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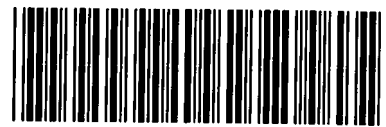
VIRTUAL CLASS LTD

FINANCIAL STATEMENTS

YEAR ENDED

31 JULY 2020

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VIRTUAL CLASS LTD
CONTENTS

Page:

1	Company Information
2	Consolidated and Company Statement of Financial Position
3	Consolidated and Company Statement of Changes in Equity
5	Notes to the Consolidated and Company Financial Statements

COMPANY INFORMATION

Directors	Thomas Hooper Richard Lewis John Loder
Secretary	Lynn Chandler
Registered office	Frazer House 32-38 Leman Street London E1 8EW
Company registration number	08260115 (England & Wales)
Country of incorporation	Great Britain
Legal form	Company limited by shares
Auditor	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA
Bankers	Barclays Bank PLC Leicester LE87 2BB Co-Operative Bank PLC PO Box 637 Salford M5 0JP
Solicitors	Taylor Wessing LLP New St Square London EC4A 3TW

**CONSOLIDATED AND COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2020**

Company Number : 08260115

	Note	GROUP		COMPANY	
		2020 £	2019 £	2020 £	2019 £
Fixed assets					
Tangible fixed assets	10	75,948	138,013	26,041	35,180
Investments	11	-	-	161,442	161,442
		75,948	138,013	187,483	196,622
Current assets					
Debtors	12	651,156	507,298	540,304	393,602
Cash at bank and in hand		892,286	1,469,947	811,830	1,091,274
		1,543,442	1,977,245	1,352,134	1,484,876
Creditors: Amounts falling due within one year	13	(1,530,773)	(1,174,810)	(1,697,888)	(1,109,209)
Net current assets/(liabilities)		12,669	802,435	(345,754)	375,667
Total assets less current liabilities		88,617	940,448	(158,271)	572,289
Deferred taxation	14	(5,475)	(10,347)	(5,208)	(7,036)
Net assets/(liabilities)		83,142	930,101	(163,479)	565,253
Capital and reserves					
Called up share capital					
Ordinary shares		390	390	390	390
A1 Shares		36,893	36,893	36,893	36,893
A2 Shares		10,984	10,984	10,984	10,984
B Shares		6,565	6,565	6,565	6,565
C1 Shares		17,901	17,901	17,901	17,901
C2 Shares		15,498	15,498	15,498	15,498
D1 Shares		19,363	-	19,363	-
D2 Shares		31	-	31	-
	15	107,625	88,231	107,625	88,231
Share premium		11,011,510	10,427,462	11,011,510	10,427,462
Other reserves		116,263	116,263	116,263	116,263
Profit and loss reserve		(11,152,256)	(9,701,855)	(11,398,877)	(10,066,703)
Equity attributable to owners of the parent		83,142	930,101	(163,479)	565,253


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

These financial statements have been delivered to the Registrar in accordance with the special provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

The company's income statement and directors' report have not been delivered to the Registrar of Companies, in accordance with the above special provisions.

The financial statements were approved by the Board of Directors and authorised for issue on 15 January 2021.

Thomas Hooper
Chief Executive



The accompanying Notes on pages 5 to 15 form an integral part of these financial statements.

**CONSOLIDATED AND COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2020**

GROUP	Issued Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity
	£	£	£	£	£
Balance as at 1 August 2018	51,170	7,794,791	116,263	(6,344,258)	1,617,966
Loss for the year	-	-	-	(3,417,121)	(3,417,121)
Other comprehensive loss for the year	-	-	-	(4,559)	(4,559)
Total comprehensive loss for the year	-	-	-	(3,421,680)	(3,421,680)
Issue of shares for cash	33,399	2,749,903	-	-	2,783,302
Issue of anti-dilution shares at par	3,662	(3,662)	-	-	-
Expenses in connection with share issues	-	(113,570)	-	-	(113,570)
Credit relating to equity settled share based payments	-	-	-	64,083	64,083
Total transactions with owners, recognised directly in equity	37,061	2,632,671	-	64,083	2,733,815
Balance as at 31 July 2019	88,231	10,427,462	116,263	(9,701,855)	930,101
Loss for the year	-	-	-	(1,441,929)	(1,441,929)
Other comprehensive loss for the year	-	-	-	(57,795)	(57,795)
Total comprehensive loss for the year	-	-	-	(1,499,724)	(1,499,724)
Issue of shares for cash	19,363	680,609	-	-	699,972
Issue of bonus shares at par	31	(31)	-	-	-
Expenses in connection with share issues	-	(96,530)	-	-	(96,530)
Credit relating to equity settled share based payments	-	-	-	49,323	49,323
Total transactions with owners, recognised directly in equity	19,394	584,048	-	49,323	652,765
Balance as at 31 July 2020	107,625	11,011,510	116,263	(11,152,256)	83,142

The accompanying Notes on pages 5 to 15 form an integral part of these financial statements

**CONSOLIDATED AND COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2020**

COMPANY	Issued Share Capital £	Share Premium £	Other Reserves £	Retained Earnings £	Total Equity £
Balance as at 1 August 2018	51,170	7,794,791	116,263	(6,558,046)	1,404,178
Loss for the year	-	-	-	(3,572,740)	(3,572,740)
Total comprehensive loss for the year	-	-	-	(3,572,740)	(3,572,740)
Issue of shares for cash	33,399	2,749,903	-	-	2,783,302
Issue of anti-dilution shares at par	3,662	(3,662)	-	-	-
Expenses in connection with share issues	-	(113,570)	-	-	(113,570)
Credit relating to equity settled share based payments	-	-	-	64,083	64,083
Total transactions with owners, recognised directly in equity	37,061	2,632,671	-	64,083	2,733,815
Balance as at 31 July 2019	88,231	10,427,462	116,263	(10,066,703)	565,253
Loss for the year	-	-	-	(1,381,497)	(1,381,497)
Total comprehensive loss for the year	-	-	-	(1,381,497)	(1,381,497)
Issue of shares for cash	19,363	680,609	-	-	699,972
Issue of bonus shares at par	31	(31)	-	-	-
Expenses in connection with share issues	-	(96,530)	-	-	(96,530)
Credit relating to equity settled share based payments	-	-	-	49,323	49,323
Total transactions with owners, recognised directly in equity	19,394	584,048	-	49,323	652,765
Balance as at 31 July 2020	107,625	11,011,510	116,263	(11,398,877)	(163,479)

The accompanying Notes on pages 5 to 15 form an integral part of these financial statements.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

1 COMPANY INFORMATION

Virtual Class Ltd is a company incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the group's operations and its principal activities are set out in the Directors' Report.

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102'), and with the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements have been disclosed in note 4.

The financial statements are presented in Sterling (£).

The group financial statements consolidate the financial statements of Virtual Class Ltd and all its subsidiary undertakings drawn up to 31 July each year.

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Income Statement in these financial statements.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- no cash flow statement has been presented for the parent company;
- disclosures in respect of the parent company's financial instruments and share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

Going concern

In adopting the going concern basis for preparing the financial statements, the directors have considered the latest profit and cash flow projections of the group taking into account the likely impact of COVID-19 on the business over a two-year period. The base case reflects the outcome that the directors consider most likely, based on the information available at the date of signing the financial statements given: the group's successful application to be an approved provider for NTP; the NTP programme being extended to 2021/22 academic year; and the closure of schools for the first half of Spring Term 2021.

The directors modelled two downside scenarios: one where the group deliver no sessions during the planned closure of schools for seven weeks (to February 2021); and the other where schools did not re-open until May 2021 and only 40% of booked sessions take place whilst schools are closed. The directors consider the first scenario to be very unlikely given that the group continued to provide live, online tuition during first the lockdown when schools were closed. The second scenario is possible as it is feasible, depending upon infection and transmission rates, that the re-opening of schools may be delayed.

The directors also modelled a worst-case scenario where the group was not an approved provider for NTP for the 2021/22 academic year.

In none of the scenarios considered - base case, downside or worst case - does the group require additional funding to meet its liabilities as they fall due for the period modelled.

Accordingly, the directors consider there to be no material uncertainties that may cast significant doubt on the group and company's ability to continue to operate as a going concern. The directors have formed a judgement, at the time of approving the financial statements there is a reasonable expectation that the group and company will be able to meet its liabilities as they fall due for the foreseeable future, being at least 12 months from the date of these financial statements. It is on this basis that the directors consider it appropriate to prepare the group and company's financial statements on a going concern basis.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

3 PRINCIPAL ACCOUNTING POLICIES

3.1 Basis of consolidation

The consolidated financial information presents the results of the company and its subsidiaries (the group) as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full and where necessary, adjustments are made to the financial information of the subsidiary to bring the accounting policies used into line with those adopted by the group.

The company has had the power to govern the financial and operating policies of subsidiary undertakings so as to obtain benefits from their activities from incorporation of each of the subsidiaries.

The financial statements of the subsidiary are prepared to the same reporting date as the Parent Company.

3.2 Foreign currencies

Functional and presentation currency

The individual financial statements of each group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

Transactions in foreign currencies

Transactions denominated in foreign currencies within each entity in the group are translated into the functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at the year end, are translated into the functional currency at the exchange rate ruling at the balance sheet date. Exchange differences on monetary items are recognised in the Income Statement in the period in which they arise.

Translation of group companies

The year end assets and liabilities of the group's foreign subsidiaries are translated from their functional currency to Sterling (£) using the closing exchange rate. The results of overseas subsidiaries are translated from their functional currency into Sterling (£) using the average rate for the year, unless exchange rates fluctuated significantly during the year, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising on the translation of foreign subsidiary results are recognised in the statement of comprehensive income for the year rather than through the profit and loss.

3.3 Turnover

Revenue, which is stated net of value added tax, represents revenue earned in respect of services provided in the year. Revenue is recognised based on the proportion of the number of sessions delivered to the number of sessions invoiced for the academic term.

Where amounts have been earned but not invoiced during the year, the amount included in revenue is the proportion of the anticipated net sales earned to date. A corresponding balance is recognised in receivables as accrued revenue.

All revenue is generated in the UK.

3.4 Exceptional Items

The group classifies certain one-off charges or credits that have a material impact on the group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the group.

3.5 Depreciation

Depreciation on assets is calculated on a straight-line basis to allocate the cost of each asset less its residual value (based on prices prevailing at the balance sheet date) over its estimated useful life. The estimated useful lives are as follows:

Equipment	1 - 3 years
Fixtures & Fittings	4 - 5 years
Leasehold Improvements	duration of the lease

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

3.6 Research and development

Expenditure on research and development is written off in the year in which it is incurred.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

3 PRINCIPAL ACCOUNTING POLICIES (continued)

3.7 Operating lease rentals

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Lease incentives received to enter into operating lease agreements are released to the profit and loss account over the term of the lease on a straight line basis.

Where the Group has a legal obligation, a dilapidations provision is created on inception of a lease. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease. Where the obligation arises from "wear and tear", the provision is accrued as the "wear and tear" occurs.

3.8 Employee Benefits

Pension contributions

The group operates a defined contribution pension scheme for UK employees.

A defined contribution scheme is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations. Contributions are recognised as an expense and charged to the profit and loss in the year in which they become payable. Amounts not paid are shown in accruals in the balance sheet. The assets of the pension plan are held separately from the group in independently administered funds.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement accrued at the balance sheet date.

Share based payments

The group provides share based payment arrangements to certain employees and non-executive directors.

Equity based arrangements are measured at fair value at the date of grant with the fair value of options granted being recognised as an employee expense with a corresponding increase in equity reserves. The fair value of the options is determined using the Black-Scholes pricing model or other appropriate pricing model dependent upon the terms of the share options.

Where an employee releases an option before it vests in exchange for the grant of a new option, the increase in the fair value of the options, measured immediately before and after the release and grant, is also charged to profit or loss over the remaining vesting period.

The cumulative expense recognised for share option schemes at each reporting date over the vesting period represents the number of options that, in the opinion of the Directors based upon information available at that date, will ultimately vest and be exercised. The income charge or credit for a year represents the movement in cumulative expense recognised as at the beginning and end of that year.

3.9 Government grants

Grants are included in the statement of financial activities on an accruals basis.

Revenue grants are recognised in the profit and loss account over the period of delivery of the service funded by grant and the expenditure to which the grant relates is incurred. Grants for the delivery of services are included in revenue. Grants for financial support with no specific conditions attached to the assistance are shown as other income. Grants receivable as compensation for specific costs incurred are deducted from those costs.

Grants are only recognised to the extent that the group has complied with any conditions attached to the grant and the amount receivable is determinable.

3.10 Taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Research & Development tax credits are accounted for, within current tax, in the period the funds are received.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

3 PRINCIPAL ACCOUNTING POLICIES (continued)

3.10 Taxation (continued)

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

- deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities and the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing difference;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Taxable profit differs from net profit as reported in the profit & 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.

Deferred tax balances are not discounted.

3.11 Investments

In the Company's financial statements, investments in subsidiary undertakings are held as fixed assets and stated at cost less any provision to reflect impairment in value.

3.12 Business combinations and goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. On acquisition of a business, fair values are attributed to the identifiable assets and liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets and liabilities acquired.

Goodwill is amortised over its expected useful life which is estimated to be five years.

Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. No reversals of impairment are recognised.

3.13 Impairment of fixed assets

Investments held as fixed assets are tested at least annually (or whenever events or changes in circumstances indicate that carrying value may be impaired) for impairment and carried at cost less accumulated impairment losses. Provisions for any impairment in value are taken to the profit and loss account.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the greater of an asset's fair value less costs to sell and value in use.

3.14 Equity instruments

Equity instruments issued by the Company are recorded the fair value of the proceeds received, net of direct issue costs.

3.15 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Convertible loan stock instruments are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt and the fair value assigned to the equity component, representing the embedded option to convert the liability into equity of the Group, is included in capital reserves.

Convertible loan stock instruments are recorded at the proceeds received, net of direct issue costs. Finance charges including direct issue costs are accounted for on an accruals basis in the income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

4 STATUTORY AUDIT

An audit of the group's financial statements was carried out by BDO LLP as statutory auditor who reported to the group's members on 15 January 2021. The auditor's report was signed by James Fearon as senior statutory auditor and was unqualified.

5 KEY ESTIMATES AND JUDGEMENTS

In the course of preparing the financial statements, no judgements have been made in the process of applying the group's accounting policies, other than those involving estimations which include in relation to going concern that have had a significant effect on the amounts recognised in the financial statements.

In preparing the financial statements, management have made assumptions about the future and evaluated major sources of estimation uncertainty at the end of the reporting period. The key sources of key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities either at the year-end or within the next financial year are:

- evaluation of the impact of COVID-19 on the financial statements including on the group's ability to continue as a going concern. Details regarding management's assessment of the group's ability to continue as a going concern are given in Note 2 of the financial statements;
- consideration of whether there are indicators of impairment to the group and company's tangible fixed assets and whether the useful lives and residual values in determining depreciation and amortisation are appropriate; and
- consideration of whether there are indicators of impairment to the group and company's investments and determining the recoverable amount of the investment.

6 LOSS FOR THE YEAR

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements. The group loss for the year includes a loss after tax of £1,381,497 (2019 – £3,572,740 loss) which is dealt with in the financial statements of the Company.

7 OTHER OPERATING INCOME

	Year 31 July 2020	Year 31 July 2019
	£	£
Government grant - CJRS	74,215	-

8 OPERATING LOSS

	Year 31 July 2020	Year 31 July 2019
	£	£
Operating loss is stated after charging:		
Staff costs	2,822,621	3,359,770
Depreciation of tangible fixed assets	80,671	106,412
(Profit)/Loss on disposal of tangible fixed assets	(3,123)	3,163
Operating lease commitments in respect of land and buildings	382,764	552,622
Auditor's remuneration:		
- Audit of parent company financial statements & consolidation	15,000	13,500
- Audit of subsidiary	2,221	2,311
- Other services	1555	-

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

9 EMPLOYEES

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

	Year 31 July 2020	Year 31 July 2019
	Number	Number
Tutors	138	199
Developers, academic and support	86	59
Management	5	5
	229	263

Directors' remuneration and fees consists of:

	Year 31 July 2020	Year 31 July 2019
	£	£
Salaries	72,500	70,000
Fees	43,118	54,000
Payments to defined contribution pension scheme	1,315	967
Shares based payment expense	14,475	42,990
	131,408	167,957

10 TANGIBLE FIXED ASSETS

GROUP	Leasehold Improvements	Office Equipment	Fixtures & Fittings	Total
	£	£	£	£
Cost				
At 1 August 2019	121,660	214,230	71,607	407,497
Additions	916	30,872	1,062	32,850
Disposals	-	(14,991)	(1,993)	(16,984)
Foreign exchange translation adjustment	(14,045)	(15,370)	(7,353)	(36,768)
At 31 July 2020	108,531	214,741	63,323	386,595
Accumulated depreciation				
At 1 August 2019	99,896	135,793	33,795	269,484
Charge for the year	20,348	46,622	13,701	80,671
Adjustment for disposals	-	(11,332)	(1,543)	(12,875)
Foreign exchange translation adjustment	(12,315)	(10,424)	(3,894)	(26,633)
At 31 July 2020	107,929	160,659	42,059	310,647
Net book value				
At 31 July 2020	602	54,082	21,264	75,948
At 31 July 2019	21,764	78,437	37,812	138,013

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

10 TANGIBLE FIXED ASSETS (continued)

COMPANY	Office Equipment £	Fixtures & Fittings £	Total £
Cost			
At 1 August 2019	85,947	7,331	93,278
Additions	14,004	1,002	15,006
Disposals	(13,094)	(729)	(13,823)
At 31 July 2020	86,857	7,604	94,461
Accumulated depreciation			
At 1 August 2019	54,286	3,812	58,098
Charge for the year	18,808	1,790	20,598
Disposal adjustment	(9,554)	(722)	(10,276)
At 31 July 2020	63,540	4,880	68,420
Net book value			
At 31 July 2020	23,317	2,724	26,041
At 31 July 2019	31,661	3,519	35,180

11 INVESTMENTS

	Investment in Subsidiary Undertaking £
Cost	
At 31 July 2019 and 2020	214,162
Provision	
At 31 July 2019 and 2020	52,720
Net Book Value	
At 31 July 2019 and 2020	161,442

In July 2019, the company closed the operations of Virtual Class (Poland) Sp. z.o.o. The provision of £52,720 as at 31 July 2020 brings the net book value of the investment down to £1, being the estimated net value of the subsidiary once all liabilities have been settled.

Subsequent to the year end, Virtual Class (Poland) Sp. Z.o.o. was placed into liquidation and it is expected that the subsidiary will be struck off the Polish Register of Companies before 31 July 2021.

The Company's subsidiary undertakings are:

Name	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
Third Space Global (Pvt) Ltd	Sri Lanka	100%	On-line tutorial provider
Virtual Class (Poland) Sp. z o.o.	Poland	100%	Information technology

The registered offices are:

Third Space Global (Pvt) Ltd Bellatrix Building, No. 752/5, Orion City, Dr. Danister De Silva Mawatha, Colombo 9, Sri Lanka.

Virtual Class (Poland) Sp. Z o.o.'s registered office is Al. 29 Listopada 20, 31-401 Kraków, Poland.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

12 DEBTORS

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	312,387	110,938	312,387	110,938
Other taxes and social security costs	37,463	40,556	-	-
Corporation tax	3,601	-	-	-
Other debtors	116,620	149,484	48,535	79,561
Prepayments and accrued income	181,085	206,320	179,382	203,103
	651,156	507,298	540,304	393,602

All amounts are due within one year.

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	126,330	94,584	89,943	56,147
Amounts due to subsidiary undertakings	-	-	243,880	5,053
Other creditors	9,224	14,638	6,104	8,398
Corporation tax		4,925	-	-
Other taxes and social security taxes	372,553	187,574	372,553	187,574
Accruals and deferred income	1,022,666	873,089	985,408	852,037
	1,530,773	1,174,810	1,697,888	1,109,209

14 DEFERRED TAXATION

Movement on deferred tax account is made as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Liability as at 1 August	10,347	7,688	7,036	8,346
Profit and loss(credit)/ charge	(4,601)	2,461	(1,828)	(1,310)
Foreign exchange translation adjustment	(271)	198	-	-
Liability as at 31 July	5,475	10,347	5,208	7,036

Deferred tax balances for financial reporting purposes are analysed as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax liability	5,475	10,347	5,208	7,036

The provision for deferred tax consists of the following deferred tax liabilities:

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Accelerated capital allowances	5,475	10,347	5,208	7,036

On the grounds of prudence, no deferred tax asset has been recognised in respect of taxable losses available to offset against future taxable profits.

The company has been receiving repayments from HMRC for R&D Tax Credit claims. Claims have been submitted, to date, for years up to and including 31 July 2019. The taxable losses available for carry forward for offset against future taxable profits amounted to circa £9.0M as at 31 July 2020.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

15 SHARE CAPITAL

The Company has five classes of shares – Ordinary Shares; A Shares; B Shares, C Shares and D Shares. All share classes carry full voting and dividend rights, have no right to fixed income and do not confer any rights of redemption.

The Ordinary shares have a nominal value of £0.01; the A Shares are sub-divided into A1 and A2 Shares each having a nominal value of £1; the B shares have a nominal value of £1; the C Shares are sub-divided into C1 and C2 Shares each having a nominal value of £1; and the D Shares are sub-divided into D1 Shares with a nominal value of £1 and D2 shares with a nominal value of £0.01.

	GROUP AND COMPANY															
	Ordinary Shares		A1 Shares		A2 Shares		B Shares		C1 Shares		C2 Shares		D1 Shares		D2 Shares	
	Number	£	Number	£	Number	£	Number	£	Number	£	Number	£	Number	£	Number	£
Allotted, called up and fully paid																
At 1 August 2019	39,001	390	36,893	36,893	10,984	10,984	6,565	6,565	17,901	17,901	15,498	15,498	-	-	-	-
July 2020 Issues	-	-	-	-	-	-	-	-	-	-	-	-	19,363	19,363	3,128	31
At 31 July 2020	39,001	390	36,893	36,893	10,984	10,984	6,565	6,565	17,901	17,901	15,498	15,498	19,363	19,363	3,128	31

On 7 July 2020, £699,972 was raised from existing investors on first completion of an investment round raising money in two tranches: in July 2020 and October 2020.

On 7 July 2020, the Company issued 3,128 D2 Shares of £0.01 credited as fully paid at par value to certain shareholders as a bonus issue pursuant to the terms of the investment round.

Expenses, settled in cash, associated with the investment round in July 2020 amounted to £128,286 of which £96,530 related to the issue of shares and has been set off against the share premium arising on issue of the shares and £31,756 has been charged to the profit & loss.

The A, B, C and D Shares are convertible, at the option of the A, B, C and D Shareholders, into Ordinary Shares of £0.01 at the rate of one A, B, C or D Share for one Ordinary Share of £0.01.

On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares), the assets of the Company available for distribution amongst its members after payment of its liabilities shall be applied in the following manner and order of priority:

- (a) firstly:
- (i) In paying a sum equal to 3.05 times the aggregate D Original Subscription Price in respect of the D Shares together with a sum equal to all unpaid arrears and accruals of dividends calculated down to the date of the return of capital on the D Shares applied as follows:
- (A) 99.99% to the holders of D Shares (as if the D1 Shares and the D2 Shares constitute one class) pro rata to the amounts paid up according to the D Original Subscription Price in respect of the D Shares (as if the D1 Shares and the D2 Shares constituted one class) respectively held by them; and
- (B) 0.01% to the holders of C Shares, B Shares, A Shares and Ordinary Shares pro rata to the number of shares held as if the C Shares, the B Shares, the A Shares and the Ordinary Shares constituted one class,
- and if there is a shortfall, the assets shall be distributed to the holders of Shares in proportion to the amounts they would have received pursuant to this sub-clause;
- (b) secondly:
- (i) In paying a sum equal to the C Shares Preference together with a sum equal to all unpaid arrears and accruals of dividends calculated down to the date of the return of capital on the C Shares applied as follows:

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

15 SHARE CAPITAL (continued)

- (A) the D Share Amount to the holders of the D Shares (as if the D1 Shares and the D2 Shares constitute one class) pro rata to the amounts paid up according to the D Original Subscription Price in respect of the D Shares (as if the D1 Shares and the D2 Shares constituted one class) respectively held by them;
- (B) the Resulting Amount to the holders of the C Shares (as if the C1 Shares and the C2 Shares constitute one class) pro rata to the amounts paid up according to the C1 Original Subscription Price in respect of the C1 Shares and the C2 Original Subscription Price in respect of the C2 Shares respectively held by them; and
- (C) 0.01% to the holders of B Shares, A Shares and Ordinary Shares pro rata, as if these shares constituted one class, to the number of B Shares, A Shares and Ordinary Shares held as if they all constituted shares of the same class,

and if there is a shortfall, the assets shall be distributed to the holders of Shares in proportion to the amounts they would have received pursuant to this sub-clause;

(c) thirdly:

- (i) in paying a sum equal to 1.5 times the A1/B Shares Preference together with a sum equal to all unpaid arrears and accruals of dividends calculated down to the date of the return of capital on the A1 Shares and B Shares applied as follows:

- (A) the D Share Amount to the holders of the D Shares (as if the D1 Shares and the D2 Shares constitute one class) pro rata to the amounts paid up according to the D Original Subscription Price in respect of the D Shares (as if the D1 Shares and the D2 Shares constituted one class) respectively held by them;
- (B) the Resulting Amount to the holders of the A1 Shares and B Shares (as if the A1 Shares and the B Shares constitute one class) pro rata to the amounts paid up according to the A1 Original Subscription Price in respect of the A1 Shares and the B Original Subscription Price in respect of the B Shares respectively held by them; and
- (C) 0.01% to the holders of A2 Shares, C Shares and Ordinary Shares pro rata, as if these shares constituted one class, to the number of A2 Shares, C Shares and Ordinary Shares held as if they all constituted shares of the same class,

and if there is a shortfall, the assets shall be distributed to the holders of Shares in proportion to the amounts they would have received pursuant to this sub-clause;

(d) fourthly:

- (i) in paying a sum equal to 1.5 times the A2 Shares Preference together with a sum equal to all unpaid arrears and accruals of dividends calculated down to the date of the return of capital on the A2 Shares applied as follows:

- (A) the D Share Amount to the holders of the D Shares (as if the D1 Shares and the D2 Shares constitute one class) pro rata to the amounts paid up according to the D Original Subscription Price in respect of the D Shares (as if the D1 Shares and the D2 Shares constituted one class) respectively held by them;
- (B) the Resulting Amount to the holders of the A2 Shares pro rata to the amounts paid up according to the A2 Original Subscription Price in respect of the A2 Shares held by them; and
- (C) 0.01% to the holders of A1 Shares, B Shares, C Shares and Ordinary Shares pro rata to the number of A1 Shares, B Shares, C Shares and Ordinary Shares held as if they all constituted shares of the same class,

and if there is a shortfall, the assets shall be distributed to the holders of Shares in proportion to the amounts they would have received pursuant to this sub-clause;

(e) thereafter, in distributing the balance as follows:

- (i) 0.01% to the holders of A Shares, B Shares and C Shares pro rata to the number of A Shares, B Shares and C Shares held as if they all constituted shares of the same class; and
- (ii) 99.9% among the holders of D Shares and Ordinary Shares pro rata to the number of D Shares and Ordinary Shares held as if they constituted shares of the same class.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

16 CAPITAL AND OTHER COMMITMENTS

16.1 Capital commitments

As at 31 July 2019 and 2020 the Company and Group had no capital commitments.

16.2 Lease Commitments

Future minimum lease payments under non—cancellable operating leases for each of the following periods were as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Payments due:				
Not later than one year	152,196	324,092	21,000	263,000
Later than one year and not later than five years	65,598	21,000	-	21,000
	217,794	345,092	21,000	284,000

In August 2020, the subsidiary handed back space reducing the minimum lease commitments payable by the group by £81,000.

17 RELATED PARTY TRANSACTIONS

Transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation and are not disclosed in this note.

The Company has taken advantage of the exemption conferred by FRS 102 not to disclose transactions related party transactions entered into between the members of the group as both Third Space Global (Pvt) Ltd and Virtual Class (Poland) sp. z.o., the company's only subsidiaries, are wholly owned by the Company.

18 CONTROLLING PARTY

There is no ultimate controlling party of Virtual Class Ltd.

There are no transactions other than directors' remuneration and fees as disclosed in Note 9 that require disclosure between the controlling party and the company.

19 POST BALANCE SHEET EVENTS

On 15 October 2020, the company received the second tranche monies amounting to £810,555 gross from existing investors completion of an investment round raising £1,510,527 in total. The first tranche payment of £699,972 was received prior to the year end on 31 July 2020.

On 4 January 2021 following a rapid rise in infections, hospital admissions and case rates across the country attributed to the new variant of COVID-19; the UK Government announced a third national lockdown and closed all schools from 5 January 2021 except for vulnerable children and the children of key workers until at least mid-February 2021.

Schools are in the process of finalising incorporation of online one to one tuition into the transition to remote education. The group is in contact with schools and expects a proportion of schools, particularly those who were due to start with Third Space Learning in January 2021, to make the decision to defer starting sessions until after February half term when schools are expected to re-open rather than immediately shifting to sessions being provided to pupils both in school and at home.

Given the disruption to children's education both last academic year and this academic year, the focus of schools and the government will be on supporting pupils, particularly those from disadvantaged backgrounds who often lack access to digital devices and the Internet, to continue with their learning and catch up on the content they have missed. Funding – from programmes such as the National Tutoring Programme ("NTP"), which has already been extended into the 2021/22 academic year – will be used to provide targeted catch up support this year and next year to support pupils who have already fallen behind. As an established provider of live, online tuition maths tuition to schools the company is well positioned to provide the targeted catch-up support needed and is one of the partners already approved by the NTP to deliver at home online tutoring under the programme.

The closure of schools in January 2021 will short-term have an impact on the group's performance and cash flows, the level of impact depending upon the proportion of schools that defer starting sessions until schools re-open. Should schools not re-open after February 2021 half-term, the effect on performance and cash flows will be more severe. However, the group and company expect, based on information available at the date of signing the financial statements, that there is no material uncertainty that casts doubt on the ability of the group and company to continue as a going concern.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

12 DEBTORS

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	312,387	110,938	312,387	110,938
Other taxes and social security costs	37,463	40,556	-	-
Corporation tax	3,601	-	-	-
Other debtors	116,620	149,484	48,535	79,561
Prepayments and accrued income	181,085	206,320	179,382	203,103
	651,156	507,298	540,304	393,602

All amounts are due within one year.

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	126,330	94,584	89,943	56,147
Amounts due to subsidiary undertakings	-	-	243,880	5,053
Other creditors	9,224	14,638	6,104	8,398
Corporation tax		4,925	-	-
Other taxes and social security taxes	372,553	187,574	372,553	187,574
Accruals and deferred income	1,022,666	873,089	985,408	852,037
	1,530,773	1,174,810	1,697,888	1,109,209

14 DEFERRED TAXATION

Movement on deferred tax account is made as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Liability as at 1 August	10,347	7,688	7,036	8,346
Profit and loss(credit)/ charge	(4,601)	2,461	(1,828)	(1,310)
Foreign exchange translation adjustment	(271)	198	-	-
Liability as at 31 July	5,475	10,347	5,208	7,036

Deferred tax balances for financial reporting purposes are analysed as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax liability	5,475	10,347	5,208	7,036

The provision for deferred tax consists of the following deferred tax liabilities:

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Accelerated capital allowances	5,475	10,347	5,208	7,036

On the grounds of prudence, no deferred tax asset has been recognised in respect of taxable losses available to offset against future taxable profits.

The company has been receiving repayments from HMRC for R&D Tax Credit claims. Claims have been submitted, to date, for years up to and including 31 July 2019. The taxable losses available for carry forward for offset against future taxable profits amounted to circa £9.0M as at 31 July 2020.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

15 SHARE CAPITAL

The Company has five classes of shares – Ordinary Shares; A Shares; B Shares, C Shares and D Shares. All share classes carry full voting and dividend rights, have no right to fixed income and do not confer any rights of redemption.

The Ordinary shares have a nominal value of £0.01; the A Shares are sub-divided into A1 and A2 Shares each having a nominal value of £1; the B shares have a nominal value of £1; the C Shares are sub-divided into C1 and C2 Shares each having a nominal value of £1; and the D Shares are sub-divided into D1 Shares with a nominal value of £1 and D2 shares with a nominal value of £0.01.

	GROUP AND COMPANY															
	Ordinary Shares		A1 Shares		A2 Shares		B Shares		C1 Shares		C2 Shares		D1 Shares		D2 Shares	
	Number	£	Number	£	Number	£	Number	£	Number	£	Number	£	Number	£	Number	£
Allotted, called up and fully paid																
At 1 August 2019	39,001	390	36,893	36,893	10,984	10,984	6,565	6,565	17,901	17,901	15,498	15,498	-	-	-	-
July 2020 issues	-	-	-	-	-	-	-	-	-	-	-	-	19,363	19,363	3,128	31
At 31 July 2020	39,001	390	36,893	36,893	10,984	10,984	6,565	6,565	17,901	17,901	15,498	15,498	19,363	19,363	3,128	31

On 7 July 2020, £699,972 was raised from existing investors on first completion of an investment round raising money in two tranches: in July 2020 and October 2020.

On 7 July 2020, the Company issued 3,128 D2 Shares of £0.01 credited as fully paid at par value to certain shareholders as a bonus issue pursuant to the terms of the investment round.

Expenses, settled in cash, associated with the investment round in July 2020 amounted to £128,286 of which £96,530 related to the issue of shares and has been set off against the share premium arising on issue of the shares and £31,756 has been charged to the profit & loss.

The A, B, C and D Shares are convertible, at the option of the A, B, C and D Shareholders, into Ordinary Shares of £0.01 at the rate of one A, B, C or D Share for one Ordinary Share of £0.01.

On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares), the assets of the Company available for distribution amongst its members after payment of its liabilities shall be applied in the following manner and order of priority:

- (a) firstly:
- (i) in paying a sum equal to 3.05 times the aggregate D Original Subscription Price in respect of the D Shares together with a sum equal to all unpaid arrears and accruals of dividends calculated down to the date of the return of capital on the D Shares applied as follows:
- (A) 99.99% to the holders of D Shares (as if the D1 Shares and the D2 Shares constitute one class) pro rata to the amounts paid up according to the D Original Subscription Price in respect of the D Shares (as if the D1 Shares and the D2 Shares constituted one class) respectively held by them; and
- (B) 0.01% to the holders of C Shares, B Shares, A Shares and Ordinary Shares pro rata to the number of shares held as if the C Shares, the B Shares, the A Shares and the Ordinary Shares constituted one class,
- and if there is a shortfall, the assets shall be distributed to the holders of Shares in proportion to the amounts they would have received pursuant to this sub-clause;
- (b) secondly:
- (i) in paying a sum equal to the C Shares Preference together with a sum equal to all unpaid arrears and accruals of dividends calculated down to the date of the return of capital on the C Shares applied as follows:

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

15 SHARE CAPITAL (continued)

- (A) the D Share Amount to the holders of the D Shares (as if the D1 Shares and the D2 Shares constitute one class) pro rata to the amounts paid up according to the D Original Subscription Price in respect of the D Shares (as if the D1 Shares and the D2 Shares constituted one class) respectively held by them;
- (B) the Resulting Amount to the holders of the C Shares (as if the C1 Shares and the C2 Shares constitute one class) pro rata to the amounts paid up according to the C1 Original Subscription Price in respect of the C1 Shares and the C2 Original Subscription Price in respect of the C2 Shares respectively held by them; and
- (C) 0.01% to the holders of B Shares, A Shares and Ordinary Shares pro rata, as if these shares constituted one class, to the number of B Shares, A Shares and Ordinary Shares held as if they all constituted shares of the same class,

and if there is a shortfall, the assets shall be distributed to the holders of Shares in proportion to the amounts they would have received pursuant to this sub-clause;

(c) thirdly:

- (i) In paying a sum equal to 1.5 times the A1/B Shares Preference together with a sum equal to all unpaid arrears and accruals of dividends calculated down to the date of the return of capital on the A1 Shares and B Shares applied as follows:

- (A) the D Share Amount to the holders of the D Shares (as if the D1 Shares and the D2 Shares constitute one class) pro rata to the amounts paid up according to the D Original Subscription Price in respect of the D Shares (as if the D1 Shares and the D2 Shares constituted one class) respectively held by them;
- (B) the Resulting Amount to the holders of the A1 Shares and B Shares (as if the A1 Shares and the B Shares constitute one class) pro rata to the amounts paid up according to the A1 Original Subscription Price in respect of the A1 Shares and the B Original Subscription Price in respect of the B Shares respectively held by them; and
- (C) 0.01% to the holders of A2 Shares, C Shares and Ordinary Shares pro rata, as if these shares constituted one class, to the number of A2 Shares, C Shares and Ordinary Shares held as if they all constituted shares of the same class,

and if there is a shortfall, the assets shall be distributed to the holders of Shares in proportion to the amounts they would have received pursuant to this sub-clause;

(d) fourthly:

- (i) In paying a sum equal to 1.5 times the A2 Shares Preference together with a sum equal to all unpaid arrears and accruals of dividends calculated down to the date of the return of capital on the A2 Shares applied as follows:

- (A) the D Share Amount to the holders of the D Shares (as if the D1 Shares and the D2 Shares constitute one class) pro rata to the amounts paid up according to the D Original Subscription Price in respect of the D Shares (as if the D1 Shares and the D2 Shares constituted one class) respectively held by them;
- (B) the Resulting Amount to the holders of the A2 Shares pro rata to the amounts paid up according to the A2 Original Subscription Price in respect of the A2 Shares held by them; and
- (C) 0.01% to the holders of A1 Shares, B Shares, C Shares and Ordinary Shares pro rata to the number of A1 Shares, B Shares, C Shares and Ordinary Shares held as if they all constituted shares of the same class,

and if there is a shortfall, the assets shall be distributed to the holders of Shares in proportion to the amounts they would have received pursuant to this sub-clause;

(e) thereafter, in distributing the balance as follows:

- (i) 0.01% to the holders of A Shares, B Shares and C Shares pro rata to the number of A Shares, B Shares and C Shares held as if they all constituted shares of the same class; and
- (ii) 99.9% among the holders of D Shares and Ordinary Shares pro rata to the number of D Shares and Ordinary Shares held as if they constituted shares of the same class.

**CONSOLIDATED AND COMPANY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2020**

16 CAPITAL AND OTHER COMMITMENTS

16.1 Capital commitments

As at 31 July 2019 and 2020 the Company and Group had no capital commitments.

16.2 Lease Commitments

Future minimum lease payments under non—cancellable operating leases for each of the following periods were as follows:

	GROUP		COMPANY	
	2020	2019	2020	2019
	£	£	£	£
Payments due:				
Not later than one year	152,196	324,092	21,000	263,000
Later than one year and not later than five years	65,598	21,000	-	21,000
	217,794	345,092	21,000	284,000

In August 2020, the subsidiary handed back space reducing the minimum lease commitments payable by the group by £81,000.

17 RELATED PARTY TRANSACTIONS

Transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation and are not disclosed in this note.

The Company has taken advantage of the exemption conferred by FRS 102 not to disclose transactions related party transactions entered into between the members of the group as both Third Space Global (Pvt) Ltd and Virtual Class (Poland) sp. z.o., the company's only subsidiaries, are wholly owned by the Company.

18 CONTROLLING PARTY

There is no ultimate controlling party of Virtual Class Ltd.

There are no transactions other than directors' remuneration and fees as disclosed in Note 9 that require disclosure between the controlling party and the company.

19 POST BALANCE SHEET EVENTS

On 15 October 2020, the company received the second tranche monies amounting to £810,555 gross from existing investors completion of an investment round raising £1,510,527 in total. The first tranche payment of £699,972 was received prior to the year end on 31 July 2020.

On 4 January 2021 following a rapid rise in infections, hospital admissions and case rates across the country attributed to the new variant of COVID-19; the UK Government announced a third national lockdown and closed all schools from 5 January 2021 except for vulnerable children and the children of key workers until at least mid-February 2021.

Schools are in the process of finalising incorporation of online one to one tuition into the transition to remote education. The group is in contact with schools and expects a proportion of schools, particularly those who were due to start with Third Space Learning in January 2021, to make the decision to defer starting sessions until after February half term when schools are expected to re-open rather than immediately shifting to sessions being provided to pupils both in school and at home.

Given the disruption to children's education both last academic year and this academic year, the focus of schools and the government will be on supporting pupils, particularly those from disadvantaged backgrounds who often lack access to digital devices and the internet, to continue with their learning and catch up on the content they have missed. Funding – from programmes such as the National Tutoring Programme ("NTP"), which has already been extended into the 2021/22 academic year – will be used to provide targeted catch up support this year and next year to support pupils who have already fallen behind. As an established provider of live, online tuition maths tuition to schools the company is well positioned to provide the targeted catch-up support needed and is one of the partners already approved by the NTP to deliver at home online tutoring under the programme.

The closure of schools in January 2021 will short-term have an impact on the group's performance and cash flows, the level of impact depending upon the proportion of schools that defer starting sessions until schools re-open. Should schools not re-open after February 2021 half-term, the effect on performance and cash flows will be more severe. However, the group and company expect, based on information available at the date of signing the financial statements, that there is no material uncertainty that casts doubt on the ability of the group and company to continue as a going concern.