<u>(649,967)</u>
Finance charges		
Bank charges	<u>(20,078)</u>	<u>(12,958)</u>
Depreciation costs		
Depreciation of short leasehold property	(2,865)	-
Depreciation of tangible fixed assets	<u>(55,784)</u>	<u>(15,781)</u>
	<u>(58,649)</u>	<u>(15,781)</u>
Other interest receivable and similar income		
Other interest receivable	<u>104,247</u>	<u>66,148</u>