Registration number: 03381128

Underley Educational Services

Annual Report and Unaudited Financial Statements

for the Year Ended 31 August 2024

Underley Educational Services

Contents

Underley Educational Services

Company Information

Directors	R Power H Lecky
Company secretary	M J Logue
Registered office	Atria Spa Road Bolton Lancashire BL1 4AG

Underley Educational Services

Directors' Report for the Year Ended 31 August 2024

The directors present their report and unaudited financial statements for the year ended 31 August 2024.

Directors of the company
The directors of the company who were in office during the year and up to the date of signing the financial statements were:

D J Leatherbarrow (resigned 14 February 2025)

J-L Janet (resigned 14 February 2025)

R J Cooke (resigned 14 February 2025)

The following directors were appointed after the year end:

R Power (appointed 14 February 2025)

H Lecky (appointed 14 February 2025)

The Company purchased qualifying third party indemnity arrangements for the benefit of all its Directors and which were in force throughout the year and remain in force.

Principal activities
The principal activity of the company is the holding of property utilised by Underley Schools Limited, which provides education for children and young people with special education needs with placements being referred from a number of local authorities.

The company is part of the Oasis Topco 1 Limited Group ("Group"). Oasis Topco 1 Limited and its subsidiaries trade under the brand "Outcomes First Group".

The principal activities of the Group are the provision of education services throughout England, Scotland and Wales.

The Group is a leading provider of education and is committed to unlocking pupils' potential through personalised learning, innovation, and opportunity, supporting growth and aspirations.

The Group's vision is to empower every child, whatever their ability, with a world-class education that nurtures potential, inspires lifelong learning and equips them to thrive in a diverse and evolving world.

Dividends
The directors do not recommend the payment of a dividend for the year ended 31 August 2024 (2023: Nil).

Employees and employment policies
The Oasis Topco 1 Limited Group "The Group" has a policy of involving employees at all levels and keeping them informed through regular briefing sessions conducted by senior management, conferences and our staff engagement survey.

The Group follows an employment policy of non-discrimination on the grounds of sex, race or age and gives full and fair consideration to the employment of disabled persons. The Group is committed to all employees and will make every effort to accommodate staff that are disabled or suffer illness during the course of their employment.

Stakeholder Relations
A strong emphasis is placed on developing sustainable and strategic relationships with external stakeholders, namely the Group's customers and suppliers and the Group believe this is an integral part of supporting long-term growth.

The board of directors' intention is to behave responsibly towards all stakeholders and ensure that management operates with high standards of business conduct and good governance and in doing so, continue the delivery of high quality, long-term sustainable and reliable growth of our services.

Future developments
The activities of the company are expected to continue for the foreseeable future.

Going concern

The company is a subsidiary of Oasis Topco 1 Limited, trading under the "Outcomes First Group" brand. The company's financial resources are managed on a Group basis. The Directors have considered the going concern basis in the context of the overall Oasis Topco 1 Limited Group, but with specific consideration of those risks that are specific to each of the individual subsidiary undertakings.

On 19th December 2023, Oasis Topco 1 Limited indirectly acquired SSCP Spring Midco 1A Limited and its' subsidiaries, the Group trading as "Outcomes First Group". A finance facility was put in place and the Group meets its day to day working capital requirements through its long-term bank facilities.

Since acquiring SSCP Spring Midco 1A Limited ("Outcomes First Group") on 19th December 2023, the Group has continued to perform well. The Group's results for the period from Oasis Topco 1 Limited's incorporation on 10th November 2023 to 31st August 2024 are outlined below. The directors believe that it is appropriate to prepare the financial statements on a going concern basis, the board having considered the following in particular:

• The Group has net current assets of £5.1m.

• Excluding interest bearing loans made to group undertakings, but after reflecting bank loans, the Group has total net liabilities of £53.6m

• The Group recorded a loss of £57.7m for the period, after reflecting non-cash costs of £29.1m and amortisation of intangible assets amounting to £24.8m.

The Group generated an operating cash inflow in the year of £58m, net of cash interest costs of £29.0m and at 31 August 2024 held cash balances amounting to £28.3m.

Cash balances are retained within the business to support future development plans such as improvement and expansion spend on its schools and residential services. The Group also had access to a revolving credit facility of £30m which was undrawn at the end of the year.

The underlying trading performance of the business is strong, further supported by the acquisitions of schools. In June 2024 a detailed annual budget for the year to 31 August 2025 was produced. This, together with business modelling and financial forecasts for a further two years, predicts further growth. This budget and the forecasts were thoroughly reviewed and approved by the Board and also provided to the lenders of the senior loan facilities. Detailed forecasts including a severe but plausible downside were prepared, showing that there is sufficient cash headroom for the Group to meet its liabilities as they fall due and that all covenant requirements under the loan arrangement will be met in the foreseeable future and, accordingly, they have determined it is appropriate to prepare the financial statements on a going concern basis.

The company has received confirmation from its intermediate parent undertaking that it will provide such support as is required to allow the company to pay its debts as they fall due and that it does not intend to seek repayment of the amounts currently due to the group for a period of at least one year from the date of signing these financial statements. On this basis, the directors believe it is appropriate to prepare the financial statements on a going concern basis.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Directors' Report for the Year Ended 31 August 2024 (continued)

Small companies provision statement
The company has taken advantage of the small companies exemption under Part 15 of the Companies Act 2006 in preparing this report, including the exemption from preparing a strategic report.

Approved and authorised by the Board on 20 May 2025 and signed on its behalf by:

H. Lecky.
....
H Lecky
Director

Underley Educational Services

Statement of Comprehensive Income for the Year Ended 31 August 2024

	Note	2024 £	2023 £
Turnover		-	-
Administrative expenses		(195,377)	(212,133)
Operating loss	2	(195,377)	(212,133)
Loss before taxation		(195,377)	(212,133)
Tax on profit/(loss)	3	(116,383)	182,403
Loss and Total comprehensive income/(expense) for the financial year		(311,760)	(29,730)

Turnover and operating loss derive wholly from continuing operations.

Underley Educational Services

(Registration number: 03381128)
Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	4	7,406,503	8,190,343
Current assets			
Debtors	5	28,406	182,403
Cash at bank and in hand		-	822
		28,406	183,225
Creditors: amounts falling due within one year	6	(7,182,256)	(7,928,811)
Net current liabilities		(7,153,850)	(7,745,586)
Total assets less current liabilities		252,653	444,757
Provisions for liabilities	7	(119,656)	-
Net assets		132,997	444,757
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		132,995	444,755
Total equity		132,997	444,757

For the financial year ending 31 August 2024 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 20 May 2025 and signed on its behalf by:

H. Lecky.
....

H Lecky
Director

Underley Educational Services

Statement of Changes in Equity for the Year Ended 31 August 2024

	Called up share capital £	Profit and loss account £	Total equity £
At 1 September 2022	2	474,485	474,487
Loss for the year	-	(29,730)	(29,730)
Total comprehensive expense	-	(29,730)	(29,730)
At 31 August 2023	2	444,755	444,757

	Called up share capital £	Profit and loss account £	Total equity £
At 1 September 2023	2	444,755	444,757
Loss for the year	-	(311,760)	(311,760)
Total comprehensive expense	-	(311,760)	(311,760)
At 31 August 2024	**2**	**132,995**	**132,997**

1 Accounting policies

Underley Educational Services ("the company") is a private company limited by shares incorporated in England, United Kingdom.

The Registered Office is Atria, Spa Road, Bolton, Lancashire, BL1 4AG.

Statement of compliance

The financial statements 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.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within this note.

The financial statements have been prepared in Sterling, which is the functional currency.

Significant accounting policies

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

Summary of exemptions - Reduced Disclosure Framework

In preparing the separate financial statements of the company, advantage has been taken of the exemption provided by FRS 102 paragraph 1.12 (b) to not prepare a cash flow statement.

In preparing the separate financial statements of the company, advantage has been taken of the exemptions provided by FRS 102 Sections 11 and 12 to provide financial instruments disclosures, including categories of financial instruments, items of income, expense, gains or losses relating to financial instruments, and exposure to and management of financial risks.

In preparing the separate financial statements of the company, advantage has been taken of the exemptions provided by FRS 102 Section 33.7 to provide aggregate remuneration of the key management personnel as their remuneration is included in the totals for the group as a whole.

Name of parent of group

These financial statements are consolidated in the financial statements of Oasis Topco 1 Limited.

Group accounts not prepared

The company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 and has not prepared group accounts.

The financial statements present information about Underley Educational Services as an individual company and do not contain consolidated financial information of it as a parent of its fellow group constituents. The results of the company and its group are included in the consolidated financial statements of Oasis Topco 1 Limited which are publicly available.

1 Accounting policies (continued)

Going concern

The company is a subsidiary of Oasis Topco 1 Limited, trading under the "Outcomes First Group" brand. The company's financial resources are managed on a Group basis. The Directors have considered the going concern basis in the context of the overall Oasis Topco 1 Limited Group, but with specific consideration of those risks that are specific to each of the individual subsidiary undertakings.

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Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1 Accounting policies (continued)

Critical judgements and estimates

Preparation of the financial statements requires management to make significant judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements. Items in the financial statements where these judgements and estimates have been made include:

• Recoverability of Amounts owed by Group Undertaking - When assessing the recoverability of amounts owed by group undertakings, management considers the group as a whole.

Estimates

The following are the key sources of estimation uncertainty:

• Tangible fixed assets – the annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

• Taxation – Provisions are based on reasonable estimates based on various factors including experience and interpretation of regulations.

Turnover

There was no turnover generated in the year under review.

Current and deferred tax

The tax expense for the year comprises current and deferred tax.

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in respect of all timing differences at the reporting date. Deferred income tax is determined on an undiscounted basis using the rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable benefits.

Tangible assets

Tangible assets are initially recorded at historical cost, being the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation is provided on all tangible assets at the following rates calculated to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter. Freehold land is not depreciated.

Asset class	Depreciation method and rate
Freehold land and buildings	2% straight line
Plant and machinery	15% straight line

1 Accounting policies (continued)

Fixtures, fittings and equipment	15-33% straight line
Motor vehicles	25% straight line

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

Provisions for liabilities
Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Basic financial instruments
The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other debtors, cash and cash equivalents, are initially recognised at transaction price. Such assets are subsequently measured at amortised cost using the effective interest rate, less provision for impairment.

Basic financial liabilities, including trade and other payables, bank loans, loan notes, 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 future receipts discounted as a market rate of interest. Such liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit or loss.

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

2 Operating loss

Operating loss is stated after charging/(crediting)

	2024 £	2023 £
Depreciation expense – owned assets	193,331	209,882

Audit fees for 2024 (£-) and 2023 (£2,700) were borne by another Group company without recharge.

The company had no employees, other than the directors, during the year under review (2023: None).

The directors did not receive any remuneration from the company during the year ended 31 August 2024 (2023: nil) for their services to the company. The directors were employed and their remuneration costs borne by another group company. No charge has been made to the company as in the opinion of the directors it is not possible to determine with reasonable accuracy the split by company.

3 Tax on loss

Tax credited in the statement of comprehensive income

	2024 £	2023 £
Current taxation		
UK corporation tax	(28,406)	-
UK corporation tax adjustment to prior periods	(157,271)	-
	(185,677)	-
Deferred taxation		
Arising from origination and reversal of timing differences	17,321	(156,977)
Arising from changes in tax rates and laws	-	(25,426)
Adjustments in respect of prior periods	284,739	-
Total deferred taxation	302,060	(182,403)
Tax expense/(receipt) in the statement of comprehensive income	116,383	(182,403)

Factors affecting total tax credit

The tax on loss before tax for the year is higher than the standard rate of corporation tax in the UK of 25% .

Th differences are reconciled below:

	2024 £	2023 £
Loss before taxation	(195,377)	(212,133)
Corporation tax at standard rate	(48,844)	(45,641)
Adjustment in respect of prior periods	127,468	-
Increase (decrease) from effect of different UK tax rates on some earnings	-	(25,426)
Exceptional income exempt from taxation	-	26,446
Tax increase (decrease) from effect of capital allowances and depreciation	37,759	-
Tax decrease from transfer pricing adjustments	-	(137,782)
Total tax charge/(credit)	116,383	(182,403)

3 Tax on loss (continued)

Deferred tax

The movement in the deferred tax asset in the year is as follows:

	Asset/(Liability) £
At 01 September 2023	182,403
Movement in the year	(17,321)
Adjustment in respect of prior periods	(284,738)
At 31 August 2024	(119,656)

The analysis of deferred tax assets is as follows:

2024	Asset/(Liability) £
Fixed asset timing differences	(119,656)
	(119,656)

2023	Asset/(Liability) £
Losses	182,403

4 Tangible assets

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2023	9,658,002	1,767,629	1,860,933	140,244	13,426,808
Disposals	(702,421)	-	-	-	(702,421)
At 31 August 2024	8,955,581	1,767,629	1,860,933	140,244	12,724,387
Accumulated depreciation					
At 1 September 2023	1,515,800	1,767,629	1,812,793	140,243	5,236,465
Charge for the year	164,820	-	28,511	-	193,331
Eliminated on disposal	(111,912)	-	-	-	(111,912)
At 31 August 2024	1,568,708	1,767,629	1,841,304	140,243	5,317,884
Carrying amount					
At 31 August 2024	7,386,873	-	19,629	1	7,406,503
At 31 August 2023	8,142,202	-	48,140	1	8,190,343

5 Debtors

	Note	2024 £	2023 £
Amounts owed by group undertakings		28,406	-
Deferred tax assets	3	-	182,403
Total current trade and other debtors		28,406	182,403

With the exception of deferred tax all amounts fall due within one year.

Amounts owed by other group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

6 Creditors: amounts falling due within one year

	2024 £	2023 £
Amounts owed to group undertakings	7,182,254	7,928,811
Other creditors	2	-
	7,182,256	7,928,811

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

7 Provisions for liabilities

	Deferred tax £	Total £
At 1 September 2023	-	-
Additional provisions	119,656	119,656
At 31 August 2024	119,656	119,656

8 Called up share capital

Allotted, called up and fully paid shares

	2024		2023	
	No.	£	No.	£
Ordinary shares of £1 each	2	2	2	2

9 Contingent liabilities

On 17 April 2024, the company granted security by way of unlimited fixed and floating charges over all of its assets to the finance parties providing banking facilities to Oasis Bidco 1 Limited, a fellow subsidiary undertaking of the Oasis Topco 1 Limited Group.

10 Related party transactions

The company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Group.

11 Controlling party

As at 31 August 2024, Acorn Care and Education Limited, a company incorporated in England and Wales was the immediate parent company.

As at 31 August 2024, Oasis Topco 1 Limited, a Company incorporated in England and Wales was the intermediate parent company.

Oasis Aggregator GP LLC, a company incorporated in the Cayman Islands, owns 62.04% of the Company's equity share capital (62.11% as at 31 August 2024) and is deemed to be the ultimate parent undertaking.

The ultimate controlling party is TPG Inc., incorporated in Delaware, United States of America and registered at Suite 302, 4001 Kennett Pike, County of New Castle, Wilmington, Delaware, 19807, United States of America.

The largest and smallest Group in which the results of the company are consolidated is that headed by Oasis Topco 1 Limited, Atria, Spa Road, Bolton, England, BL1 4AG.