wey education

Annual Report

2019

Contents

Directors	Mr Barrie R.J. Whipp (Chairman) Mrs Jacqueline K. Daniell Mr Tony G. Knowles Mr Barry P. Nichols-Grey (appointed 29 October 2018) Mr John E.R. Bridges (Non-Executive) Dame Erica C. Pienaar (Non-Executive)
Company secretary	Mr Barry P. Nichols-Grey
Registered office	10 Orange Street London WC2H 7DQ
Auditor	Shipleys LLP Chartered Accountants & Statutory Auditor 10 Orange Street London WC2H 7DQ
Solicitors	Sherrards Solicitors LLP 1-3 Pemberton Row London EC4 3BG
Website	www.weyeducation.com
Nominated Advisor and Broker	W H Ireland Limited 4 Colston Avenue Bristol BS1 4ST

The financial year which ended on August 31, 2019 was an extraordinary period for Wey Education Plc. The sad death of our Chairman shook the Board to the core, however there was only one course of action to take; implement a plan that would take the Group forward and execute it to the best of our ability.

Jacqueline Daniell was appointed Chief Executive Officer to lead the operations of the business. Jacqui founded both InterHigh and Academy 21, so was the ideal candidate to step into this role. I had been a Non-Executive Director since 2015 and David Massie was my friend for over 30 years, I believed that, along with the other members of the Board, we could settle the Group and then drive it forward.

The Board decided that executing Joint Ventures in Africa and China was a strategy that did not fit with the focus that the Board wished to implement in InterHigh and Academy 21 and we decided to terminate our physical operations in these areas. We also took the decision to close executive offices in London and the associated London Learning Centre. Finally, we decided to cease specific activities in some of the new, minor brands in English as a foreign language and other services. These decisions had a short-term cost and I do not shy away from the fact that these resulted in the Group making a statutory Loss before Tax for the year. The financial benefits, however, are substantial on an ongoing basis.

After a short period of stabilization, the Group was able to focus clearly on its two core businesses, InterHigh and Academy 21. Stakeholders can now see clearly how Wey's accounts reflect the income from supplying our services of online education, less the cost of teaching and overhead. This demonstrates how well capitalized, funded and operationally geared the Group is.

InterHigh is a Business to Consumer Company selling directly to parents, and is, in the opinion of the Directors, the UK's leading online secondary school. In fact, InterHigh now offers online education to students from late Primary School age to Sixth Form and our student numbers are growing.

Academy 21 is a Business to business Company which supplies education services including alternative provision to education providers such as schools and other institutions.

The Board's aim, in its short to medium term plan, is for the combined Wey business to become the largest secondary school in the UK by number of students.

Educationally, we aim to provide the very best experience we can for our students. We have increased our teaching staff and have completed development of the Teaching Online qualification, available on the OFQUAL register. Going forward, all of our teaching staff and new recruits will be required to take the course and pass the related examination. We have continued to regularly engage with the Department for Education to assist in their desire to implement voluntary registration of online education provision. Our Non-Executive Director, Dame Erica Pienaar is an invaluable resource in leading our Academic Advisory Board and furthering our policies and procedures to ensure that we lead the way in compliance and safeguarding.

Our commitment to enhancing the Wey learning platform continues and we are experiencing some successes with delivering projects that will enable further development in automated learning. The ongoing partnership with the University of South Wales allows us to embed the latest research into our technology strategy. We aim for Wey to be at the very forefront of technical developments in online education and will continue to invest in these areas appropriately.

It is pleasing to be able to report that the Group's revenues were in excess of £6m for the financial year. Our growth has been achieved consistently and we believe that we have the platform to become, in terms of student numbers, the size of a multi-academy trust. It should not be underestimated that Wey provides online education to students overseas as well as the UK, nor that our corporate sales department is still in a fledgling stage.

After adding back the costs of exceptional items and discontinued businesses the core of the business produced a pre-tax operating profit.

Our capital reconstruction was finalized during the year and we are well funded with cash balances in the region of £5m.

The operational success of Wey is very much due to the efforts of Jacqueline and our committed, enthusiastic and loyal team, not only in our Head Office but our teaching staff who are based remotely. I am grateful to them for their commitment and support. I am also grateful for the support of our Board, advisers and a number of significant shareholders who agreed with our new strategy and vision for Wey going forward.

Barrie RJ Whipp
Chairman
13 December 2019

Wey Education plc
Operational Review
31 August 2019

I am pleased to be able to report on a year where Wey Education went through a significant strategic review and implemented a clear plan for the future.

The core business grew turnover by 44% and we are optimistic that our marketing and recruitment strategy will ensure that growth will continue on an upward path. We have reached levels of operational gearing across the group which will allow us to deliver improved profitability as we grow.

For clarity I describe our operating businesses as follows:

InterHigh (www.interhigh.co.uk), delivers live, interactive teaching of the British Curriculum to year groups 4 through to 13, including teaching both IGCSE and A levels and with some City and Guilds and other vocational courses. It is a complete school with a broad academic, pastoral and enrichment programme ensuring that young people who join the school study successfully for their future career and life choices. InterHigh continues to expand and pupil numbers are at an all-time high.

Academy 21 (www.academy21.co.uk) is an online educational business that provides a range of Key Stage 3 and GCSE programmes to pupils who have been referred by local authorities and schools across the UK. It delivers alternative education provision to schools, local authorities and other education providers. The group has successfully grown the business since acquisition, and the brand now leads the B2B division. Revenue and profitability in Academy21 has exceeded the group's targets this year.

Education and learning

Education and learning have been extended in InterHigh to include a Junior school division delivering Key Stage 2 (Primary) curriculum, initially to years 5 and 6 and more recently to year 4. The primary division of InterHigh delivers an inclusive curriculum which includes core subjects as well as communication and creative pursuits subjects. In the secondary school division, InterHigh has extended its available subjects to include 9 core and 4 additional subjects at Key stage 3. At Key stage 4, InterHigh has grown its range of additional subjects and 6 vocational City and Guilds Assured Courses. In the Sixth Form, pupils can choose from a range of 20 A level subjects.

Academic Results overall have improved on last year and were once again outstanding in English.

Staffing

Following the closure of our London Learning Centre, the management functions, administrative staff and senior teaching personnel are based at the Group's administrative headquarters in Crickhowell, Wales while teaching staff are home based. Separate exam centre/meeting facilities accommodation is located in Abergavenny.

Staffing structures have been rationalized and made highly scalable. Some key positions have been identified and new recruitment mechanisms have meant relevant appointments have been made swiftly. Executive Head Teacher, Head of Business Information and Head of Educational Partnerships have added capacity to Wey's management team.

Technology

As well as continuous planned enhancements and releases, further developments have been built on the Wey learning platform and software integrations enhanced. The continued partnership with the University of South Wales means that progress has been made in the technology roadmap towards the vision for an AI enabled school.

Jacqueline K Daniell
CEO
13 December 2019

I am pleased to report that we have delivered continued growth in revenues alongside improvements in gross profit margins.

Group turnover of £6.0m for the year ended 31 August 2019 (2018: £4.2m) represents year on year growth of 44%. The prior year included partial contribution from Academy 21 which was acquired in December 2017 – if it had been included for the entirety of the comparative period the underlying revenue growth would have been 36%.

The Group improved gross profit margins from 53.4% to 59.5% between 2018 and 2019, as a result of the increase in Academy 21 revenues as a proportion of group revenues, as well as better teacher utilization and changes to our teaching model.

Administrative expenses increased from £2.2m in 2018 to £3.4m in 2019. A number of expenditure items related to investment in growth, particularly in marketing, did not occur until the second half of FY18 following the share placing in November 2017. Therefore, we have only seen the full cost of these investments in FY19. We expect the growth in costs to stabilize as we exploit operational gearing over the coming years to deliver improved profitability as we grow revenues.

The overperformance in terms of 2019 revenues allowed the group to accelerate marketing activity in the second half of the year to secure business for FY20 and beyond.

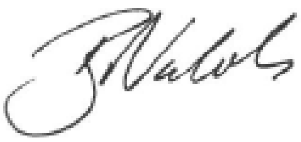
Overall, we have made a statutory loss before tax of £685k for the year, however the group incurred costs of £312k in respect of its discontinued overseas operations during the year. In addition, the group incurred exceptional costs of £436k in respect of termination and restructuring costs and the costs of closing the London Learning Centre.

The group maintains a very strong cash position with £5.0m of cash balances held at the year end.

To reconcile the headline figures to adjusted profit, being loss before tax from continuing operations adjusted for exceptional items, amortization of acquired intangibles and share based payments, we have more than doubled the adjusted PBT year on year.

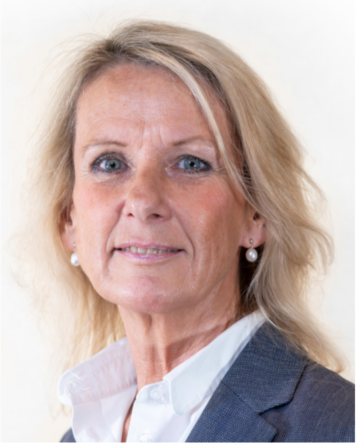
	Year ended 31 August 2019 £'000	Year ended 31 August 2018 £'000 (restated*)
Loss before tax from continuing operations	(380,691)	(160,491)
Add back:		
Finance costs	(2,063)	(432)
Exceptional costs	435,755	61,313
Exceptional income	-	(7,500)
Operating profit/(loss)	**53,001**	**(107,110)**
Amortisation of acquired intangibles	160,000	160,000
Equity based share awards	109,060	95,452
Adjusted PBT from continuing operations	**322,061**	**148,342**
Adjusted EPS	**0.25**	**0.12**
Adjusted Diluted EPS	**0.23**	**0.11**

**Note – The prior year comparatives have been restated as a result of the implementation of IFRS 9 and the restatement of certain costs which relate to our discontinued operations in Kenya, Nigeria and China. See note 3 for further details.*



Barry Nichols-Grey
Finance Director
13 December 2019

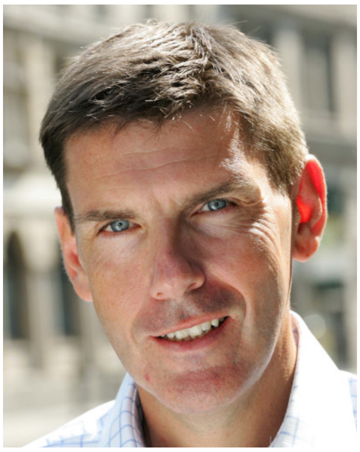
Jacqueline Daniell, CEO



Jacqueline is one of the founders of both InterHigh School and Academy21. She was previously the Chief Executive of InterHigh School where she led the operations and strategic direction with full responsibility for all the online school service delivery.

Jacqueline studied Architecture at Nottingham University, and later gained Masters degrees both in Management and in Town and Country Planning. She spent much of her career working in Project Management, creating and implementing sustainable regeneration programmes both in the Midlands and in South Wales. In 2005 she became involved in the design of an online secondary School – InterHigh, then gaining international and domestic Quality accreditations for this provision.

Barrie Whipp, Chairman



Barrie was appointed Chairman of Wey in 2019, having been a Non-Executive Director for nearly three years. Barrie has a particular interest in education; he has an Honours degree in History from the Open University and served as a Governor of Frant Church of England Primary School for 8 years, latterly as Chair of Governors. Barrie is also Executive Chairman of Crimson Tide Plc (AIM:TIDE), the provider of the mpro5 mobile app service which he founded in 1996.

Previously, Barrie founded the financial services arm of Tiphook plc and was Group Managing Director of IAF Group Plc. He served as a non-executive director of Wills Group plc as well as a number of private companies.

Barry Nichols-Grey, Finance Director

Barry is a Chartered Accountant who qualified with PwC in 2012. Prior to joining Wey, he was Finance Director at Dezrez Services Limited, a SaaS provider to the UK estate agency industry.

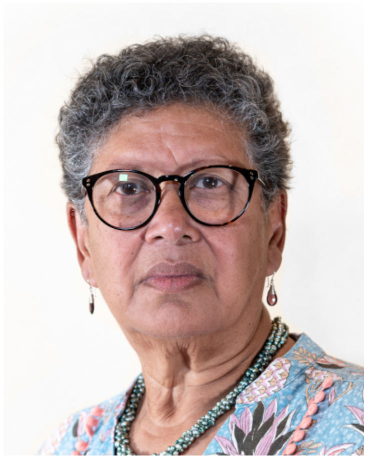
Barry studied Economics at Royal Holloway, University of London and spent two years working at the Financial Services Authority before returning to Wales to commence his accountancy training. Barry has a wide range of experience working with businesses ranging from start-ups to plcs.

Tony Knowles, HR Director

Tony has over 25 years' experience in Human Resource Management and has worked at Executive and Board level across a range of industry sectors.

He is a graduate and has a postgraduate in personnel management and is a Chartered Fellow of the CIPD. He has worked and led HR functions throughout the UK and EU as well as North America and Asia. Previously, he worked in Financial Services and more recently for a number of technology businesses successfully supporting acquisition and divestiture programmes.

Dame Erica Pienaar, Non-Executive Director



Erica has had a long and distinguished career in education and was appointed a Dame for her services to education in the 2014 Queen's Birthday Honours List.

Until her retirement in September 2013, she was Executive Head Teacher of the Leathersellers' Federation of Schools. The Federation was established in September 2008 in Lewisham and comprises three Colleges: Prendergast-Hilly Fields College, Prendergast-Ladywell Fields College and Prendergast-Vale College. The federation is a "hard federation" led by a single governing body.

She began her career as a Science Teacher in 1973 and taught for 40 years in South East London. She was the Head Teacher of Prendergast School (Hilly Fields) from 1998 to 2008. At Crofton School (renamed Prendergast-Ladywell Fields College), Erica substantially improved the fortunes of the school which had been a struggling school with a falling student roll.

John Bridges, Non-Executive Director

John Bridges has worked in the City for over fifty years. The majority of his first twenty years was in institutional stockbroking and the remainder in public company corporate finance.

The purpose of the Strategic Report is to enable shareholders to assess how the directors have performed their duty to promote the success of the Group.

Principal activities

The Group is an online educational services group using an internet-based platform to deliver teaching to students at primary, secondary and of sixth-form age both in the UK and overseas. The Group operates two school brands, InterHigh, a truly online school and Academy 21, which provides alternative education potions for other schools and businesses. The Group's overall goal is to create value for shareholders through delivering education and services to customers in a profitable business model. To achieve this the Group is pursuing the following strategic objectives:

- To increase the Group's revenues by increasing the number of students who use the Group's services;
- To deliver excellent online education; and
- To be at the forefront of registration, compliance and inspection of online education providers.

A review of the business of the Group can be found in the Chairman's Statement. The directors consider that the financial key performance indicators are turnover, operating profit before depreciation, amortisation of acquired intangible assets, equity-based share payments, earnings per share and the Group's net debt/net cash. For the year ended 31 August 2019 the non-financial key performance indicators were consolidation of the Company's learning platform, development of a registration ready school and the development of an online teaching qualification.

Review of operations

A review of the business of the Group and an indication of likely future developments including research and development can be found in the Chairman's Statement.

Key Financial Performance Indicators

The Board monitors the activities and performance of the Group on a regular basis. The primary performance indicators for the Group are:

Financial Performance

- Turnover for the year from continuing operations was £6,049,370 (2018: £4,191,873);

- The operating profit of the Group for the year from continuing operations before exceptional items, amortisation of acquired intangibles and equity- based share awards was £322,061 (2018: operating profit of £148,342);

- The loss per share from continuing operations was 0.29p (2018: loss of 0.10p per share); and

- At 31 August 2019 the Group cash balance was £4,961,373 (2018: £4,225,182.)

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The key business risks affecting the Group are set out below.

Risks are reviewed by the Board and the appropriate processes are put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the Group.

Dependence on key personnel

The Group is dependent upon its directors both at the parent company level and at the subsidiary level. The development and success of the Group depends on the Group's ability to a) adequately fund its activities and b) recruit and retain high quality and experienced staff. The inability to attract additional qualified personnel as the Group grows could have an adverse effect on the future business and financial conditions.

Funding risk

The Group may not be able to raise, either by debt or equity, sufficient funds to enable it to finance its future strategy or any identified acquisition.

IT systems
The Group operates in a highly dependent IT environment and data held by the Group needs to be secure against a background of increasing cyber threat. A breach of data security or IT systems failure could have an adverse impact on the delivery of the Group's core product, potentially resulting in reputational damage. The risk is mitigated by the use of third-party cloud hosting and software suppliers but similarly, breaches or system failures at those suppliers could have a knock-on effect to the Group.

Brexit
The Board recognises the continued uncertainty around the implications of the UK's exit from the EU and continues to monitor and put steps in place to mitigate any potential impacts to the Group.

Internal Controls
The Board recognises the importance of both financial and non-financial controls. Since the Group was established, the directors are satisfied that, given the current size and activities of the Group, adequate internal controls have been implemented. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in light of the current activity and proposed future development of the Group, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Likely future developments

The Company is ambitious with its future growth plans. It intends to grow and enhance the management team to reflect its ambitions to become the UK's largest secondary school and to go onto become the size of a multi-academy trust.

This report is made in accordance with a resolution of directors.

On behalf of the directors

Barrie R J Whipp

13 December 2019

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'group') consisting of Wey Education plc (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 August 2019.

Review of operations

The loss for the group after providing for income tax amounted to £685,417 (31 August 2018: £301,866).

Going concern

The consolidated financial position of the Group shows a positive net and current asset position at 31 August 2019.

The Group made a loss after tax for year of £685,417 (2018: £301,866) and as at 31 August 2019 the Group had a net cash balance of £4,961,373. At 31 October 2019, the Group had a net cash balance of £5,593,770.

The Group made an operating profit of £53,001 before exceptional items.

The Group's strategy to achieve profitability is through focus on continuing to grow its two core brands, Interhigh and Academy21. The Directors believe that the Group has reached an appropriate level of operational gearing in order to achieve ongoing sustainable profitability.

The Directors have prepared and reviewed the Group's cash forecast and projections for the next 12 months. Based upon these projections and analyses the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the approval of these accounts and to be able to meet its debts as and when they fall due.

In light of this, the Directors consider the going concern basis to be appropriate to the preparation of the financial statements of the Group.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Matters subsequent to the end of the financial year

On 19 September 2019, the company issued 5,183,847 new ordinary shares of 1 pence each following the exercise of share options, grants and warrants held in the name of the Estate of David Massie, its former Executive Chairman.

On 15 November 2019, the company issued 1,000,000 new ordinary shares of 1 pence each following the exercise of share options by Paul Daniell, Director of Interhigh Education Limited.

At a Board meeting subsequent to the year end, the company undertook the decision to rationalise its group structure as a result of a change in focus away from its overseas operations and focus on its two key brands. Therefore, the company expects during the next twelve months to either liquidate or strike off the following entities:

- Infinite Education Limited
- Infinite Education (No 1) Limited
- Quoralexis Learning Limited
- Wey Education Limited
- Wey Education Nigeria Limited
- Wey Education Consulting (Beijing) Limited

No other matter or circumstance has arisen since 31 August 2019 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

Likely future developments

The Directors have discussed the future developments for the business within the Strategic Report on page 10, in accordance with Section 414C of the Companies Act 2006.

Financial instruments
The Group's risk management policies in relation to financial instruments are set out in note 23 to these consolidated financial instruments.

Charitable and political donations
No charitable or political donations were made during the year (2018: £Nil)

Employees
The Group believes in valuing a diverse workforce. It is our policy to provide employment equality to all, irrespective of gender, sexual orientation, race, ethnic or national origins, nationality, colour, disability, gender reassignment, religion or belief, marriage or civil partnership, pregnancy and maternity or age. All job applicants, employees and others who work for us will be treated fairly and will not be discriminated against on any of the above grounds.

The Group gives full consideration to employment applications from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Information on directors
The full biographies of the Directors can be found on page 8.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 August 2019, and the number of meetings attended by each director were:

	Full Board		Remuneration Committee	Remuneration Committee	Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
David Massie*	-	1	-	-	1	1
Barrie Whipp	5	5	2	2	1	1
Jacqueline Daniell	5	5	-	-	-	-
Tony Knowles	5	5	1	1	-	-
Barry Nichols-Grey**	4	4	-	-	-	-
John Bridges	5	5	3	3	1	1
Erica Pienaar	5	5	3	3	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

* 1. Resigned 21 November 2018
** 2. Appointed 29 October 2018

The Board meets on a regular basis throughout the calendar year and as required on an ad hoc basis with a mandate to consider strategy, operational and financial performance and internal controls. In advance of each meeting, an agenda is set. Directors are provided with appropriate and timely information and full minutes of each meeting are provided, including a log of actions to be taken. Each action is then followed up on at the next meeting, or before if appropriate.

Indemnity of directors
The company has indemnified the directors of the company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

Substantial shareholdings

As at 31 August 2019, the company had been notified of the identity and percentage holdings of the Company's significant shareholders as set out in the table below:

	Ordinary shares	
	Number held	% of total shares issued
Gresham House Asset Management Limited	27,142,856	20.69
The Estate of David Massie	23,417,515	17.85
Jacqueline Daniell and Paul Daniell	13,066,490	9.96
Miton Group	12,926,837	9.85
Unicorn AIM VCT plc	9,772,728	7.45
Guinness Asset Management	5,714,286	4.36

Notice of Annual General Meeting

The Annual General Meeting will be held at 10 Orange Street, London, WC2H 7DQ on 28 January 2020 at 3.30 p.m.

The Notice of the Annual General Meeting, setting out the proposed resolutions is available at the end of this Annual Report and on the Company's website.

Corporate Governance Statement

The Board is committed to effective and robust corporate governance. The Board has agreed to apply the QCA Code. The QCA Code is available from the QCA website, www.theqca.com.

Further detail can be found in the Corporate Governance Statement on page 15.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that they are obliged to take as a director in order to made themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent Auditors

A resolution to reappoint Shipleys LLP as auditor will be put to the shareholders at the annual general meeting.

This report is made in accordance with a resolution of directors.

On behalf of the directors

Barrie R J Whipp

13 December 2019

Introduction

This statement is made by me, Barrie Whipp, as the Company's Chairman and explains the present corporate governance arrangements and the standards with which the Company complies. The Company has elected to adopt and comply with the QCA Corporate Governance Code (the "QCA Code"). This statement reflects the structures that the Company has adopted in order to achieve compliance with the QCA Code. The Company's website (the "Website") provides further explanation as to the Company's compliance with the ten key principles of the QCA Code.

The Board of Directors

The Company (and thereby its group (the "Group")) is ultimately managed by the directors of the Company (the "Directors"), who (individually and as a group) are responsible for running the Company for the benefit of its shareholders in accordance with their fiduciary and statutory duties. The Board of Directors (the "Board") currently comprises six Directors: two Non-Executive Directors, the Chairman and three Executive Directors (being the CEO, the HR Director and the Finance Director). The Board has three standing committees (the "Committees"): the Audit Committee, the Remuneration Committee and the Legal Committee. The Terms of Reference for each of the Committees are available on the Website.

Audit Committee

The Audit committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on. It receives and reviews reports from the Group's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The audit committee meets no less than twice each year and has unrestricted access to the Group's auditors. The audit committee comprises Barrie Whipp, as Chairman, John Bridges and Barry Nichols-Grey.

Remuneration Committee

The Remuneration committee reviews the performance of executive Directors and senior management and makes recommendations to the Board on matters relating to their remuneration and terms of employment.

The remuneration committee also makes recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. The remuneration committee will meet at least once each year. The remuneration committee comprises John Bridges, as Chairman, Erica Pienaar and Tony Knowles. The Remuneration committee has met during the year to consider the grant and exercise of EMI to members of staff, as well as Executive Remuneration.

Nomination Committee

The Board does not have a formally established nominations committee. All matters concerning the appointment and removal of Directors, and for Executive and Non-Executive Director succession planning are considered by the full Board (with any appointments subject to a shareholder vote at the next Annual General Meeting).

Chairman

In my role as Chairman, I am responsible for:

- leading the Board and ensuring that all members are able to contribute to Board discussions and the wider running of the Group as appropriate;

- ensuring that the Company acts in the best interests of shareholders and other stakeholders; and

- the Group's corporate governance arrangements.

Executive Directors

Jacqueline Daniell is the CEO and is responsible for managing the Company on a day to day basis within the authority delegated by the Board and ensuring that, alongside the Executive Team, that Board decisions are implemented effectively. In addition, the CEO is responsible for supporting the Chairman in his role.

Tony Knowles is the HR Director and is responsible for all people matters within the group.

Barry Nichols-Grey is the Finance Director and is responsible for all finance matters within the group.

Non-Executive Directors

The Non-Executive Directors are John Bridges and Dame Erica Pienaar. Both non-executive directors are considered to be independent. The Non-Executive Directors challenge and scrutinise the performance of the Executive Directors, while supporting them in their delivery of the Company's strategy and management of the Group's risks.

The Company Secretary

The Company Secretary is Barry Nichols-Grey and, in conjunction with me, he ensures that accurate, timely and clear information is provided to the Board in order for informed decisions and discussions to take place. The Company Secretary is responsible for advising the Board on governance matters and regulatory requirements. The appointment and removal of the Company Secretary is a matter reserved to the Board. All Directors have direct access to the Company Secretary and to independent professional advice at the Company's expense as required. The Board (and its committees) have not found it necessary to obtain external advice or engage any external advisers in the year in relation to any significant matters.

Time Commitment of Directors

The Executive Directors are full time and devote any time necessary to the role as required. None of the Executive Directors have any external appointments. The Chairman works for the Company on a part-time basis as required. Non-Executive Directors attend Board meetings at least quarterly (some two day, some one day). They also attend committee meetings and the Board considers that the Non-Executive Directors do exceed the expected time commitments for meetings, committees and ad-hoc events.

Frequency of Meetings

The Board meets at least four times a year and relevant information is distributed to Directors in advance of the meetings. Other meetings to deal with urgent or procedural matters which may occur between full meetings of the Board are held by telephone. The Group does not have a formal schedule of matters reserved to the Board but does maintain a delegated authority framework which is periodically reviewed and approved by the Board. Save for those matters delegated, the Board makes decisions on all material matters including strategy, annual operating and capital budgets, capital structure and financial and internal controls.

Details of the individual Director's attendance at Board and Committee meetings can be found in the Director's Report.

Evaluating Board Performance

The Board has a number of sources of information from which it judges its own performance and that of the individual Directors, these include but are not limited to:

- financial performance indicators including revenue, student numbers, gross margin, net margin, earnings per share and cash flow;
- the Company's share price;
- reports from external auditors; shareholder feedback;
- customer feedback;
- formal and informal reviews of its effectiveness by the Company's nominated adviser; and
- employee feedback.

All these factors are considered and action taken to improve performance as appropriate. The Board will formally evaluate its own performance (whether itself, through its retained advisers, or by engaging external consultants) not less than once a year. A Board performance evaluation is due to take place in 2020. Directors have access to professional courses where appropriate. Non-Executive Directors ensure they keep current with appropriate regulations and Board-appropriate websites and current affairs.

Communication with Shareholders

The Board attaches a high priority to communication with shareholders having regard to its obligations as a quoted public company and the AIM Rules. The Group liaises regularly with major shareholders and there is an opportunity for individual shareholders to question the management of the Company through the Chairman at the Annual General Meeting as well as Investor Events held by the Company.

Culture

The Board recognises that it has a unique position as an educational provider in that delivering educational outcomes must remain central to the Group's business objectives and model. As such, the company promotes this culture at all levels of the organisation with policies and procedures designed to ensure that all staff maintain a continual focus on ensuring that students achieve their desired educational outcomes. The Board, led by its Chairman, promotes an open, honest and non-discriminatory culture. It extends this culture through the attendance of relevant managers at Board meetings. Staff are regularly updated in meetings, both of administrative and teaching staff.

Risk Management and Internal Controls

The Board seeks to understand and manage the various risks that arise from its operations which include:

- reputational risk;
- contractual risk;
- technical risk;
- resourcing and infrastructure;
- anti-corruption and compliance;
- board and management succession; and
- price and margin.

The Board has overall responsibility for risk management and the Group's systems of internal controls. Responsibility for implementing sound and effective systems of internal control has been delegated to the Executive Directors and senior management. Key risks to the Group's business are recorded in a Group Risk Register and mitigants, controls and corrective actions are reviewed regularly by the Executive Directors and the Board. An organisational structure with clear operating procedures, lines of responsibility and delegated authority has been established and is kept under review. The purpose of the systems of internal control is to manage rather than eliminate the failure to achieve business objectives and can only provide reasonable, but no absolute, assurance against material misstatement or loss.

City Code on Takeovers and Mergers

The Company is subject to the City Code on Takeovers and Mergers.

As an AIM listed company, the company is not required to comply with Schedule 8 of the Companies Act. However, in accordance with AIM notice 36, the Company has provided, in the Directors' remuneration report, the necessary disclosure of the Directors' remuneration earned in respect of the financial year by each Director of the Company acting in such a capacity during the financial year. The Directors also feel it is appropriate to provide the following information to shareholders.

Principles used to determine the nature and amount of remuneration

The objective of the group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The Remuneration Committee is chaired by John Bridges and its other members are Erica Pienaar and Tony Knowles. The Committee refers to external evidence of pay and employment conditions in other company and is free to seek advice from external advisers.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit and revenue growth as core components of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined by the Remuneration Committee based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

Executive remuneration

The group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has three components:

- base pay and non-monetary benefits;
- short-term performance incentives; and
- share options.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, pension contributions and non-monetary benefits, are reviewed annually by the Remuneration Committee based on individual and overall business performance and comparable market remunerations.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved.

The long-term incentives ('LTI') include share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures.

The Nomination and Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance-based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Details of remuneration

Amounts of remuneration

	Fees/ Salary £	Other £	Pension £	TOTAL 2019 £	TOTAL 2018 £
Current Directors					
B. R. J. Whipp	42,277	884	-	43,151	13,200
J. K. Daniell	137,177	16	10,000	147,193	81,044
B. P. Nichols-Grey*	76,417	319	1,421	78,157	-
A. G. Knowles	90,833	283	1,727	92,843	19,890
J. E. R. Bridges	15,000	-	-	15,000	13,200
Dame E. C. Pienaar	15,000	11,560	-	26,560	18,134
	376,704	13,062	13,148	402,904	145,468
Past Directors					
D. L Massie**	22,436	2,692	-	25,128	43,000
	399,140	15,754	13,148	428,032	188,468

*Mr. Barry Nichols-Grey was appointed as a Director on 29 October 2018 and the costs above reflect remuneration received from this date.

**Mr. David Massie resigned as a Director on 21 November 2018. For further details see note 5.

The Group has a bonus scheme which was effective during the year for the Executive Directors. Bonuses were paid to the Executive Directors by the Group of £83,000 are included in the above amounts (2018: £Nil).

Share-based compensation

Issue of shares
There were no shares issued to directors as part of compensation during the year ended 31 August 2019.

Options
During the year the cost of equity-based share awards relating to the Directors amounted to £63,047 (2018: £56,283)

Barrie Whipp exercised options over 500,000 shares during the year.

Directors' Interests

Shareholding
The number of shares in the company held during the financial year by each director of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Options exercised	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
J. K and P. Daniell	13,065,157	-	1,333	-	13,066,490
B. R. J Whipp	21,000	500,000	222,000	-	743,000
A. G. Knowles	-	-	216,862	-	216,862
B. P. Nichols-Grey	-	-	83,633	-	83,633
J. E. R. Bridges	500,000	-	-	-	500,000
Dame E. C. Pienaar	200,000	-	-	-	200,000
	13,786,157	500,000	523,828	-	14,809,985

Option holding
The number of options over ordinary shares in the company held during the financial year by each director of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
J. K. and P. Daniell	2,000,000	-	-	-	2,000,000
B. R. J. Whipp	500,000	-	(500,000)	-	-
A. G. Knowles	3,091,343	-	-	-	3,091,343
B. P. Nichols-Grey	3,091,343	-	-	-	3,091,343
	8,682,686	-	(500,000)	-	8,182,686

Service contracts
The Executive Directors of the Company do not have a notice period in excess of 12 months under the terms of their service contracts. Their service contracts contain no provisions for pre-determined compensation on termination which exceeds 12 months' salary and benefits in kind. Non-Executive Directors do not have service contracts with the Company, but have letters of appointment which can be terminated on one or three months' notice.

Company policy on external appointments
The Company recognises the its Directors are likely to be invited to become non-executive directors of other company and that exposure to such non-executive duties can broaden their experience and knowledge; which will benefit the Group. Executive and Non-Executive Directors are therefore, subject to approval of the Company's Board, allowed to accept non-executive appointments, as long as these are not with competing companies and are not likely to lead to conflicts of interest. Executive and Non-Executive Directors are allowed to retain the fees paid.

None of the Executive Directors currently hold any external appointments. The Chairman currently works for the Company on a part-time basis as required.

Changes to Board members
Barry Nichols-Grey was appointed to the Board as Finance Director on 29 October 2018 following the completion of his probationary period with the Group.

Following the resignation of David Massie as Executive Chairman, Barrie Whipp was appointed as Interim Chairman and Jacqueline Daniell as Interim CEO. These appointments were confirmed as permanent on 4 February 2019.

This report is made in accordance with a resolution of directors.

On behalf of the directors

Barrie R J Whipp

13 December 2019

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

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, the Directors are required under the AIM rules of the London Stock Exchange to prepare the Group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), and have elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). - UK Generally Accepted Accounting Practice ("UK GAAP").

The Group financial statements are required by law and IFRS adopted by the EU to present fairly the financial position and performance of the Group; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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;
- state whether International Financial Reporting Standards ('IFRS') have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the financial statements of Wey Education plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 August 2019 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Balance Sheet, Consolidated and Company Statement of Changes in Equity, Consolidated and Company Cash Flow Statement and related notes including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 August 2019 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 as applied to listed entities, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

Risk	How the scope of our audit responded to the risk
Management override of controls Journals can be posted that significantly alter the Financial Statements	We examined journals posted around the year end, specifically focusing on areas which are more easily manipulated such as accruals, prepayments, bank reconciliations and tax.
Going Concern There is a risk that the company may hold insufficient working capital to allow it to meet its financial obligations as they fall due thus giving rise to a going concern risk.	Existing cash reserves have been evidenced and future cashflow forecasts have been reviewed to ensure sufficient cash headroom exists for a period of at least one year from the date of approving these financial statements.
Fraud in Revenue Recognition There is a risk that revenue is materially understated due to fraud.	Income was tested on a sample basis for completeness and we concluded that no evidence of fraud or other understatement was identified.
Accounting Estimates Potential risk of inappropriate accounting estimates giving rise to misstatement in the accounts.	Accruals were agreed to expected costs and supporting documentation, and other areas were examined to identify any potential accounting estimates.
Risk of material misstatement within related party transactions There is the risk that related party transactions are potentially incomplete or materially misstated.	Correspondence, including Board Minutes, and accounting records were reviewed for evidence of material related party transactions and it is considered that all relevant items have been disclosed.
Disclosures There is a risk of incorrect or incomplete disclosures in the financial statements.	The financial statements have been reviewed and checks have been undertaken to ensure all material disclosure requirements have been met.

Our audit procedures relating to these matters were designed in the context of our audit of the Financial Statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the Financial Statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning and in the scope of our audit work and in evaluating the results of our work.

We determine materiality for the Group to be £82,300 and this financial benchmark, which has been used throughout the audit, was determined by way of a standard formula being applied to key financial results and balances presented in the Financial Statements. Where considered relevant the materiality is adjusted to suit the specific area risk profile of the Group.

Other information

The Directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Directors Report but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group 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 Group Strategic Report and the Directors Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors Report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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 Statement of Directors' Responsibilities set out on page 21 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 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Auditors 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 for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditor 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.

Shipleys LLP

Stewart Jell (Senior Statutory Auditor)
For and on behalf of Shipleys LLP
Chartered Accountants and Statutory Auditors
10 Orange Street
Haymarket
London
WC2H 7DQ

13 December 2019

Wey Education plc
Statements of profit or loss and other comprehensive income
For the year ended 31 August 2019

	Note	Consolidated 2019 £	Consolidated 2018 £
Revenue		6,049,370	4,191,873
Cost of sales		(2,447,538)	(1,950,045)
Gross profit		3,601,832	2,241,828
Other income		5,668	400
Expenses			
Administrative expenses		(3,445,439)	(2,253,885)
Equity based share awards		(109,060)	(95,452)
Operating profit/(loss)		53,001	(107,109)
Exceptional Costs		(435,755)	(61,313)
Exceptional Income		-	7,500
Interest income		2,063	433
Loss before income tax benefit from continuing operations		(380,691)	(160,489)
Income tax benefit	8	7,804	33,095
Loss after income tax benefit from continuing operations		(372,887)	(127,394)
Loss after income tax expense from discontinued operations	9	(312,530)	(174,472)
Loss after income tax benefit for the year attributable to the owners of Wey Education plc	21	(685,417)	(301,866)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Wey Education plc		(685,417)	(301,866)
Total comprehensive income for the year is attributable to:			
Continuing operations		(372,887)	(127,394)
Discontinued operations		(312,530)	(174,472)
		(685,417)	(301,866)

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Wey Education plc
Statements of profit or loss and other comprehensive income
For the year ended 31 August 2019

	Note	Consolidated 2019 £	2018 £
		Pence	**Pence**
Earnings per share for loss from continuing operations attributable to the owners of Wey Education plc			
Basic earnings per share	10	(0.29)	(0.10)
Diluted earnings per share	10	(0.29)	(0.10)
Earnings per share for loss from discontinued operations attributable to the owners of Wey Education plc			
Basic earnings per share	10	(0.24)	(0.14)
Diluted earnings per share	10	(0.24)	(0.14)
Earnings per share for loss attributable to the owners of Wey Education plc			
Basic earnings per share	10	(0.52)	(0.25)
Diluted earnings per share	10	(0.52)	(0.25)

Refer to note 3 for detailed information on Restatement of comparatives.

There is no recognised income or expense for the year other that the loss shown above and therefore no separate statement of other comprehensive income has been presented

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Wey Education plc
Statements of financial position
As at 31 August 2019

	Note	Consolidated 2019 £	Consolidated 2018 £	Parent 2019 £	Parent 2018 £
Assets					
Current assets					
Trade and other receivables	11	735,334	626,749	718,773	199,559
Cash and cash equivalents	12	4,961,373	4,225,182	1,084,125	2,910,212
Total current assets		5,696,707	4,851,931	1,802,898	3,109,771
Non-current assets					
Goodwill	13	1,630,939	1,630,939	-	-
Investment in subsidiaries	14	-	-	1,702,107	1,925,332
Intangibles	15	449,628	562,645	326,294	270,843
Property, Plant and Equipment	16	170,990	188,859	141,918	145,979
Total non-current assets		2,251,557	2,382,443	2,170,319	2,342,154
Total assets		7,948,264	7,234,374	3,973,217	5,451,925
Liabilities					
Current liabilities					
Trade and other payables	17	323,904	203,253	192,438	201,255
Other	18	1,865,067	703,157	474,259	115,158
Total current liabilities		2,188,971	906,410	666,697	316,413
Total liabilities		2,188,971	906,410	666,697	316,413
Net assets		5,759,293	6,327,964	3,306,520	5,135,512
Equity					
Issued capital	19	1,312,072	1,307,072	1,312,072	1,307,072
Reserves	20	1,730,692	7,625,346	1,730,692	7,625,346
Retained profits/(accumulated losses)	21	2,716,529	(2,604,454)	263,756	(3,796,906)
Total equity		5,759,293	6,327,964	3,306,520	5,135,512

Refer to note 3 for detailed information on Restatement of comparatives.

These financial statements were approved by the directors and authorised for issue on 13 December 2019 and are signed by:

Barrie R J Whipp
Director

The above statements of financial position should be read in conjunction with the accompanying notes

Wey Education plc
Statements of changes in equity
For the year ended 31 August 2019

Consolidated	**Issued capital £**	**Share Premium £**	**Option Reserve £**	**Retained profits £**	**Total equity £**
Balance at 1 September 2017	1,039,685	2,868,263	77,288	(2,323,251)	1,661,985
Loss after income tax benefit for the year	-	-	-	(301,866)	(301,866)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(301,866)	(301,866)
Issue of shares for cash	227,273	4,772,727	-	-	5,000,000
Exercise of share options and warrants	40,114	157,954	(20,663)	20,663	198,068
Expenses associated with share issue	-	(283,921)	-	-	(283,921)
Equity based share awards	-	-	53,698	-	53,698
Balance at 31 August 2018	1,307,072	7,515,023	110,323	(2,604,454)	6,327,964

Refer to note 3 for detailed information on Restatement of comparatives.

Consolidated	**Issued capital £**	**Share Premium £**	**Option Reserves £**	**Retained profits £**	**Total equity £**
Balance at 1 September 2018	1,307,072	7,515,023	110,323	(2,604,454)	6,327,964
Loss after income tax benefit for the year	-	-	-	(685,417)	(685,417)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(685,417)	(685,417)
Exercise of share options and warrants	5,000	15,000	(6,400)	6,400	20,000
Equity based share awards	-	-	96,746	-	96,746
Capital reorganisation	-	(6,000,000)	-	6,000,000	-
Balance at 31 August 2019	1,312,072	1,530,023	200,669	2,716,529	5,759,293

Parent	**Issued capital £**	**Share Premium £**	**Share Option Reserve £**	**Retained profits £**	**Total equity £**
Balance at 1 September 2017	1,039,685	2,868,263	77,288	(2,744,397)	1,240,839
Loss after income tax benefit for the year	-	-	-	(1,073,172)	(1,073,172)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(1,073,172)	(1,073,172)
Issue of shares for cash	227,273	4,772,727	-	-	5,000,000
Exercise of share options and warrants	40,114	157,954	(20,663)	20,663	198,068
Expenses associated with issue of shares	-	(283,921)	-	-	(283,921)
Equity based share awards	-	-	53,698	-	53,698
Balance at 31 August 2018	1,307,072	7,515,023	110,323	(3,796,906)	5,135,512

The above statements of changes in equity should be read in conjunction with the accompanying notes

Wey Education plc
Statements of changes in equity
For the year ended 31 August 2019

Parent	Issued capital £	Share Premium £	Option Reserve £	Retained profits £	Total equity £
Balance at 1 September 2018	1,307,072	7,515,023	110,323	(3,796,906)	5,135,512
Loss after income tax benefit for the year	-	-	-	(1,945,738)	(1,945,738)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(1,945,738)	(1,945,738)
Exercise of share options and warrants	5,000	15,000	(6,400)	6,400	20,000
Equity based share awards	-	-	96,746	-	96,746
Capital reorganisation	-	(6,000,000)	-	6,000,000	-
Balance at 31 August 2019	1,312,072	1,530,023	200,669	263,756	3,306,520

Issued Capital
Issued capital represents the par value of ordinary shares issued by the Company.

Share premium
Share premium represents the difference between the issue price and the par value of ordinary shares issued by the Company.

Share Option Reserve
Share option reserve represents the cumulative share-based payment expense for the Company's share option schemes.

Retained profits
Retained profits represent the cumulative profit and loss net of distributions to owners.

Wey Education plc
Statements of cash flows
For the year ended 31 August 2019

	Note	Consolidated 2019 £	Consolidated 2018 £	Parent 2019 £	Parent 2018 £
Cash flows from operating activities					
Loss before income tax benefit for the year		(693,221)	(334,961)	(1,953,542)	(1,103,870)
Adjustments for:					
Depreciation and amortisation		192,173	225,857	80,925	56,714
Impairment		8,468	-	-	-
Share-based payments		96,746	53,698	96,746	53,698
Interest received		(2,063)	(433)	-	(25,972)
		(397,897)	(55,839)	(1,775,871)	(1,019,430)
Change in operating assets and liabilities:					
Decrease/(increase) in trade and other receivables		(108,585)	(101,009)	(519,214)	429,730
Decrease in other operating assets		64,190	-	223,191	-
Increase/(decrease) in trade and other payables		120,651	(64,626)	(8,817)	33,448
Increase/(decrease) in other operating liabilities		1,161,910	(50,480)	359,101	93,794
		840,269	(271,954)	(1,721,610)	(462,458)
Income taxes refunded		7,804	33,095	7,804	30,698
Net cash from/(used in) operating activities		848,073	(238,859)	(1,713,806)	(431,760)
Cash flows from investing activities					
Payment for purchase of business, net of cash acquired		-	(1,338,279)	-	-
Payments for investments		-	-	-	(1,925,226)
Payments for property, plant and equipment	16	(46,324)	(102,476)	(44,661)	(97,257)
Payments for intangibles	15	(87,621)	(14,904)	(87,620)	(6,436)
Interest received		2,063	433	-	25,972
Net cash used in investing activities		(131,882)	(1,455,226)	(132,281)	(2,002,947)
Cash flows from financing activities					
Proceeds from issue of shares	19	20,000	4,914,147	20,000	4,914,147
Net cash from financing activities		20,000	4,914,147	20,000	4,914,147
Net increase/(decrease) in cash and cash equivalents		736,191	3,220,062	(1,826,087)	2,479,440
Cash and cash equivalents at the beginning of the financial year		4,225,182	1,005,120	2,910,212	430,772
Cash and cash equivalents at the end of the financial year	12	4,961,373	4,225,182	1,084,125	2,910,212

The above statements of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group.

The following Accounting Standards and Interpretations are most relevant to the group:

IFRS 9 Financial Instruments

The consolidated entity has adopted IFRS 9 from 1 September 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

See note 11 for further information on the adoption of IFRS9.

IFRS 15 Revenue from Contracts with Customers

Revenue from contracts with customers, deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard is effective for annual periods beginning on or after 1 January 2018. No changes have been made in respect of this amendment as it does not apply to the Group.

IFRS 16 Leases

The consolidated entity is due to adopt IFRS 16 from September 2019. The standard replaces IAS 17 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under IFRS 16 will be higher when compared to lease expenses under IAS 17. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

See note 26 for further information on the impact of IFRS 16.

Note 1. Significant accounting policies (continued)

Annual Improvements to IFRS standards 2014 - 2016 cycle was issued on 8 December 2016 and addresses the following amendments:

- IFRS 1 "First time adoption of International Financial Reporting Standards" deleted the short-term exemptions dealing with IFRS 7 Financial Instruments: Disclosures, IAS 19 Employee Benefits and IFRS 10 Consolidated Financial Statements. The amendment is effective for annual periods beginning on or after 1 January 2018. No changes have been made in respect of this amendment as the reliefs provided are no longer applicable.

- IFRS 12 "Disclosure of interest in other entities" clarifies that entities are no exempt from all of the disclosure requirements in IFRS 12 when entities have been classified as held for sale or as discontinued operations. The amendment is effective for annual periods beginning on or after 1 January 2017. All changes in respect of this amendment have been applied.

- IAS 28 "Investments in associated and joint ventures" provides a choice of accounting for investments in joint ventures and associated at fair value or using the equity method. The amendment is effective for annual periods beginning on or after 1 January 2018. No changes have been made in respect of this amendment as it does not apply to the Group.

- IFRS 2, "Classification and measurement of share-based payment transactions", provides requirements on the accounting for: the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The standard is effective for accounting periods on or after 1 January 2018. The Group has implemented the standard and no retrospective adjustments were made.

New standards, amendments and interpretations not yet adopted

Annual improvements to IFRS standards 2015-2017 cycle was issued on 12 December 2017 and addresses the following amendments:

- IFRS 3 "Business combinations" clarifies that an acquirer is to remeasure the fair value of previously held interests at acquisition date.

- IFRS 11 "Joint arrangements" states that when a party subsequently obtains joint control, it must not remeasure its previously held interest.

- IAS 12 "Income taxes" applies to income tax consequences of dividends recognised on or after the beginning of the earliest comparative period presented.

- IAS 23 "Borrowing costs" clarified that once a qualifying asset funded through specific borrowings becomes ready for its intended use or sale, the rate applied on those borrowings is included in the determination of the capitalisation rate applied to general borrowings.

Note 1. Significant accounting policies (continued)

Going concern
The consolidated financial position of the Group shows a positive net and current asset position at 31 August 2019.

The Group made a loss after tax for the year of £685,417 (2018: £301,868) and as at 31 August 2019 the Group had a net cash balance of £4,961,371. At 31 October 2019, the Group had a net cash balance of £5,593,770.

The Group made an operating profit of £53,001 before exceptional items.

The Group's strategy to achieve profitability is through focus on continuing to grow its two core brands, Interhigh and Academy21. The Directors believe that the Group has reached an appropriate level of operational gearing in order to achieve ongoing sustainable profitability.

The Directors have prepared and reviewed the Group's cash forecast and projections for the next 12 months. Based upon these projections and analyses the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the approval of these accounts and to be able to meet its debts as and when they fall due.

In light of this, the Directors consider the going concern basis to be appropriate to the preparation of the financial statements of the Group.

Basis of preparation
These general purpose financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and the Companies Act 2006, as appropriate for for-profit oriented entities.

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's and 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 in note 2.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Wey Education plc ('company' or 'parent entity') as at 31 August 2019 and the results of all subsidiaries for the year then ended. Wey Education plc and its subsidiaries together are referred to in these financial statements as the 'group'.

Subsidiaries are all those entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Note 1. Significant accounting policies (continued)

Where the group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Interests in subsidiaries are accounted for at cost, less any impairment, in the parent entity. Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Revenue recognition
The group recognises revenue as follows:

Revenue from contracts with customers
Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year. Deposits received from customers are not recognised as income. At the end of the contract they are returned to customers or set-off against amount due from the customer.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 1. Significant accounting policies (continued)

Discontinued operations
A discontinued operation is a component of the group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

The group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Property, plant and equipment
Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Office equipment	20% on cost and 33.33% on cost
Leasehold improvements	20% on cost
Fixtures and fittings	10% on cost

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Note 1. Significant accounting policies (continued)

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Intangible assets comprise goodwill obtained on the acquisition of the InterHigh business and the acquisition of the entire share capital of Academy 21 Limited.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company’s share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired and is carried at cost less accumulated impairment losses.

Goodwill is allocated to CGUs for the purpose of impairment testing.

A CGU is identified at the lowest aggregation of assets that generate largely independent cash inflows, and that which is looked at by management for monitoring and managing the business.

If the recoverable amount of the CGU is less than the carrying amount, an impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment is recognised immediately in the income statement and is not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the group is able to use or sell the asset; the group has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Note 1. Significant accounting policies (continued)

Other intangible assets
Purchased software and internally developed software: Software acquired by the Company which has a finite useful life is measured at cost less accumulated amortisation and any accumulated impairment losses. Expenditure on the research phase of projects to develop new customised software is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet the following criteria:

- the development cost can be measured reliably;
- the project is technically feasible and viable;
- the Company intends to and has sufficient resources to complete the project;
- the Company has the ability to use or sell the software; and
- the software will generate probable future economic benefits.

Intangible assets are carried at cost less accumulated amortisation and any impairment losses. Intangible assets arising on acquisition of subsidiaries or businesses are recognised separately from goodwill if the fair value of these assets can be identified separately and measured reliably.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits
Employee entitlements to annual leave and long service payment due on retirement or termination are recognised when they accrue to the employees. A provision is made for the estimated liability for annual leave and long-service payment as a result of services rendered by employees up to the balance sheet date. The estimated liability is calculated net of expected reduction from benefits available from social security funds.

Employee entitlements to sick leave and other non-accumulating compensated absences are not recognised until the time of leave.

Pension contributions paid to or on behalf of employees are expensed as they accrue.

Termination benefits are recognised when, and only when, the Company commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

Note 1. Significant accounting policies (continued)

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

The cost of share-based employee compensation arrangements, whereby directors and employees receive remuneration in the form of shares or share options and share-based payments to suppliers, is recognised as an expense in the income statement. The total expense to be apportioned over the vesting period of the benefit is determined by reference to the fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The assumptions underlying the number of awards expected to vest are subsequently adjusted for the effects of non market-based vesting to reflect the conditions prevailing at the balance sheet date. Fair value is measured by the use of a Black-Scholes pricing model. The expected life used in the model has been adjusted, based on the directors' best estimate, for the effects of the non-transferability, exercise restrictions and behavioural considerations. An Option Reserve has been established and contains the share options which are outstanding at the balance sheet date.

Where the terms of an equity-settled award are modified, an incremental value is calculated as the difference between the fair value of the repriced option and the fair value of the original option at the date of re-pricing. This incremental value is then recognised as an expense over the remaining vesting period in addition to the amount recognised in respect of the original option grant.

Where an equity-settled award is cancelled or settled (that is, cancelled with some form of compensation) it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. Any compensation paid up to the fair value of the award is accounted for as a deduction from equity. Where an award is cancelled by forfeiture, when the vesting conditions are not satisfied, any costs already recognised are reversed.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

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

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Note 1. Significant accounting policies (continued)

Where the business combination is achieved in stages, the group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Wey Education plc, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Value-Added Tax ('VAT') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

Cash Flow

The Group has elected to disclose its cash flows from operating activities using the indirect method that requires the profit or loss to be adjusted for the effects of non-cash movements, changes in working capital and items relating to investing and finance activities.

Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 31 August 2019. The group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted and requires assumptions to be made including the future volatility of the Company's share price, The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

The amount of any loss is recognised in the income statement within administrative expenses.

Fair value measurement hierarchy
The group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets
The group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets
The group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Income tax
The group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The group recognises liabilities for anticipated tax audit issues based on the group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Business combinations
As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 3. Restatement of comparatives

Change in accounting policy
IFRS9 - Financial Instruments was adopted by the group from 1 September 2018.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts.

The group has restated the comparative trade receivable balances. The impact of the change in accounting policy amounts to an increase in bad debt provision of £105,485 at 31 August 2018. For further details see note 11.

Discontinued Operations
During the year, the entity took the decision to cease operations in its overseas entities. Therefore, the results of the following entities have been reclassified as discontinued operations in accordance with IFRS5:

Wey Nigeria Limited;
Wey Education Limited; and
Wey Education Consulting (Beijing) Limited

In addition, various expenses incurred by the parent entity in relation to the discontinued operations have been classified within discontinued operations.

The impact of the reclassification for the prior period consolidated statement of profit or loss and other comprehensive income is a reduction in administrative expenses of £105,182 and a reduction in exceptional costs of £69,290, which have both been reclassified to loss from discontinued operations.

Note 3. Restatement of comparatives (continued)

Statements of profit or loss and other comprehensive income

		Consolidated	
	2018		2018
	£	£	£
Extract	**Reported**	**Adjustment**	**Restated**
Expenses			
Administrative expenses	(2,253,585)	(300)	(2,253,885)
Operating loss	(106,809)	(300)	(107,109)
Exceptional Costs	(130,603)	69,290	(61,313)
Loss before income tax benefit from continuing operations	(229,479)	68,990	(160,489)
Income tax benefit	33,095	-	33,095
Loss after income tax benefit from continuing operations	(196,384)	68,990	(127,394)
Loss after income tax expense from discontinued operations	-	(174,472)	(174,472)
Loss after income tax benefit for the year attributable to the owners of Wey Education plc	(196,384)	(105,482)	(301,866)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year attributable to the owners of Wey Education plc	(196,384)	(105,482)	(301,866)
Total comprehensive income for the year is attributable to:			
Continuing operations	(196,384)	68,990	(127,394)
Discontinued operations	-	(174,472)	(174,472)
	(196,384)	(105,482)	(301,866)
	Pence Reported	**Pence Adjustment**	**Pence Restated**
Earnings per share for loss from continuing operations attributable to the owners of Wey Education plc			
Basic earnings per share	(0.16)	0.06	(0.10)
Diluted earnings per share	(0.16)	0.06	(0.10)
Earnings per share for loss from discontinued operations attributable to the owners of Wey Education plc			
Basic earnings per share	-	(0.14)	(0.14)
Diluted earnings per share	-	(0.14)	(0.14)
Earnings per share for loss attributable to the owners of Wey Education plc			
Basic earnings per share	(0.16)	(0.09)	(0.25)
Diluted earnings per share	(0.16)	(0.09)	(0.25)

Note 3. Restatement of comparatives (continued)

Statements of financial position at the beginning of the earliest comparative period
When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 September 2017. However, as there were no adjustments made as at 1 September 2017, the group has elected not to show the 1 September 2017 statement of financial position.

Statements of financial position at the end of the earliest comparative period

		Consolidated	
	2018		2018
	£	£	£
Extract	**Reported**	**Adjustment**	**Restated**
Assets			
Current assets			
Trade and other receivables	732,234	(105,485)	626,749
Total current assets	4,957,416	(105,485)	4,851,931
Total assets	7,339,859	(105,485)	7,234,374
Net assets	6,433,449	(105,485)	6,327,964
Equity			
Accumulated losses	(2,498,969)	(105,485)	(2,604,454)
Total equity	6,433,449	(105,485)	6,327,964

Note 4. Geographical Analysis of Turnover

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

Consolidated - 2019	United Kingdom £	Europe £	Middle East £	Africa £	Other Countries £	Total £
Online Education	5,160,186	352,289	260,082	39,117	237,696	6,049,370
Other	5,668	-	-	-	-	5,668
	5,165,854	352,289	260,082	39,117	237,696	6,055,038

Consolidated - 2018	United Kingdom £	Europe £	Middle East £	Africa £	Other Countries £	Total £
Online Education	3,553,063	275,949	183,715	29,531	132,064	4,174,322
Other	17,551	-	-	-	-	17,551
	3,570,614	275,949	183,715	29,531	132,064	4,191,873

Sales are allocated based on the country in which the customer is located.

Note 5. Expenses

The profit/(loss) for the year form continuing activities is stated after charging:

	Consolidated 2019 £	Consolidated 2018 £
Loss before income tax from continuing operations includes the following specific expenses:		
Depreciation		
Leasehold improvements	20,468	6,058
Office equipment	43,727	30,420
Total depreciation	64,195	36,478
Amortisation		
Trademarks and brands	18,468	10,000
Software	112,173	109,378
Other intangible assets	70,000	70,000
Total amortisation	200,641	189,378
Total depreciation and amortisation	264,836	225,856
Employee benefits expense		
Share-based payments	109,060	95,542
Exceptional items		
Acquisition costs	-	42,970
Legal costs	8,787	18,343
Litigation (receipts)	-	(7,500)
Termination and restructuring costs	252,205	-
Onerous lease costs	174,627	-
Total exceptional items	435,619	53,813

Termination and restructuring costs relate to the termination costs for certain employees as a result of the restructuring of the group's operations during the year as discussed in the Chairman's Statement and include the settlement of liabilities with the Estate of David Massie.

Onerous lease costs relate to the costs of the group's previous Head Office and London Learning Centre.

Note 6. Average number of employees and employee benefits expense

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

	Consolidated 2019	Consolidated 2018
Directors	6	5
Teaching	75	71
Sales and administration	26	22
Average number of employees	107	98

Note 6. Average number of employees and employee benefits expense (continued)

The employee benefits expense during the year was as follows:

	Consolidated	
	2019	2018
	£	£
Wages and salaries	3,062,757	2,245,541
Directors' remuneration	414,894	161,200
Equity based share payments	109,060	91,631
Directors Pensions	13,148	10,390
Staff pensions	60,171	41,450
Social security costs	341,947	222,350
Total employee benefits expense	4,001,977	2,772,562

Key management personnel, as defined by IAS 24 'Related Party Disclosures' have been identified as the Board of Directors, as the controls operated by the Group ensure that all key decisions are reserved for the Board of Directors. Detailed disclosures of the directors' individual's remuneration and pension contributions and the aggregate amount of key management remuneration for those directors who served during the year are set out in the director's remuneration report.

Note 7. Directors' remuneration

	Consolidated	
	2019	2018
	£	£
Aggregate remuneration in respect of qualifying services	428,032	188,468
Aggregate amounts of contributions to pension schemes in respect of qualifying services	13,148	10,390
Highest paid director - aggregate remuneration	147,193	81,044

Note 8. Income tax

	Consolidated 2019 £	2018 £
Income tax benefit		
Current tax	-	(33,757)
Adjustment recognised for prior periods	(7,804)	662
Aggregate income tax benefit	(7,804)	(33,095)
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit from continuing operations	(380,691)	(160,489)
Loss before income tax expense from discontinued operations	(312,530)	(174,472)
	(693,221)	(334,961)
Tax at the statutory tax rate of 19%	(131,712)	(63,643)
Adjustment recognised for prior periods	(7,804)	662
Current year tax losses not recognised	124,476	81,807
Change in accounting policy	(20,042)	20,042
Consolidation adjustments	(37,908)	5,004
Non-deductible items	110,073	37,679
Capital allowances	(44,887)	(20,300)
Enhanced relief for research and development expenditure	-	(94,346)
Income tax benefit	(7,804)	(33,095)

Note 9. Discontinued operations

Description

During the year, the group took the decision to cease its operations in China, Kenya and Nigeria. Therefore, the financial results from these entities is determined as follows.

Financial performance information

	Consolidated 2019 £	Consolidated 2018 £	Parent 2019 £	Parent 2018 £
Discontinued operations	(312,530)	(174,472)	(140,114)	(166,746)
Loss before income tax expense	(312,530)	(174,472)	(140,114)	(166,746)
Income tax expense	-	-	-	-
Loss after income tax expense from discontinued operations	(312,530)	(174,472)	(140,114)	(166,746)

Note 10. Earnings per share

	Consolidated 2019 £	Consolidated 2018 £
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Wey Education plc	(372,887)	(127,394)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	130,781,092	122,934,180
Weighted average number of ordinary shares used in calculating diluted earnings per share	130,781,092	122,934,180
	Pence	**Pence**
Basic earnings per share	(0.29)	(0.10)
Diluted earnings per share	(0.29)	(0.10)

	Consolidated 2019 £	Consolidated 2018 £
Earnings per share for loss from discontinued operations		
Loss after income tax attributable to the owners of Wey Education plc	(312,530)	(174,472)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	130,781,092	122,934,180
Weighted average number of ordinary shares used in calculating diluted earnings per share	130,781,092	122,934,180
	Pence	**Pence**
Basic earnings per share	(0.24)	(0.14)
Diluted earnings per share	(0.24)	(0.14)

	Consolidated 2019 £	Consolidated 2018 £
Earnings per share for loss		
Loss after income tax attributable to the owners of Wey Education plc	(685,417)	(301,866)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	130,781,092	122,934,180
Weighted average number of ordinary shares used in calculating diluted earnings per share	130,781,092	122,934,180
	Pence	**Pence**
Basic earnings per share	(0.52)	(0.25)
Diluted earnings per share	(0.52)	(0.25)

Note 11. Current assets - trade and other receivables

	Consolidated 2019 £	Consolidated 2018 £	Parent 2019 £	Parent 2018 £
Trade receivables	862,781	663,858	-	-
Less: Allowance for expected credit losses	(364,503)	(198,666)	-	-
	498,278	465,192	-	-
Other receivables	117,434	62,592	48,641	58,099
Amounts due from group undertakings	-	-	558,401	56,978
Prepayments	119,622	98,965	111,731	84,482
	735,334	626,749	718,773	199,559

Aged analysis of trade receivables:

	Consolidated 2019 £	Consolidated 2018 £
Current term	295,047	279,226
One term	112,670	136,659
Two terms	134,877	81,431
Three terms and older	320,187	166,542
	862,781	663,858

Allowance for expected credit losses

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 August 2019 or 1 September 2019 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The group holds customer deposits against some trade receivables to protect the group from credit risk. Where applicable, the deposit held has been netted off the relevant balance when calculating the loss allowance.

	Expected loss rate 2019 %	Gross amount 2019 £	Loss allowance 2019 £	Expected loss rate 2018 %	Gross amount 2018 £	Loss allowance 2018 £
Current term	2.50%	295,047	7,309	2.20%	279,226	6,205
One term	17.90%	112,670	20,188	17.50%	136,659	23,945
Two terms	72.40%	134,877	97,703	42.60%	81,431	34,679
Three terms and older	96.50%	320,187	308,958	99.40%	166,542	165,462
		862,781	434,158		663,858	230,291
Deposits	-	-	(69,655)	-	-	(31,625)
TOTAL		862,781	364,503		663,858	198,666

Note 11. Current assets - trade and other receivables (continued)

Movements in the impairment allowance for trade receivables are as follows:

	2019 £	2018 £
At 1 September	93,181	54,181
Restatement of comparative balance under IFRS 9	-	105,485
Increase during the year	165,837	39,000
Impairment loss during the year	165,837	144,485
At 31 August	259,018	198,666

Note 12. Current assets - cash and cash equivalents

	Consolidated		Parent	
	2019 **£**	**2018** **£**	**2019** **£**	**2018** **£**
Cash at bank	4,961,373	4,225,182	1,084,125	2,910,212

Note 13. Non-current assets - Goodwill

	Consolidated		Parent	
	2019 **£**	**2018** **£**	**2019** **£**	**2018** **£**
Goodwill - cost	1,707,339	1,707,339	76,400	76,400
Amortisation	(76,400)	(76,400)	(76,400)	(76,400)
	1,630,939	1,630,939	-	-

Goodwill represents the following:

• the excess of the consideration transferred and transferable, over the fair value of the identifiable net assets acquired in relation to the InterHigh business. The net book value at 31 August 2019 and 31 August 2018 was £201,217; and

• the excess of the consideration transferred and transferable, over the fair value of the identifiable net assets acquired in relation to the entity Academy 21 Limited. The net book value at 31 August 2019 and 31 August 2018 was £1,429,722.

Goodwill arising on business combinations (representing the excess of fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised, and its subsequent measurement is based on annual impairment reviews, with any impairment losses recognised immediately in the income statement. Direct costs of acquisition are recognised immediately in the income statement as an expense.

Note 14. Non-current assets - Investment in subsidiaries

	Consolidated		Parent	
	2019	2018	2019	2018
	£	£	£	£
Investment in subsidiaries	-	-	1,702,107	1,925,332

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

Opening carrying amount	-	-	1,925,332	106
Additions	-	-	-	1,925,226
Impairment of assets	-	-	(223,225)	-
Closing carrying amount	-	-	1,702,107	1,925,332

The company has impaired its investments in its overseas subsidiaries as a result of its decision to terminate operations in these territories.

Please refer to note 28 for further information on subsidiaries.

Note 15. Non-current assets - Intangibles

Consolidated	Software	Other Intangible Assets	Trademarks and Brands	Total
	£	£	£	£
Cost				
At 31 August 2018	700,225	350,000	108,836	1,159,061
Additions	87,621	-	-	87,621
At 31 August 2019	787,846	350,000	108,836	1,246,682
Amortisation				
At 31 August 2018	312,712	247,917	35,874	596,503
Charge for the period	112,173	70,000	10,000	192,173
Impairment	-	-	8,468	8,468
At 31 August 2019	424,885	317,917	54,342	797,144
At 31 August 2019	362,961	32,083	54,584	449,628
At 31 August 2018	387,514	102,083	73,052	562,649

Note 15. Non-current assets - Intangibles (continued)

Parent	Software Development £	TOTAL £
At 31 August 2018	300,222	300,222
Additions	87,620	87,620
At 31 August 2019	387,842	387,842
At 31 August 2018	29,379	29,379
Amortisation	32,173	32,173
At 31 August 2019	61,552	61,552
At 31 August 2019	326,290	326,290
At 31 August 2018	270,843	270,843

Software acquired in material business combinations is capitalised at its fair value as determined by the directors. Software in development is capitalised with related development costs and once complete will be written off over the estimated economic life. The net book value at 31 August 2019 of £362,961 (2018: £387,514) consisted of £238,674 (2018: £264,408) of software developed which will be written off over its remaining estimated useful economic life of 8 years, £36,667 (2018: £116,667) for software acquired which will be written off over an estimated remaining useful economic life of 0.4 years and £87,620 of software in development which will be written off over its estimated useful economic life once it is brought into use.

Other intangible assets include the technology platform and the electronic library of materials which were acquired in material business combinations and have been capitalised at fair value as determined by the directors. The net book value at 31 August 2019 of £32,083 (2018: £102,083) will be written off over an estimated remaining useful economic life of 0.4 years.

Trademarks and brands acquired in material business combinations is capitalised at its fair value as determined by the directors. The net book value at 31 August 2019 consists of £54,584 (2018: £73,052) will be written off over an estimated remaining useful economic life of 5.4 years and £Nil (2018: £8,468) which has been impaired due to the cessation of activities overseas.

Note 16. Non-current assets - Property, Plant and Equipment

Consolidated	Leasehold Improvements £	Office Equipment £	Total £
Cost			
At 31 August 2018	82,943	187,609	270,552
Additions	18,951	27,373	46,324
Disposals	-	(19,633)	(19,633)
At 31 August 2019	101,894	195,349	297,243
Depreciation			
At 31 August 2018	12,177	69,515	81,692
Charge for the year	20,467	43,727	64,194
Eliminated on disposal	-	(19,633)	(19,633)
At 31 August 2019	32,644	93,609	126,253
Net book value			
At 31 August 2019	69,250	101,740	170,990
At 31 August 2018	70,766	118,093	188,859

Note 16. Non-current assets - Property, Plant and Equipment (continued)

Parent	Leasehold Improvements £	Office Equipment £	Total £
Cost			
At 31 August 2018	82,943	108,875	191,818
Additions	18,921	25,740	44,661
Disposals	-	(10,995)	(10,995)
At 31 August 2019	101,864	123,620	225,484
Depreciation			
At 31 August 2018	12,177	33,662	45,839
Charge for the year	20,467	28,285	48,752
Eliminated on disposal	-	(10,995)	(10,995)
At 31 August 2019	32,644	50,952	83,596
Net book value			
At 31 August 2019	69,250	72,668	141,918
At 31 August 2018	16,739	59,318	76,057

Note 17. Current liabilities - trade and other payables

	Consolidated		**Parent**	
	2019 £	**2018 £**	**2019 £**	**2018 £**
Trade payables	161,895	93,964	144,757	81,108
Other creditors	22,687	8,070	5,055	5,822
VAT payable	27,220	26,039	5,146	26,393
Social security and other taxes	112,102	75,180	37,480	37,278
Amounts due to group undertakings	-	-	-	50,654
	323,904	203,253	192,438	201,255

Refer to note 23 for further information on financial instruments.

All trade and other payables are payable within twelve months from the end of the reporting period.

Note 18. Current liabilities - other

	Consolidated		**Parent**	
	2019 £	**2018 £**	**2019 £**	**2018 £**
Accrued expenses	621,711	132,174	474,259	115,158
Deferred revenue	25,523	24,683	-	-
Revenue received in advance	452,783	180,653	-	-
Refundable deposits	765,050	365,647	-	-
	1,865,067	703,157	474,259	115,158

Note 19. Equity - issued capital

	Consolidated			
	2019 Shares	**2018 Shares**	**2019 £**	**2018 £**
Ordinary shares - fully paid	131,207,120	130,707,120	1,312,072	1,307,072

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

On 8 July 2019 the Company issued 500,000 ordinary shares of £0.01 pence at an issue price of £0.045 as a result of an Option exercise.

Note 20. Equity - reserves

	Consolidated	
	2019 £	**2018 £**
Share premium reserve	1,530,023	7,515,023
Options reserve	200,669	110,323
	1,730,692	7,625,346

Share premium
Share premium represents the difference between the issue price and the par value of ordinary shares issued by the Company.

Share-option reserve
Share option reserve represents the cumulative share-based payment expense for the Company's share option schemes.

Retained profits
Retained profits represent the cumulative profit and loss net of distributions to owners.

Note 20. Equity - reserves (continued)

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share Premium £	Option Reserves £
Balance at 1 September 2017	2,868,263	77,288
Issue of shares for cash	4,772,727	-
Expenses of share issue	(283,921)	-
Exercise of share options and warrants	157,954	(20,663)
Equity based share awards	-	53,698
Balance at 31 August 2018	7,515,023	110,323
Exercise of share options and warrants	15,000	(6,400)
Equity based share awards	-	96,746
Capital Reorganisation	(6,000,000)	-
Balance at 31 August 2019	1,530,023	200,669

Note 21. Equity - retained profits/(accumulated losses)

	Consolidated		**Parent**	
	2019 £	**2018 £**	**2019 £**	**2018 £**
Accumulated losses at the beginning of the financial year	(2,604,454)	(2,323,251)	(3,796,906)	(2,744,397)
Loss after income tax benefit for the year	(685,417)	(301,866)	(1,945,738)	(1,073,172)
Transfer from share premium reserve	6,000,000	-	6,000,000	-
Transfer from options reserve	6,400	20,663	6,400	20,663
Retained profits/(accumulated losses) at the end of the financial year	2,716,529	(2,604,454)	263,756	(3,796,906)

On 24 September 2018 at a General Meeting, shareholders voted to effect a capital reduction, transferring £6,000,000 from share premium to retained earnings. This put the Company in the position of having distributable reserves. The transfer became effective on 21 December 2018 following High Court approval.

Note 22. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 23. Financial instruments

Financial risk management objectives
The group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Note 23. Financial instruments (continued)

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the group's operating units. Finance reports to the Board on a monthly basis.

The Company's financial instruments comprise cash and various other items, such as trade payables and trade receivables that arise directly from its operations. The Company's exposure to its financial instruments are not material and therefore derivative financial instruments are not used to manage them.

The main risks arising from the Company's financial instruments can be analysed as follows:

Market risk

Foreign currency risk
The group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

The Company has no significant transactions or balances denominated in foreign currencies and holds the majority of cash balances in sterling. The directors do not consider the Company to be subject to significant currency risk.

Price risk
The group is not exposed to any significant price risk.

Interest rate risk
The Company has no borrowings and on cash balances receives variable rate interest based on UK bank base rates.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. Credit risk arises from cash and cash equivalents and credit exposures to customers. For customers in its Interhigh business, the group holds deposits to protect from credit risk. The majority of customers in its Academy21 and Wey Ecademy businesses are schools and local authorities and the credit risk is therefore deemed to be minimal. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 23. Financial instruments (continued)

Fair value of financial instruments

This note provides details of the Group's financial instruments. Except where otherwise stated, the disclosures in this note exclude retirement benefit assets and obligations.

Liabilities or assets that are not contractual (such as income taxes that are created as a result of statutory requirements imposed by governments, prepayments, deferred government grants, provisions and deferred income) are not financial assets or financial liabilities and accordingly are excluded from the disclosures provided in this note. The carrying amounts of the financial assets and financial liabilities set out below are a reasonable approximation of fair value.

Details of the significant accounting policies and methods adopted for each class of financial asset and financial liability are disclosed in the accounting policies note.

The fair values of financial assets and liabilities, together with their carrying amounts in the statement of financial position, for the group and company are as follows:

Consolidated	**2019 Carrying amount £**	**2018 Carrying amount £**
Assets		
Cash at bank	4,961,631	4,225,182
Trade receivables	498,278	465,192
Other receivables	109,630	62,592
	5,569,539	4,752,966
Liabilities		
Trade payables	161,895	96,964
Other payables	22,687	8,070
Accrued expenses	588,418	132,174
	773,000	237,208

Parent	**2019 Carrying amount £**	**2018 Carrying amount £**
Assets		
Cash at bank	1,084,125	2,910,212
Other receivables	40,837	58,099
Amounts due from group undertakings	581,536	56,978
	1,706,498	3,025,289
Liabilities		
Trade payables	144,757	81,108
Other payables	5,055	5,822
Accruals	440,966	115,158
	590,778	202,088

Note 24. Auditor remuneration

During the financial year the following fees were paid or payable for services provided by, the auditor of the company, and its associates:

	Consolidated 2019 £	Consolidated 2018 £
Audit and review of the financial statements	17,750	17,000
Other fees	15,640	12,425
	33,390	29,425

Note 25. Commitments

Expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	Consolidated		Parent	
	2019 £	2018 £	2019 £	2018 £
Capital commitments				
Committed at the reporting date but not recognised as liabilities, payable:				
Intangible assets	-	66,700	-	66,700
Lease commitments - operating				
Committed at the reporting date but not recognised as liabilities, payable:				
Within one year	46,558	110,600	-	110,600
One to five years	160,181	178,504	-	178,504
More than five years	12,066	-	-	-
	218,805	289,104	-	289,104

Operating lease commitments includes contracted amounts for its offices on non-cancellable operating leases expiring between 2023 and 2025.

Note 26. Implementation of IFRS16

The Group will apply IFRS 16 from 1 September 2019 and has elected to transition to IFRS 16 using the modified retrospective approach.

Initial application of IFRS 16 will affect leases which had previously been classified as operating leases and are disclosed in note 25. At the year end, the Group has no short term or low value operating leases which would be exempt from the requirements of IFRS 16.

At 1 September 2019, the group expects to recognise right-of-use assets of £199,395 and associated lease liabilities of £195,396.

The reconciliation between the amounts disclosed as operating lease commitments in note 25 and the opening position at 1 September 2019 is as follows:

Note 26. Implementation of IFRS16 (continued)

Total operating lease commitments at 31 August 2019 (see note 25)	218,805
Discounted using incremental borrowing rate	(23,409)
Total finance lease obligation to be recognised at 1 September 2019	195,396

Maturity analysis of finance lease obligation at 1 September 2019

Within one year	45,567
Between one and five years	140,463
After five years	9,366
	195,396

Classification of the finance lease obligation at 1 September 2019:

Current liabilities	45,567
Non-current liabilities	149,829

Note 27. Related party transactions

Transactions with related parties
The following transactions occurred with related parties:

During the year to 31 August 2019 the Company was charged by Crimson Tide plc, £59,950 (2018: £Nil) in relation to the Company's development of CRM and other systems. At 31 August 2019 the balance due to Crimson Tide plc amounted to £50,000.

During the year to 31 August 2019 the Company paid IAF Corporate Finance LLP £226,841 (2018: £79,831) in relation to accommodation and secretarial services. As at 31 August 2019 the balance due to IAF Corporate Finance LLP was £Nil.

During the year to 31 August 2019 the Company paid Dame E Pienaar, £11,560 (2018: £4,934) in relation to education services provided to the management of Wey Education plc.

During the year to 31 August 2019 the Company charged InterHigh Education Limited a management fee of £83,160 inclusive of VAT (2018: a management charge of £79,200 inclusive of VAT) and recharged expenses of £442,222 inclusive of VAT. At 31 August 2019 the outstanding debt owed by InterHigh Education Limited to the Company was £442,222 inclusive of VAT (2018: £10,450).

During the year to 31 August 2018 the Company charged Wey Ecademy Limited a management fee of £30,000 (2018: £30,000) and invoiced personnel costs amounting to £102,015 (2018: personnel costs amounting to £112,560). At 31 August 2019 the outstanding debt owed by Wey Ecademy Limited (formerly Wey Consultancy Limited) to the Company was £Nil (2018: £35,670).

At 31 August 2019 Wey Education Services Limited (formerly Wey Consultancy Limited) owed the Company £731 (2018: £Nil).

At 31 August 2019 Infinite Education Limited owed the Company £Nil (2018: £1,264).

At 31 August 2019 Infinite Education (No 1) Limited owed the Company £Nil (2018: £682).

At 31 August 2019 Quoralexis Learning Limited owed the Company £6 (2018: £76).

During the year to 31 August 2019 the Company charged InterHigh Education (No1) Limited a management fee of £30,000 (2018: £Nil) and recharged expenses of £49,078. At 31 August 2019 the outstanding debt owed by InterHigh Education (No 1) Limited to the Company was £49,078 (2018: £Nil).

During the year to 31 August 2019 the Company charged Academy 21 Limited a management charge fee of £30,000 (2018: £205,000) and recharged expenses of £66,364. At 31 August 2019 the outstanding debt owed by Academy21 Limited to the Company was £66,364 (2018: £600).

During the year to 31 August 2019 the Company paid expenses on behalf of Wey Education Limited of £27,755. At 31 August 2019 Wey Education Limited owed the Company £Nil.

During the year to 31 August 2019 the Company paid expenses on behalf of Wey Nigeria Limited of £82,124. At 31 August 2019 Wey Nigeria Limited owed the Company £Nil.

During the year to 31 August 2019 the Company paid expenses of behalf of Wey Education Consulting (Beijing) Limited of £30,237. At 31 August 2019 Wey Education Consulting (Beijing) Limited owed the company £Nil.

Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries held by the company in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Class	Proportion held %
Interhigh Education Limited	England and Wales	Ordinary	100.00%
Interhigh Education (No 1) Limited	England and Wales	Ordinary	100.00%
Academy21 Limited	England and Wales	Ordinary	100.00%
Wey Ecademy Limited	England and Wales	Ordinary	100.00%
Infinite Education Limited	England and Wales	Ordinary	100.00%
Infinite Education (No 1) Limited	England and Wales	Ordinary	100.00%
Quoralexis Learning Limited	England and Wales	Ordinary	100.00%
Wey Education Services Limited	England and Wales	Ordinary	100.00%
Wey Education Limited	Kenya	Ordinary	100.00%
Wey Education Consulting (Beijing) Limited	China	Ordinary	100.00%
Wey Education Nigeria Limited	Nigeria	Ordinary	100.00%

As disclosed in note 14, the company has impaired its investments in:

- Wey Education Limited;
- Wey Education Nigeria Limited; and
- Wey Education Consulting (Beijing) Limited.

Note 29. Share-based payments

Share Options

The Group has a share option scheme for certain directors and employees. Share options are normally exercisable at a price equal to the mid-market price of the shares in the Company at the date of the grant. The share options vest immediately or during the period of 3 years and some are subject to various performance criteria. The share options are settled in equity if exercised.

The reconciliation of share options during the year ended 31 August 2019 is shown below:

	Number Of Shares	Weighted Average Exercise Price (Pence)	Weighted Average Remaining Life (Years)	Number Of Exercisable Shares	Weighted Average Exercise Price (Pence)
At 31 August 2017	9,356,003	3.16	8.24	1,000,000	4.50
Granted in the Year	7,465,800	17.30	-	-	-
Exercised in the Year	(500,000)	-	-	-	-
Lapsed in the Year	(163,934)	-	-	-	-
At 31 August 2018	16,157,869	9.90	7.68	4,833,333	1.81
Granted in the year	430,682	9.99	-	-	-
Exercised in the year	(500,000)	-	-	-	-
At 31 August 2019	16,088,551	9.48	7.50	5,195,650	2.19

Note 29. Share-based payments (continued)

The 10,892,901 (2018: 11,324,536) Options which are not exercisable at 31 August 2019 consist of:

• 3,160,353 (2018: 3,822,670) ordinary shares granted between September 2016 and February 2017 vest based on various non-market based corporate performance criteria and 3 years after grant and are exercisable at prices of between 4.0 pence and 4.5 pence; and

• 422,343 ordinary shares granted in January 2018 vest based on various non-market based corporate performance criteria and 3 years after grant and are exercisable at a price of 30.5 pence; and

• 3,000,000 ordinary shares granted May 2018 vest conditional on the Company's share price performance vest conditional on the Company's share price performance and 3 year after grant and are exercised at a price of 16.7 pence; and

• 3,879,523 ordinary shares granted June 2018 vest based on various non-market base corporate performance criteria and 3 years after grant and are exercisable at prices of 15.7 pence; and

• 430,682 ordinary share granted July 2019 vest based on various non-market based corporate performance criteria and 3 years after grant and are exercisable at price of 15.7 pence.

Share Warrants

The reconciliation of warrants during the year ended 31 August 2019 is shown below:

	Number Of Warrants	Weighted Average Exercise Price (Pence)	Weighted Average Remaining Contractual Life (Years)
At 31 August 2017	3,778,078	4.75	1.59
Effect of Share Issue on Warrants	583,792	5.00	-
Exercised in the Year	(3,511,356)	-	-
At 31 August 2018	850,514	3.88	3.50
At 31 August 2019	850,514	3.88	2.50

At 31 August 2019, there was one warrant in issue. It was granted to Mr David Massie (previously Executive Chairman) as part of his remuneration in 2016/17 over 850,514 shares exercisable at 3.88 pence per share until February 2022.

Measurement of Fair Values

The fair value of warrants and options granted during the year is calculated at the date of grant using Black-Scholes option pricing model. The weighted average fair value of warrants and options granted during the year ended 31 August 2019 determined using the Black-Scholes valuation model were:

• Share price at the date of grant is 9.99 pence
• Exercise price of 9.99 pence
• Volatility of 10% based on comparative companies in the sector
• Dividend yield 0%
• Risk free interest rate 0.40%
• Expected option/warrant life of between 3 and 10 years

The Company recognised a total expense of £109,060 in respect of shared-based awards.

Note 30. Controlling Party

The Directors do not consider there to be a single immediate or ultimate controlling party.

Note 31. Events after the reporting period

On 19 September 2019, the company issued 5,183,847 new ordinary shares of 1 pence each following the exercise of share options, grants and warrants held in the name of the Estate of David Massie, its former Executive Chairman.

On 15 November 2019, the company issued 1,000,000 new ordinary shares of 1 pence each following the exercise of share options held by Paul Daniell, a Director of Interhigh Education Limited.

At a Board meeting subsequent to the year end, the company undertook the decision to rationalise its group structure as a result of a change in focus away from its overseas operations and focus on its two key brands. Therefore, the company expects during the next twelve months to either liquidate or strike off the following entities:

- Infinite Education Limited
- Infinite Education (No 1) Limited
- Quoralexis Learning Limited
- Wey Education Limited
- Wey Education Nigeria Limited
- Wey Education Consulting (Beijing) Limited

No other matter or circumstance has arisen since 31 August 2019 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting (**Meeting**) of Wey Education plc (**Company**) will be held at 10 Orange Street, London, WC2H 7DQ on Tuesday, 28 January 2020 at 3.30 p.m. for the purpose of the following:

As Ordinary Business

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive and adopt the Company's annual accounts for the financial year ended 31 August 2019 together with the directors' report and auditor's report on those accounts;

2 To re-appoint Shipleys LLP as auditor of the Company ("**Auditor**") to hold office from the conclusion of this Meeting until the conclusion of the next meeting at which accounts are laid before the Company, and in connection with such appointment, to authorise the directors to agree the remuneration of the Auditor;

3. To reappoint Barry Nichols-Grey as a director of the Company, who retires as a director in accordance with article 89 of the Articles and who now offers himself for re-appointment.

4. To reappoint Tony Knowles as a director of the Company, who retires as a director in accordance with article 89 of the Articles and who now offers himself for re-appointment.

5. That in accordance with section 551 of the Companies Act 2006, as amended (the "**Act**"), the Directors be generally and unconditionally authorised, in substitution for all existing authorities granted to the Board pursuant to section 551 of the Act, to allot relevant securities in the Company (within the meaning of section 551(1) of the Act) or grant rights to subscribe for or to convert any security into shares:

    (a) up to a maximum aggregate nominal value amount of £400,000;

    (b) comprising equity securities (as defined in section 560(1) of the Act) up to the nominal amount of £400,000 in connection with an offer by way of a rights issue;

        (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

        (ii) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange.

The authorities conferred on the directors under paragraphs (a) and (b) will expire fifteen months after the resolutions are passed or, if earlier, at the date of the next annual general meeting of the Company, but so that the Company may, before the expiry of such period, make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such period and the directors may allot relevant securities pursuant to such an offer or agreement as if the authorities had not expired.

As Special Business

6. That, subject to passing of the resolution numbered 5 above, the directors be and they are hereby generally and unconditionally authorised pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the general authority conferred by the resolution numbered 5 above as if subsection (1) of section 561 of the Act did not apply to any such allotment provided that this power shall be limited:

    (a) to allotments of such equity securities in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulation or requirements of any regulatory authority or any stock exchange in any territory; and

(b) to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £137,390.96 representing 10% of the Company's issued ordinary share capital;

and such authority shall expire on the conclusion of the Company's next annual general meeting or fifteen months following approval of the resolution, whichever is sooner, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

7. That the Company be and is generally authorised for the purposes of section 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) of its ordinary shares of 1 pence each provided that:

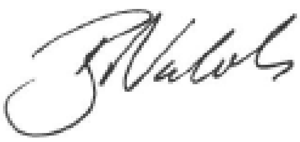
   (a) the maximum aggregate number of ordinary shares that may be purchased is 27,478,193;

   (b) the minimum price which may be paid for each ordinary share is 1 pence;

   (c) the maximum price which may be paid for each ordinary share is not more than 110 per cent. of the average of the middle market quotations for an ordinary share for the five business days immediately preceding the day of purchase; and

   (d) unless previously renewed, varied or revoked, the authority conferred by this resolution shall expire at the conclusion of the Company's next annual general meeting save that the Company may make a contract or contracts to purchase ordinary shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

By order of the Board



Barry Nichols-Grey
Company Secretary

Dated: 13 December 2019

Registered office
10 Orange Street
London
WC2H 7DQ

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at:

- 6.00 pm on 24 January 2020; or,
- if this meeting is adjourned, at 6.00 pm on the day two days (excluding non-working days) prior to the adjourned meeting,

shall be entitled to attend, speak and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Website giving information regarding the meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at https://www.weyeducation.com/.

Appointment of proxies

3. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

4. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, please contact Neville Registrars at Neville House, Steelpark Road, Halesowen B62 8HD. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.

5. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power of authority) must be deposited at the offices of Neville Registrars at Neville House, Steelpark Road, Halesowen B62 8HD. by 3:30 p.m. on 24 January 2020. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-of time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-of time will be disregarded.

6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Neville Registrars (CREST Participant ID: 7RA11), no later than 48 hours (excluding non-working days) before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001.

Questions at the meeting

7. Any member attending the meeting has the right to ask questions. The Company must answer any question you ask relating to the business being dealt with at the meeting unless:

- Answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information.
- The answer has already been given on a website in the form of an answer to a question.
- It is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Communication

Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):

Email: info@wedu.co.uk

You may not use any electronic address provided either:

- in this notice of annual general meeting; or
- any related documents (including the Chairman's letter and proxy form),

to communicate with the Company for any purposes other than those expressly stated.

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education

NOTICE OF AVAILABILITY

The Notice of Annual General Meeting to which this Proxy Form relates and the Report and Accounts are available on the Company's website at www.weyeducation.com

NOTES TO THE FORM OF PROXY

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote in his place. A proxy need not be a member of the Company.
2. To be valid, this form of proxy must be signed and lodged with the Company's registrars, Neville Registrars Limited, not later than 48 hours (excluding non-working days) before the time appointed for the holding of the meeting. Any power of attorney or other authority must be lodged with this form.
3. In the case of a corporation, this form must be signed as a deed or under he hand of an officer or attorney duly authorised in that behalf.
4. In the case of joint holders, the signature of any one holder will be sufficient but the names of all joint holders should be stated.
5. Completion and return of a form of proxy will not prevent a member from attending the meeting and voting in person should the member so wish.
6. Please see the AGM Notice for further advice on how to appoint/instruct proxies via CREST.

Please complete and return this Form of Proxy to the Registrar at the address shown overleaf. If you wish to use an envelope, please address it to 'FREEPOST NEVILLE'. If it is posted outside the United Kingdom, please return it in an envelope using the address shown overleaf and pay the appropriate postage charge.

Wey Education plc

FORM OF PROXY

(Registered in England and Wales with company number 6342555)

I/We ______________________________ being (a) member(s) of the Company and entitled to vote at the Annual General Meeting, hereby appoint

(Please only complete if appointing someone other than the Chairman of the Meeting)

or failing him/her, the Chairman of the Meeting as my/our proxy, to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on 28 January 2020 at 10 Orange Street, London, WC2H 7DQ at 3:30 p.m. and at any adjournment thereof.

Resolutions (*Special Resolutions)

		FOR	AGAINST	WITHHELD
1	To receive and consider the Report of the Directors and the audited Annual Accounts to 31 August 2019	☐	☐	☐
2	To reappoint Shipleys LLP as auditors and authorise the Directors to fix their remuneration	☐	☐	☐
3	To reappoint Barry Nichols-Grey as a Director of the Company	☐	☐	☐
4	To reappoint Tony Knowles as a Director of the Company	☐	☐	☐
5	To authorise the directors to allot shares up to a nominal value of £400,000	☐	☐	☐
6*	To disapply pre-emption rights pursuant to the authority granted by Resolution 5	☐	☐	☐
7*	To authorise the Directors to purchase the Company's shares under section 701 of the Companies Act 2006	☐	☐	☐

If you are planning to attend the Annual General Meeting, please tick the following box: ☐

Mark this box with an "X" if you are appointing more than one proxy: ☐

Signed:

Leave blank to authorise your proxy to act in relation to your full entitlement or enter the number of shares in relation to which your proxy is authorised to vote:

Date:

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NEVILLE REGISTRARS

Wey Education plc

Attendance Card

The Annual General Meeting will start at 3:30 p.m. and is being held on 28 January 2020 at 10 Orange Street, London, WC2H 7DQ.

If you plan to attend the Annual General Meeting, please bring this card with you to ensure you gain entry as quickly as possible.

Please present this card at the registration desk. It will be used to show that you have the right to attend, speak and vote at the Annual General Meeting.

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Name
Address 1
Address 2
Address 3
Address 4
Address 5
Address 6

NEVILLE REGISTRARS

Business Reply Plus
Licence Number
RSTY-SAKX-RZSL

NR 1

Neville Registrars Limited
Neville House
Steelpark Road
Halesowen
B62 8HD

Contact

Visit: weyeducation.com
Email: info@weyeducation.com
Call: +44 (0)1873 813 900

Wey Education plc
10 Orange Street
London, WC2H 7DQ