

**College of Legal Practice Limited**  
**CN 11734212**

**Annual Financial Report**  
**for the financial year ended 30 June 2021**

**Annual Financial Report  
for the Financial Year Ended  
30 June 2021**

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## COMPANY INFORMATION

### Directors

|                    | Joined date      | Resigned date  |
|--------------------|------------------|----------------|
| Richard Clark      | 1 April 2019     | NA             |
| Isabel Parker      | 15 June 2019     | NA             |
| Sarah Dickson      | 1 June 2020      | NA             |
| Joseph Catanzariti | 26 August 2019   | NA             |
| Neville Carter     | 19 December 2018 | NA             |
| Lewis Patrick      | 19 December 2018 | 14 August 2019 |
| Richard Savage     | 19 December 2019 | 1 June 2020    |

**Registered number** 11734212

**Registered office** C/O Pinsent Masons Secretarial Services Limited  
1 Park Row, Leeds, LS1 5AB, United Kingdom

**Parent Company** COL HOLD CO Private Limited  
Company number: 629413207  
Address: 2 Chandos Street, St Leonards,  
NSW, 2065, Australia.

**Independent auditors** PricewaterhouseCoopers LLP  
One Kingsway, Cardiff, CF10 3PW, United Kingdom

**Banker** HSBC PLC  
8 Canada Square, London E14 5HQ, United Kingdom

## **Directors' report**

### **For the financial year ended 30 June 2021**

The directors present this annual report and the audited financial statements of College of Legal Practice Limited (the "Company") for the year ended 30 June 2021.

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

#### **Principal activities**

The principal activity of the Company is legal education and training.

#### **Results**

The loss for the financial year amounted to £1,435,186 (2020: £740,203 loss).

#### **Director**

The directors who served during the year and up to the date of signing the financial statement were:

Richard Clark  
Isabel Parker  
Sarah Dickson  
Joseph Catanzariti  
Neville Carter

#### **Going concern**

The directors have prepared cash flow forecasts and projected the funding requirements of the Company for at least the next 12 months. The directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future on the grounds that the parent has committed to provide financial support. This financial support will include advancing amounts to the Company as required to enable the Company to operate as a going concern and settle its liabilities as they fall due.

#### **Qualifying third party indemnity provisions**

The Company maintains liability insurance through a qualifying third party indemnity provision covering the director and officers of the Company. This third-party indemnity was in force during the financial year and also at the date of approval of the financial statements.

## **Directors' report (Continued)**

### **For the financial year ended 30 June 2021**

#### **Statement of director's responsibilities in respect of the financial statements**

The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

#### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the 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.

#### **Appointment of auditors**

PricewaterhouseCoopers LLP were appointed auditors to the Company and in accordance with section 485 of the Companies Act 2006.

## **Directors' report (Continued)**

### **For the financial year ended 30 June 2021**

#### **Small companies exemption**

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. In addition, the Company has taken advantage of the exemption available and has not presented a Strategic Report.

These financial statements were approved by the board of directors and authorised for issue on 3 February 2022 and are signed on its behalf by:

*R Clark*

.....  
Richard Clark

Director

On behalf of the board

3 February 2022

# Independent auditors' report to the directors of College of Legal Practice Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, College of Legal Practice Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Financial Report (the "Annual Report"), which comprise: Statement of financial position as at 30 June 2021; Statement of comprehensive income, Statement of cash flows and Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Director's Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Director's Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Director's Report for the year ended 30 June 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Director's Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of director's responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax law and Office for Students ("OfS") regulations that are relevant to the company as an approved Higher Education Provider, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006.



We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to overstate the financial performance and/or position of the company. Audit procedures performed by the engagement team included:

- enquiries of management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reviewing relevant meeting minutes, including those of the Board; and
- identifying and testing journal entries, in particular any journal entries posted to expenses with unusual account combinations

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's directors as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

## Other matter

The financial statements for the year ended 30 June 2020, forming the corresponding figures of the financial statements for the year ended 30 June 2021, are unaudited.



Jonathan Bound (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cardiff  
4 February 2022

## Statement of comprehensive income

### For the financial year ended 30 June 2021

|   | Note | 2021<br>£          | 2020<br>£        |
|---|------|--------------------|------------------|
| <b>Continuing operations</b>                    |      |                    |                  |
| Consumables expense                             |      | (2,880)            | (3,730)          |
| Employee benefits and contractors expense       | 7    | (571,953)          | (205,857)        |
| Depreciation expense                            |      | (874)              | -                |
| Consulting and professional fees expense        |      | (558,360)          | (385,755)        |
| Administrative and marketing expenses           |      | (249,426)          | (128,714)        |
| Other expenses                                  |      | (52,726)           | (21,472)         |
| <b>Total expenses</b>                           |      | <u>(1,436,219)</u> | <u>(745,528)</u> |
| Interest receivable                             | 5    | 3,132              | 5,325            |
| <b>Loss before income tax</b>                   |      | <u>(1,433,087)</u> | <u>(740,203)</u> |
| Income tax expense                              | 8    | (2,099)            | -                |
| <b>Loss for the financial year</b>              |      | <u>(1,435,186)</u> | <u>(740,203)</u> |
| <b>Total comprehensive expense for the year</b> |      | <u>(1,435,186)</u> | <u>(740,203)</u> |

There was no other comprehensive income during the year and therefore no separate statement of total comprehensive income has been presented.

The notes on pages 11 to 19 form part of these financial statements

**Registered Number: 11734212****Balance Sheet****As at 30 June 2021**

|   |             | <b>2021</b>      | <b>2020</b>      |
|---|-------------|------------------|------------------|
|   | <b>Note</b> | <b>£</b>         | <b>£</b>         |
| <b>ASSETS AND LIABILITIES</b>                                       |             |                  |                  |
| <b>Non-current assets</b>   |             |                  |                  |
| Property, plant and equipment                                       | 10          | 8,396            | -                |
| <b>Total non-current assets</b>                                     |             | <b>8,396</b>     | <b>-</b>         |
| <b>Current assets</b>   |             |                  |                  |
| Cash at bank and in hand  |             | 1,480,483        | 2,723,727        |
| Debtors   | 9           | 62,214           | 10,255           |
| Prepayments and other assets  |             | 67,222           | 3,200            |
| <b>Total current assets</b>   |             | <b>1,609,919</b> | <b>2,737,182</b> |
| <b>Total assets</b>   |             | <b>1,618,315</b> | <b>2,737,182</b> |
| <b>Current liabilities</b>  |             |                  |                  |
| Creditors   | 11          | 285,331          | 21,862           |
| Provisions  | 12          | 35,443           | 11,859           |
| Deferred income   | 13          | 27,167           | -                |
| <b>Total current liabilities</b>                                    |             | <b>347,941</b>   | <b>33,721</b>    |
| <b>Total assets less current liabilities</b>                        |             | <b>1,270,374</b> | <b>2,703,461</b> |
| <b>Non-current liabilities</b>                                      |             |                  |                  |
| Deferred tax liabilities  |             | 2,099            | -                |
| <b>Total non-current liabilities</b>                                |             | <b>2,099</b>     | <b>-</b>         |
| <b>Net assets</b>   |             | <b>1,268,275</b> | <b>2,703,461</b> |
| <b>EQUITY</b>   |             |                  |                  |
| Contributed equity  | 14          | 3,455,794        | 3,455,794        |
| Accumulated losses  |             | (2,187,519)      | (752,333)        |
| <b>Equity attributable to The College of Legal Practice Limited</b> |             | <b>1,268,275</b> | <b>2,703,461</b> |
| <b>Total equity</b>   |             | <b>1,268,275</b> | <b>2,703,461</b> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Signature

*R Clark*

Richard Clark  
Director

3 February 2022

The notes on pages 11 to 19 form part of these financial statements

**Statement of changes in equity**  
**For the financial year ended 30 June 2021**

|  | Contributed<br>equity<br>£ | Accumulated<br>losses<br>£ | Total equity<br>£ |
|--|----------------------------|----------------------------|-------------------|
| <b>Balance as at 01 July 2019</b>                  | 1                          | (12,130)                   | (12,129)          |
| Contributed equity for the year                    | 3,455,793                  | -                          | 3,455,793         |
| Total comprehensive expense for the financial year | -                          | (740,203)                  | (740,203)         |
| <b>Balance as at 30 June 2020</b>                  | <b>3,455,794</b>           | <b>(752,333)</b>           | <b>2,703,461</b>  |
| Total comprehensive expense for the year           | -                          | (1,435,186)                | (1,435,186)       |
| <b>Balance as at 30 June 2021</b>                  | <b>3,455,794</b>           | <b>(2,187,519)</b>         | <b>1,268,275</b>  |

The notes on pages 11 to 19 form part of these financial statements.

## Statement of cash flows

### For the financial year ended 30 June 2021

|   | 2021<br>£   | 2020<br>£ |
|---|-------------|-----------|
| <b>Cash flows from operating activities</b>                             |             |           |
| Receipts from customers   | 1,017       | -         |
| Payments to suppliers and employees                                     | (1,237,454) | (737,362) |
| Net cash outflow from operating activities                              | (1,236,437) | (737,362) |
| <b>Cash flows from investing activities</b>                             |             |           |
| Interest received   | 2,463       | 5,296     |
| Payments for property, plant and equipment and intangibles              | (9,270)     | -         |
| Net cash (outflow)/inflow from investing activities                     | (6,807)     | 5,296     |
| <b>Cash flows from financing activities</b>                             |             |           |
| Proceeds from issue of equity securities                                | -           | 3,455,793 |
| Net cash inflow from financing activities                               | -           | 3,455,793 |
| <b>Net (decrease)/increase in cash and cash equivalents</b>             | (1,243,244) | 2,723,727 |
| <b>Cash and cash equivalents at the beginning of the financial year</b> | 2,723,727   | -         |
| <b>Cash and cash equivalents at the end of the financial year</b>       | 1,480,483   | 2,723,727 |

## **Notes to the financial statements**

### **For the financial year ended 30 June 2021**

#### **1. General information**

The College of Legal Practice Limited (the Company) is a legal education and training provider.

The Company is a private company limited by shares and is incorporated in the United Kingdom and registered in England. The address of its registered office is C/O Pinsent Masons Secretarial Services Limited, 1 Park Row, Leeds, LS1 5AB, United Kingdom.

#### **2. Statement of compliance**

The financial statements of College of Legal Practice Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

#### **3. Summary of accounting policies**

##### **3.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

Basis of preparation of financial statements was transitioned to FRS 102 from 1 July 2020.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The Company has taken advantage of the exemptions as permitted by the FRS 102 from the requirements of Section 33 Related Party Disclosures paragraph 33.7.

The following principal accounting policies have been applied consistently throughout the year:

##### **3.2 Going concern**

The directors have prepared cash flow forecasts and projected the funding requirements of the Company for at least the next 12 months. The directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future on the grounds that the parent has committed to provide financial support. This financial support will include advancing amounts to the Company as required to enable the Company to operate as a going concern and settle its liabilities as they fall due.

## Notes to the financial statements

### For the financial year ended 30 June 2021

#### 3. Summary of accounting policies (continued)

##### 3.3 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is pound sterling (GBP).

###### Transactions and balances

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in the statement of comprehensive income in the period in which they arise.

##### 3.4 Revenue recognition

###### Courses

Course revenue is recognised in the year the course is run by reference to the stage of completion of the course at the end of financial year. It is calculated based upon the number of completed days of the course, as a proportion of the course total days duration.

###### Investment revenue

Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

##### 3.5 Employee benefits and Pensions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and other entitlements when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Where benefits are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made up to the reporting date.

Company pays fixed pension contributions into external pension plans identified by the employees. Once the contributions have been paid the Company has no further payment obligations.

The pension contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

## Notes to the financial statements

### For the financial year ended 30 June 2021

#### 3. Summary of accounting policies (continued)

##### 3.6 Taxation

###### Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

###### Deferred tax

Deferred tax, if recognised is accounted for using the balance sheet liability method in respect of temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those assets.

In principle, deferred tax liabilities are recognised for all taxable temporary timing differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date.

###### Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in the statement of comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax or current tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

##### 3.7 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### 3.8 Related party transactions

The Company has taken advantage of the exemptions as provided by section 33.1A of FRS 102 from disclosing related party transactions with its' parent or with members of the same group that are wholly owned.



## Notes to the financial statements

### For the financial year ended 30 June 2021

#### 3. Summary of accounting policies (continued)

##### 3.9 Debtors

Debtors that have fixed or determinable payments that are not quoted in an active market are classified as debtors which are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for expected credit losses.

##### 3.10 Cash and deposits with financial institutions

For the purpose of presentation, cash and cash equivalents includes cash on hand, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

##### 3.11 Creditors

Creditors are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. They represent liabilities for goods and services which were unpaid at the end of the financial year.

##### 3.12 Basic financial instruments

Basic financial instruments comprise of debtors, creditors and cash. These instruments are recognised initially at transaction price less attributable transaction costs. Subsequent to Initial recognition, they are measured at amortised cost using the effective Interest method, less any impairment losses In the case of financial assets: If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it Is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at Initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or In which the Company neither transfers no retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the proportion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Comprehensive Income. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

## Notes to the financial statements

### For the financial year ended 30 June 2021

#### 3. Summary of accounting policies (continued)

##### 3.13 Property, plant and equipment

###### Initial recording

All items of property, plant and equipment are initially recognised at cost in the statement of financial position. Cost includes the value of consideration exchanged, or fair value in the case of donated or subsidised assets, and those costs directly attributable to bringing the item to working condition for its intended use.

###### Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is capitalised to the initial cost of the item when the expenditure increases the economic benefits over the life of the item or where that expenditure was necessarily incurred to enable the future economic benefits to be obtained and the expenditure would have been included in the initial cost of the item had the expenditure been incurred at the time of acquisition.

All other subsequent expenditure is expensed in the period in which it is incurred.

###### Impairment

At each balance date, the carrying amount of assets is reviewed to determine whether there is any indication of impairment. 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 the carrying amount is assessed to be greater than its recoverable amount, the item is written down to its recoverable amount. The write-down is recognised in the statement of comprehensive income.

###### Depreciation

All items of property, plant and equipment are depreciated on a straight-line basis, at rates which will write off their cost or re-valued amount less estimated residual value, over their expected useful lives.

The following estimated useful lives are used in the calculation of depreciation:

Furniture and equipment: 2 - 7 years

###### Disposal

On disposal or permanent withdrawal of an item of property, plant and equipment the difference between the disposal proceeds (if any) and the carrying amount is recognised in the statement of comprehensive income.

##### 3.14 Provisions

All provisions are recorded at the best estimate of the expenditure required to settle the obligation at balance date.

## Notes to the financial statements

### For the financial year ended 30 June 2021

#### 4. Critical judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Management have concluded that there are no significant judgments or key areas of estimation uncertainty.

#### 5. Interest receivable

|                     | 2021<br>£ | 2020<br>£ |
|---------------------|-----------|-----------|
| Interest receivable | 3,132     | 5,325     |

#### 6. Auditors' remuneration

|   | 2021<br>£    | 2020<br>£    |
|---|--------------|--------------|
| Fees payable to the Company's auditors in respect of: |              |              |
| Audit-related assurance services                      | 2,717        | 2,783        |
| Taxation compliance services                          | -            | -            |
| All other assurance services                          | -            | -            |
|   | <b>2,717</b> | <b>2,783</b> |

#### 7. Employees and Directors' remuneration

|   | 2021<br>£ | 2020<br>£ |
|---|-----------|-----------|
| <b><u>Staff costs</u></b>                       |           |           |
| Wages and salaries                              | 352,773   | 90,002    |
| Social security costs                           | 39,151    | 20,430    |
| Other pension costs                             | 71,985    | 12,274    |
| Contractors costs                               | 13,186    | 11,780    |
| Other staff costs                               | 3,767     | 495       |
| Total Staff costs                               | 480,862   | 134,981   |
| <b><u>Director's remuneration</u></b>           |           |           |
| Directors fees                                  | 85,000    | 66,667    |
| Social security costs                           | 6,091     | 4,209     |
| Total Directors' remuneration                   | 91,091    | 70,876    |
| Total Employee benefits and contractors expense | 571,953   | 205,857   |

## Notes to the financial statements

### For the financial year ended 30 June 2021

#### 7. Employees and Directors' remuneration (continued)

The average monthly number of employees, including the directors, during the year was as follows:

|                      | 2021<br>Number | 2020<br>Number |
|----------------------|----------------|----------------|
| Administrative staff | 9              | 7              |

#### 8. Income tax expense

|  | 2021<br>£ | 2020<br>£ |
|--|-----------|-----------|
| <b>(a) Income tax expense</b>                  |           |           |
| Current tax                                    | -         | -         |
| Deferred tax                                   |           |           |
| Origination and reversal of timing differences | 1,595     | -         |
| Effect of changes in tax rates                 | 504       |           |
| Total tax                                      | 2,099     | -         |

**(b) The charge for the year can be reconciled to the profit per the income statement as follows:**

##### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%) as set out below:

|   | 2021<br>£   | 2020<br>£ |
|---|-------------|-----------|
| Loss from continuing operations before income tax expense | (1,433,087) | (740,203) |
| Income tax expense calculated at 19% (2020 :19%)          | (272,287)   | (140,639) |
| Tax effect of:  |             |           |
| Amounts not deductible:                                   | -           | 170       |
| Tax rate changes  | 504         | -         |
| Deferred tax not recognised                               | 273,882     | 140,469   |
| Tax charge for the period                                 | 2,099       | -         |
| Income tax expense reported in the income statement       | 2,099       | -         |
| <b>Deferred tax liabilities:</b>                          |             |           |
| Deferred tax charge to income statement for the period    | 2,099       | -         |
| Provision at end of period                                | 2,099       | -         |

## Notes to the financial statements

### For the financial year ended 30 June 2021

#### 9. Debtors

|                                     | 2021<br>£ | 2020<br>£ |
|-------------------------------------|-----------|-----------|
| Trade debtors                       | 26,150    | -         |
|                                     | 26,150    | -         |
| Amounts owned by group undertakings | -         | 1         |
| Accrued interest income             | 698       | 29        |
| Other debtors                       | 35,366    | 10,225    |
| Total debtors                       | 62,214    | 10,255    |

#### 10. Property plant and equipment

|                          | Furniture<br>and<br>equipment<br>£ | Total<br>£ |
|--------------------------|------------------------------------|------------|
| <b>At 1 July 2020</b>    |                                    |            |
| Cost or fair value       | -                                  | -          |
| Accumulated depreciation | -                                  | -          |
| Net book amount          | -                                  | -          |
| <b>At 30 June 2021</b>   |                                    |            |
| Opening net book amount  | -                                  | -          |
| Additions                | 9,270                              | 9,270      |
| Depreciation             | (874)                              | (874)      |
| Closing net book amount  | 8,396                              | 8,396      |
| <b>At 30 June 2021</b>   |                                    |            |
| Cost or fair value       | 9,270                              | 9,270      |
| Accumulated depreciation | (874)                              | (874)      |
| Net book amount          | 8,396                              | 8,396      |

#### 11. Creditors

|                                    | 2021<br>£ | 2020<br>£ |
|------------------------------------|-----------|-----------|
| Trade creditors                    | 54,683    | 3,506     |
| Other creditors:                   |           |           |
| Amounts owed to group undertakings | 9,841     | -         |
| Accruals                           | 220,807   | 18,356    |
| Total creditors                    | 285,331   | 21,862    |

The credit period granted by suppliers for payments are between 7 and 30 days, there are no interest penalty arrangements in place for late payments. The Company pays its suppliers within the agreed credit terms.

## Notes to the financial statements

### For the financial year ended 30 June 2021

#### 12. Provisions

|                                      | 2021     | 2020     |
|--------------------------------------|----------|----------|
|                                      | £        | £        |
| Employee benefit                     | (35,443) | (11,859) |
| Total current liability - Provisions | (35,443) | (11,859) |

All amounts are expected to be settled within 12 months.

#### 13. Deferred income

|             | 2021   | 2020 |
|-------------|--------|------|
|             | £      | £    |
| Course fees | 27,167 | -    |

#### 14. Contributed Equity

##### a. Share capital

|                              | 2021      | 2020      |
|------------------------------|-----------|-----------|
|                              | £         | £         |
| Ordinary shares - Fully paid | 3,455,794 | 3,455,794 |

##### b. Issued capital

Issued capital is 3,455,794 of £1 shares (2020: 3,455,794 of £1 shares).

#### 15. Related party transactions

The Company has taken advantage of the exemptions as provided by section 33.1A of FRS 102 from disclosing related party transactions with its' parent or with members of the same group that are wholly owned. There were no other related party transactions in the year.

#### 16. Ultimate parent undertaking and controlling party

The immediate parent company is COL HOLD CO Private Limited a company incorporated in Australia and ultimate parent company is The College of Law Limited, a company incorporated in Australia. The College of Law Limited prepares publically available consolidated financial statements which can be obtained from 2 Chandos Street, St Leonards NSW 2065 Australia.

#### 17. Subsequent events

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of or the state of affairs of the Company in future financial years.