

Company registration number 08640061 (England and Wales)

UNI-QUEST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

UNI-QUEST LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | F Hogemark R Olbergsveen |
| Company number | 08640061 |
| Registered office | 77 Sidney Street Sheffield United Kingdom S1 4RG |
| Auditor | Azets Audit Services Secure House Lulworth Close Chandlers Ford Southampton Hampshire SO53 3TL |

UNI-QUEST LIMITED

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UNI-QUEST LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Review of the business

The principal activity of the company and its subsidiary undertakings is to provide conversion services primarily to higher education and membership institutions and to support the student journey from enquiry to enrolment. The business is based in the UK with a US subsidiary.

The directors are delighted with the continued successful revenue growth and the key performance metrics are included below.

Principal risks and uncertainties

Industry and market risk

Government policy in relation to immigration impacts international student visas and the policy in relation to dependencies is likely to have a detrimental impact on some key recruiting markets. There are several other factors impacting student migration including economic conditions within individual countries, for example China. Universities are looking to diversify their markets to mitigate the reliance on students coming from these countries however universities are looking to monitor and manage budgets carefully which can present risk and opportunities. These factors mean that application volumes could decline, and this could impact enrolment volumes across the HE sector.

Cash flow/liquidity risk

The company has sufficient funds to cover its cash outflows and there is no debt. Management ensure that the company has sufficient cash in the bank to settle all obligations as they fall due.

Technological risk

Ensuring the company stays abreast of AI adoption across the HE sector is imperative to ensuring our services compete in this evolving market. The risk is mitigated by continuing to invest in new tools to utilise AI to enhance the current service offering.

Key performance indicators

- Total turnover for the year ended 31st December 2023 was £11.2m (2022: £9.6m) and Gross Profit for the year ended 31st December 2023 was £10.2m (2022: £8.8m) a growth of 17% and 15% respectively.
- Earnings before interest, tax, depreciation and amortisation for the year ended was £2.2m (2022: £2.3m) a slight decline of 5% which relates to the investment in new services.
- Cash as at the year ended 31st December 2023 was £1.2m (2022: £1m), growth of 20%.

UniQuest continues to invest in its people and service development to support its strategy. There have been some key appointments to the senior leadership group and investment in our sales and marketing function.

Future developments

The company continues to review its services and technology offering to ensure that we are offering additional services to our customers.

On behalf of the board


.....
R Olbergsveen

Director

Date: 4/15/2024

UNI-QUEST LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and financial statements for the year ended 31 December 2023.

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £2,537,245. Subsequent to the year end, a final dividend of £200,000 was declared in relation to the year ended 31 December 2023.

Directors

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

F Hogemark
R Olbergsveen

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

Statement of disclosure to auditor

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

UNI-QUEST LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

On behalf of the board

A handwritten signature in red ink, appearing to read "R Olbergsveen", is written over a horizontal dotted line.

R Olbergsveen
Director

Date: 4/15/2024

UNI-QUEST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNI-QUEST LIMITED

Opinion

We have audited the financial statements of Uni-Quest Limited (the 'company') for the year ended 31 December 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

UNI-QUEST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF UNI-QUEST LIMITED

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

UNI-QUEST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF UNI-QUEST LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

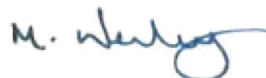
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Michael Wesley FCA
Senior Statutory Auditor
For and on behalf of Azets Audit Services



Date: 19 April 2024

Chartered Accountants
Statutory Auditor

Secure House
Lulworth Close
Chandlers Ford
Southampton
Hampshire
SO53 3TL

UNI-QUEST LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | 2023 £ | 2022 £ |
|--|----------|-------------|-------------|
| Turnover | 3 | 11,162,084 | 9,638,676 |
| Cost of sales | | (950,878) | (832,010) |
| Gross profit | | 10,211,206 | 8,806,666 |
| Administrative expenses | | (8,535,860) | (6,764,022) |
| Other operating income | | 485,114 | 260,620 |
| Operating profit | 4 | 2,160,460 | 2,303,264 |
| Interest receivable and similar income | | 65,339 | 99,859 |
| Profit before taxation | | 2,225,799 | 2,403,123 |
| Tax on profit | 7 | (462,921) | (477,826) |
| Profit for the financial year | | 1,762,878 | 1,925,297 |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

UNI-QUEST LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

| | | 2023 | | 2022 as restated | |
|---|-------|------------------|------------------|---------------------|------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Intangible assets | 9 | | 217,208 | | 13,176 |
| Tangible assets | 10 | | 64,873 | | 73,257 |
| Investments | 11 | | 7,654 | | 7,654 |
| | | | <u>289,735</u> | | <u>94,087</u> |
| Current assets | | | | | |
| Debtors | 13 | 4,099,064 | | 5,708,576 | |
| Cash at bank and in hand | | 1,243,429 | | 996,407 | |
| | | <u>5,342,493</u> | | <u>6,704,983</u> | |
| Creditors: amounts falling due within one year | 14 | (2,469,160) | | (2,847,857) | |
| Net current assets | | | <u>2,873,333</u> | | <u>3,857,126</u> |
| Total assets less current liabilities | | | <u>3,163,068</u> | | <u>3,951,213</u> |
| Provisions for liabilities | | | | | |
| Deferred tax liability | 15 | - | | 13,777 | |
| | | <u>-</u> | | <u>13,777</u> | |
| Net assets | | | <u>3,163,068</u> | | <u>3,937,436</u> |
| Capital and reserves | | | | | |
| Called up share capital | 17 | | 1,232 | | 1,232 |
| Share premium account | | | 663,352 | | 663,352 |
| Capital redemption reserve | | | 12,675 | | 12,675 |
| Profit and loss reserves | | | 2,485,809 | | 3,260,177 |
| Total equity | | | <u>3,163,068</u> | | <u>3,937,436</u> |

The financial statements were approved by the board of directors and authorised for issue on4/15/2024..... and are signed on its behalf by:


R. Olbergsveen
Director

Company Registration No. 08640061

UNI-QUEST LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | Share capital £ | Share premium account £ | Capital redemption reserve £ | Profit and loss reserves £ | Total £ |
|---|-------|--------------------|----------------------------|---------------------------------|-------------------------------|-------------|
| As restated for the period ended 31 December 2022: | | | | | | |
| Balance at 1 January 2022 | | 1,134 | 663,352 | 12,675 | 1,334,880 | 2,012,041 |
| Effect of prior period adjustment | | 98 | - | - | - | 98 |
| As restated | | 1,232 | 663,352 | 12,675 | 1,334,880 | 2,012,139 |
| Year ended 31 December 2022: | | | | | | |
| Profit and total comprehensive income for the year | | - | - | - | 1,925,297 | 1,925,297 |
| Balance at 31 December 2022 | | 1,232 | 663,352 | 12,675 | 3,260,177 | 3,937,436 |
| Year ended 31 December 2023: | | | | | | |
| Profit and total comprehensive income for the year | | - | - | - | 1,762,878 | 1,762,878 |
| Dividends | 8 | - | - | - | (2,537,246) | (2,537,246) |
| Balance at 31 December 2023 | | 1,232 | 663,352 | 12,675 | 2,485,809 | 3,163,068 |

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Uni-Quest Limited is a private company limited by shares incorporated in England and Wales. The registered office is 77 Sidney Street, Sheffield, United Kingdom, S1 4RG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Keystone Academic Solutions AS. These consolidated financial statements are available from its registered office, Rolfsbuktveien 4c & 4d, 1364 Forneby, Norway.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the company as a single entity.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is measured at the fair value of consideration received or receivable, net of discounts and value added taxes. Contracts with Universities typically cover a one year cycle and turnover from the rendering of services is recognised over the period of the contract.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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

| | |
|---------------|-----------------------|
| Project costs | 3 years straight line |
|---------------|-----------------------|

1.5 Tangible fixed assets

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

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

| | |
|-----------------------|-----------------------|
| Plant and equipment | 3 years straight line |
| Fixtures and fittings | 3 years straight line |
| Computers | 3 years straight line |

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

1.6 Fixed asset investments

Interests in subsidiary entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

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

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Classification of financial liabilities

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

Basic financial liabilities

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

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

1.11 Taxation

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

Current tax

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

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Deferred tax

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

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

1.12 Employee benefits

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

1.13 Retirement benefits

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

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Accrued income

The company accrues income on contracts on which the final revenue amount is based on enrolment numbers that are not known until subsequent to the year end. Estimates are made in relation to final enrolment numbers based on knowledge of the market and past experience, and accrued income at the year end date is calculated based on those estimates.

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Turnover and other revenue

| | 2023 | 2022 |
|---|-------------------|------------------|
| | £ | £ |
| Turnover analysed by class of business | | |
| Conversion | 8,186,824 | 7,714,017 |
| Other Services | 2,975,260 | 1,924,659 |
| | <u>11,162,084</u> | <u>9,638,676</u> |
| | | |
| | 2023 | 2022 |
| | £ | £ |
| Other revenue | | |
| Interest income | 65,339 | 99,859 |
| | <u>65,339</u> | <u>99,859</u> |

4 Operating profit

| | 2023 | 2022 |
|---|---------------|---------------|
| | £ | £ |
| Operating profit for the year is stated after charging/(crediting): | | |
| Exchange losses/(gains) | 8,847 | (2,540) |
| Fees payable to the company's auditor for the audit of the company's financial statements | 15,850 | 14,725 |
| Depreciation of owned tangible fixed assets | 42,643 | 29,814 |
| Amortisation of intangible assets | 22,115 | 13,390 |
| | <u>88,455</u> | <u>59,969</u> |

5 Employees

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

| | 2023 | 2022 |
|---|-------------|-------------|
| | Number | Number |
| Customer Service, Sales & Marketing, Operations | 102 | 86 |
| Administration | 26 | 20 |
| | <u>128</u> | <u>106</u> |

| | 2023 | 2022 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 5,168,881 | 4,231,442 |
| Social security costs | 581,023 | 463,128 |
| Pension costs | 88,140 | 64,254 |
| | <u>5,838,044</u> | <u>4,758,824</u> |

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Directors' remuneration

No remuneration was paid to the directors during the year to 31 December 2023 (2022: £nil).

7 Taxation

| | 2023 £ | 2022 £ |
|--|-----------|-----------|
| Current tax | | |
| UK corporation tax on profits for the current period | 481,079 | 469,426 |
| Deferred tax | | |
| Origination and reversal of timing differences | (18,158) | 8,400 |
| Total tax charge | 462,921 | 477,826 |

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

| | 2023 £ | 2022 £ |
|--|-----------|-----------|
| Profit before taxation | 2,225,799 | 2,403,123 |
| Expected tax charge based on the standard rate of corporation tax in the UK of 23.52% (2022: 19.00%) | 523,508 | 456,593 |
| Tax effect of expenses that are not deductible in determining taxable profit | 7,269 | 5,070 |
| Change in unrecognised deferred tax assets | (70,858) | 12,371 |
| Permanent capital allowances in excess of depreciation | (118) | - |
| Change in deferred tax rate | 3,120 | 3,792 |
| Taxation charge for the year | 462,921 | 477,826 |

8 Dividends

| | 2023 £ | 2022 £ |
|--------------|-----------|-----------|
| Interim paid | 2,537,246 | - |

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

9 Intangible fixed assets

| | Project costs £ |
|------------------------------------|--------------------|
| Cost | |
| At 1 January 2023 | 20,881 |
| Additions | 226,147 |
| | <hr/> |
| At 31 December 2023 | 247,028 |
| | <hr/> |
| Amortisation and impairment | |
| At 1 January 2023 | 7,705 |
| Amortisation charged for the year | 22,115 |
| | <hr/> |
| At 31 December 2023 | 29,820 |
| | <hr/> |
| Carrying amount | |
| At 31 December 2023 | 217,208 |
| | <hr/> <hr/> |
| At 31 December 2022 | 13,176 |
| | <hr/> <hr/> |

10 Tangible fixed assets

| | Plant and equipment £ | Fixtures and fittings £ | Computers £ | Total £ |
|------------------------------------|-----------------------------|-------------------------------|----------------|-------------|
| Cost | | | | |
| At 1 January 2023 | 29,511 | 24,880 | 165,291 | 219,682 |
| Additions | - | - | 34,259 | 34,259 |
| Disposals | (5,000) | (21,953) | - | (26,953) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 December 2023 | 24,511 | 2,927 | 199,550 | 226,988 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation and impairment | | | | |
| At 1 January 2023 | 29,083 | 23,661 | 93,681 | 146,425 |
| Depreciation charged in the year | - | 976 | 41,667 | 42,643 |
| Eliminated in respect of disposals | (5,000) | (21,953) | - | (26,953) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 December 2023 | 24,083 | 2,684 | 135,348 | 162,115 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Carrying amount | | | | |
| At 31 December 2023 | 428 | 243 | 64,202 | 64,873 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| At 31 December 2022 | 428 | 1,219 | 71,610 | 73,257 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

11 Fixed asset investments

| | Notes | 2023 £ | 2022 £ |
|-----------------------------|-------|-------------|-------------|
| Investments in subsidiaries | 12 | 7,654 | 7,654 |
| | | <hr/> <hr/> | <hr/> <hr/> |

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

| Name of undertaking | Address | Nature of business | Class of shares held | % Held Direct |
|---------------------|---------|--|---------------------------|---------------|
| Uni-Quest Inc | USA | The provision of student recruitment services to universities. | Class of shares: Ordinary | 100.00 |

Registered office addresses:

3573 Columbia Parkway, Cincinnati, Ohio, 45226

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

| Name of undertaking | Capital and Reserves £ | Profit/(Loss) £ |
|---------------------|---------------------------|--------------------|
| Uni-Quest Inc | (402,720) | (43,358) |

13 Debtors

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 2,008,741 | 1,933,048 |
| Amounts owed by group undertakings | 406,573 | 1,887,835 |
| Other debtors | 25,416 | 300 |
| Prepayments and accrued income | 1,653,953 | 1,887,393 |
| | <u>4,094,683</u> | <u>5,708,576</u> |
| Deferred tax asset (note 15) | 4,381 | - |
| | <u>4,099,064</u> | <u>5,708,576</u> |

14 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 287,645 | 305,613 |
| Amounts owed to group undertakings | 114,617 | - |
| Corporation tax | 29,442 | 284,915 |
| Other taxation and social security | 679,297 | 716,121 |
| Other creditors | 58,173 | 65,038 |
| Accruals and deferred income | 1,299,986 | 1,476,170 |
| | <u>2,469,160</u> | <u>2,847,857</u> |

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

| | Liabilities 2023 £ | Liabilities 2022 £ | Assets 2023 £ | Assets 2022 £ |
|---|--------------------------|--------------------------|---------------------|---------------------|
| Balances: | | | | |
| Accelerated capital allowances | - | 18,314 | (16,218) | - |
| Provisions | - | - | 15,848 | - |
| Retirement benefit obligations | - | (4,537) | 4,751 | - |
| | - | 13,777 | 4,381 | - |
| | | | | 2023 |
| Movements in the year: | | | | £ |
| Liability at 1 January 2023 | | | | 13,777 |
| Credit to profit or loss | | | | (15,038) |
| Effect of change in tax rate - profit or loss | | | | (3,120) |
| Asset at 31 December 2023 | | | | (4,381) |

16 Retirement benefit schemes

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | 88,140 | 64,254 |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

| | 2023 Number | 2022 Number | 2023 £ | 2022 £ |
|---|----------------|----------------|-----------|-----------|
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of 0.01p each | 12,320,030 | 12,320,030 | 1,232 | 1,232 |

18 Prior period adjustment

In the financial statements for the year ended 31 December 2022, the opening share capital at 1 January 2022 was understated by £98. An adjustment has been raised to include this share capital and reduce other creditors, with no effect on the prior period profit.

UNI-QUEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Prior period adjustment (Continued)

Changes to the balance sheet

| | As previously reported | Adjustment | As restated at 31 Dec 2022 |
|--------------------------------------|-----------------------------|-----------------------------|-------------------------------|
| | £ | £ | £ |
| Creditors due within one year | | | |
| Other creditors | (1,846,919) | 98 | (1,846,821) |
| | <u> </u> | <u> </u> | <u> </u> |
| Capital and reserves | | | |
| Share capital | 1,134 | 98 | 1,232 |
| Total equity | 3,937,338 | 98 | 3,937,436 |
| | <u> </u> | <u> </u> | <u> </u> |

19 Ultimate controlling party

The smallest and largest group in which the results of the company are consolidated is that headed by Keystone Academic Solutions AS. The consolidated accounts of this company are available to the public and may be obtained from Rolfsbuktveien 4c & 4d, 1364 Fornebu, Norway.

The ultimate parent is Keystone Education Group AS. The principal place of business of Keystone Education Group AS, is Rolfsbuktveien 4c & 4d, 1364 Fornebu, Norway.

UNI-QUEST LIMITED

DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | | 2022 | |
|---|---------|------------|---------|-----------|
| | £ | £ | £ | £ |
| Turnover | | | | |
| Sales of goods | | 11,162,084 | | 9,638,676 |
| Cost of sales | | | | |
| <i>Purchases and other direct costs</i> | | | | |
| Wages and salaries | 14,516 | | 36,672 | |
| Subcontract labour | 154,642 | | 95,444 | |
| Software costs | 653,682 | | 573,679 | |
| Telecommunications | 118,135 | | 106,437 | |
| Other cost of sales | 9,903 | | 19,778 | |
| | | | | |
| Total purchases and other direct costs | 950,878 | | 832,010 | |
| | | | | |
| Total cost of sales | | (950,878) | | (832,010) |
| Gross profit | 91.48% | 10,211,206 | 91.37% | 8,806,666 |
| Other operating income | | | | |
| Management charge receivable from group companies | | 485,114 | | 260,620 |

UNI-QUEST LIMITED

DETAILED PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | | 2022 | |
|---|-----------|-------------|-----------|-------------|
| | £ | £ | £ | £ |
| Administrative expenses | | | | |
| Wages and salaries | 5,143,672 | | 4,189,889 | |
| Social security costs | 581,023 | | 463,128 | |
| Staff recruitment costs | 19,165 | | 24,480 | |
| Staff training and welfare | 130,903 | | 103,952 | |
| Staff pension costs defined contribution | 88,140 | | 64,254 | |
| Redundancy costs - staff | 10,288 | | 12,500 | |
| Other staff costs | 10,693 | | 4,881 | |
| Management charge | 268,171 | | 74,423 | |
| Equipment repairs | 5,683 | | 4,999 | |
| Computer running costs | 118,305 | | 95,324 | |
| Software costs | 59,991 | | 60,209 | |
| Travel and subsistence | 101,201 | | 44,955 | |
| Professional subscriptions | 3,163 | | 1,942 | |
| Legal and professional fees | 2,985 | | 7,952 | |
| Consultancy fees | 3,664 | | 334,592 | |
| Accountancy | 17,348 | | 37,154 | |
| Charitable donations | 575 | | 125 | |
| Bank charges | 2,121 | | (4,424) | |
| Bad and doubtful debts | (205,440) | | 43,329 | |
| Insurances | 38,793 | | 18,924 | |
| Advertising | 73,139 | | 118,996 | |
| Telecommunications | 86,446 | | 70,958 | |
| Entertaining | 53,676 | | 26,685 | |
| Sundry expenses | 10,790 | | 14,596 | |
| Amortisation | 22,115 | | 13,390 | |
| Depreciation | 42,643 | | 29,814 | |
| Rent | 35,916 | | 13,597 | |
| Profit or loss on foreign exchange | 8,847 | | (2,540) | |
| Philippines costs | 1,801,844 | | 895,938 | |
| | | (8,535,860) | | (6,764,022) |
| Operating profit | | 2,160,460 | | 2,303,264 |
| Interest receivable and similar income | | | | |
| Interest receivable from group companies | 65,339 | | 99,859 | |
| | | 65,339 | | 99,859 |
| Profit before taxation | 19.94% | 2,225,799 | 24.93% | 2,403,123 |
