

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015
FOR
UNITED LANGUAGE SCHOOLS LIMITED**

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UNITED LANGUAGE SCHOOLS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2015**

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UNITED LANGUAGE SCHOOLS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015**

DIRECTORS:

N F Pamplin
A G Hutchinson

SECRETARY:

A W Green

REGISTERED OFFICE:

The Old Casino
28 Fourth Avenue
Hove
East Sussex
BN3 2PJ

REGISTERED NUMBER:

00881183 (England and Wales)

AUDITORS:

Cardens Accountants LLP
Statutory Auditors
The Old Casino
28 Fourth Avenue
Hove
East Sussex
BN3 2PJ

UNITED LANGUAGE SCHOOLS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their strategic report for the year ended 31 December 2015.

REVIEW OF BUSINESS

Review of the business

The results for the year and financial position of the company are as shown in the annexed financial statements.

Business Performance

	2015 £'000	2014 £'000	Movement %
Turnover	6,445	6,835	(6)
Gross Profit	1,966	1,994	(1)
Profit before taxation	26	674	(96)

The company's turnover decreased by 6% and was mainly due to a drop in the number of English language students.

The gross margin percentage has improved by nearly 1% year on year driven by better matching of promotional costs (a part of student recruitment costs) to the revenue period.

Profit before tax has decreased dramatically year on year due to a reclassification of the way the parent company cross charges central costs to its subsidiaries. In previous years, dividends were paid to the parent, but VAT grouping has now enabled management charges to be the preferred method of central cost allocation. Profit before taxation under the prior year method would have been £559k.

Healthy future bookings and consistent credit control have contributed to higher cash, trade debtor, payments on account and deferred income balances. Amounts owed by group undertakings are also increased due to higher inter-company balances with Kings Bournemouth who as the original Kings school, often receive payments on behalf of the other sites.

The above has improved the net current liabilities result and the Directors believe the balance sheet position of the company at year-end to be satisfactory.

PRINCIPAL RISKS AND UNCERTAINTIES

The softness in some economies around the world, the reduced confidence in world-wide travel through acts of terrorism, and conflict in various regions remains a risk to the business as a whole but the company is confident that it devotes sufficient resources to minimise any risk in these areas.

These uncertainties and the strength of sterling in the first half of 2016 will likely weaken English Language course revenues although academic revenues should be less impacted by such factors. The directors are confident that the business has a sufficient mix of revenues streams to offset downturns in certain areas.

UNITED LANGUAGE SCHOOLS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial instruments comprise loans to the company, bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for and to finance the company's operations.

In respect of bank balances the company manages the risk by maintaining the correct balance for fees received for courses and trade creditors.

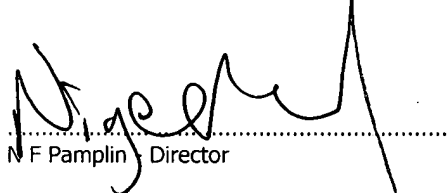
In respect of loans and overall liquidity risk the company ensures there are sufficient funds in place to meet the repayments.

Trade debtors are managed in respect of credit and cash flow risk by monitoring future course bookings and payments made on a regular basis.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The company, through its group ownership, is exposed to interest rate risk on interest bearing loans and borrowings, due to the variable rate loan agreement in place. However the group regards this as a low risk in the short term due to the current historic low base rates and the continued general view that these are unlikely to rise significantly in the foreseeable future.

ON BEHALF OF THE BOARD:



N F Pamplin Director

Date: 14/9/16

UNITED LANGUAGE SCHOOLS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the teaching of English as a foreign language.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2015.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

N F Pamplin
A G Hutchinson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

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

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

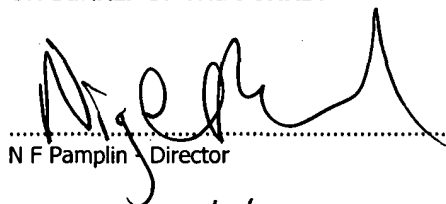
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Cardens Accountants LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
N F Pamplin Director

Date: 14/4/16

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UNITED LANGUAGE SCHOOLS LIMITED

We have audited the financial statements of United Language Schools Limited for the year ended 31 December 2015 on pages six to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

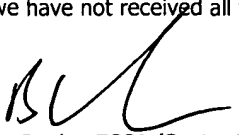
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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



Barry Carden FCCA (Senior Statutory Auditor)
for and on behalf of Cardens Accountants LLP
Statutory Auditors
The Old Casino
28 Fourth Avenue
Hove
East Sussex
BN3 2PJ

Date: 14/9/16

UNITED LANGUAGE SCHOOLS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £	2014 £
TURNOVER	2	6,444,850	6,835,297
Cost of sales		4,478,670	4,840,930
GROSS PROFIT		1,966,180	1,994,367
Administrative expenses		1,940,442	1,319,203
OPERATING PROFIT	4	25,738	675,164
Interest payable and similar charges	5	-	1,179
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		25,738	673,985
Tax on profit on ordinary activities	6	32,477	244
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(6,739)	673,741
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(6,739)	673,741

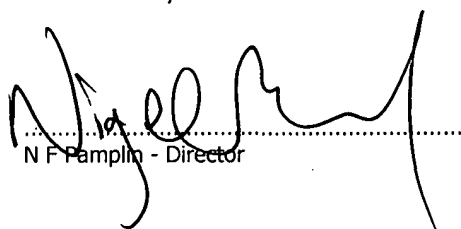
The notes form part of these financial statements

UNITED LANGUAGE SCHOOLS LIMITED (REGISTERED NUMBER: 00881183)

**BALANCE SHEET
31 DECEMBER 2015**

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	8	308,484	388,333
CURRENT ASSETS			
Stocks	9	3,446	11,379
Debtors	10	1,676,967	1,437,951
Cash at bank and in hand		631,802	523,864
		<u>2,312,215</u>	<u>1,973,194</u>
CREDITORS			
Amounts falling due within one year	11	<u>2,585,742</u>	<u>2,329,013</u>
NET CURRENT LIABILITIES		<u>(273,527)</u>	<u>(355,819)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		34,957	32,514
PROVISIONS FOR LIABILITIES	13	<u>37,525</u>	<u>28,343</u>
NET (LIABILITIES)/ASSETS		<u><u>(2,568)</u></u>	<u><u>4,171</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	3,750	3,750
Retained earnings		<u>(6,318)</u>	<u>421</u>
SHAREHOLDERS' FUNDS		<u><u>(2,568)</u></u>	<u><u>4,171</u></u>

The financial statements were approved by the Board of Directors on14/9/16..... and were signed on its behalf by:


N F Pamplin - Director

UNITED LANGUAGE SCHOOLS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2014	3,750	35,588	39,338
Changes in equity			
Dividends	-	(708,908)	(708,908)
Total comprehensive income	-	673,741	673,741
Balance at 31 December 2014	<u>3,750</u>	<u>421</u>	<u>4,171</u>
Changes in equity			
Total comprehensive income	-	(6,739)	(6,739)
Balance at 31 December 2015	<u>3,750</u>	<u>(6,318)</u>	<u>(2,568)</u>

The notes form part of these financial statements

UNITED LANGUAGE SCHOOLS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £	2014 £
Cash flows from operating activities			
Cash generated from operations	1	169,792	857,378
Interest paid		-	(1,179)
Net cash from operating activities		<u>169,792</u>	<u>856,199</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(61,854)</u>	<u>(86,970)</u>
Net cash from investing activities		<u>(61,854)</u>	<u>(86,970)</u>
Cash flows from financing activities			
Equity dividends paid		-	(708,908)
Net cash from financing activities		<u>-</u>	<u>(708,908)</u>
Increase in cash and cash equivalents		<u>107,938</u>	<u>60,321</u>
Cash and cash equivalents at beginning of year	2	<u>523,864</u>	<u>463,543</u>
Cash and cash equivalents at end of year	2	<u><u>631,802</u></u>	<u><u>523,864</u></u>

The notes form part of these financial statements

UNITED LANGUAGE SCHOOLS LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2015	2014
	£	£
Profit before taxation	25,738	673,985
Depreciation charges	141,703	136,588
Loss on disposal of fixed assets	-	40
Finance costs	-	1,179
	<u>167,441</u>	<u>811,792</u>
Decrease/(increase) in stocks	7,933	(11,379)
(Increase)/decrease in trade and other debtors	(239,016)	92,194
Increase/(decrease) in trade and other creditors	<u>233,434</u>	<u>(35,229)</u>
Cash generated from operations	<u><u>169,792</u></u>	<u><u>857,378</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	<u><u>631,802</u></u>	<u><u>523,864</u></u>

Year ended 31 December 2014

	31.12.14	1.1.14
	£	£
Cash and cash equivalents	<u><u>523,864</u></u>	<u><u>463,543</u></u>

UNITED LANGUAGE SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

This is the first year in which the financial statements have been prepared under FRS 102. Any changes in accounting policy have been applied from the opening date of the previous period. Equity has been reconciled to the previously stated amounts for the opening and closing position of the comparative period on pages 16 - 17 and the profit for the comparative year has been reconciled to the previously stated amounts on page 18.

These financial statements have been prepared on the basis that the company will continue to be a going concern. If this assumption is not considered valid, then adjustments would need to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

Turnover

Turnover represents the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the company's activities. Turnover is presented gross of any discounts offered to agents as a commission, but net of any value added tax.

For the rendering of services where a customer receives consideration over a period of more than one day, turnover is recognised on a straight-line basis over the duration of the period of consideration.

For the rendering of services where a customer receives all the consideration of the sale on one day, turnover is recognised on that day.

For the sale of goods, turnover is recognised when the goods are physically received by the customer.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at the following rates in order to write off each asset over its estimated useful life

Short leasehold	- over the life of the lease
Fixtures and fittings	- 20% on cost
Computer equipment	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred taxation is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets and liabilities are not discounted.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

UNITED LANGUAGE SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2015 £	2014 £
Course and related income	4,579,615	4,788,327
Accommodation sales	1,671,154	1,885,313
Other sales	154,081	161,657
Management charge	40,000	-
	<u>6,444,850</u>	<u>6,835,297</u>

3. STAFF COSTS

	2015 £	2014 £
Wages and salaries	1,874,961	1,799,421
Social security	161,006	160,024
Other pension costs	13,744	7,865
	<u>2,049,711</u>	<u>1,967,310</u>

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

	2015	2014
Teaching and administration staff	<u>117</u>	<u>81</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Other operating leases	147,180	147,180
Depreciation - owned assets	141,703	136,628
Auditors remuneration	7,900	7,200
Operating leases	<u>138,090</u>	<u>138,090</u>
Directors' remuneration	<u>-</u>	<u>-</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank loan interest	<u>-</u>	<u>1,179</u>

UNITED LANGUAGE SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2015 £	2014 £
Current tax:		
UK corporation tax	23,295	-
Deferred tax	9,182	244
Tax on profit on ordinary activities	<u>32,477</u>	<u>244</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>25,738</u>	<u>673,985</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 20%)	5,405	134,797
Effects of:		
Expenses not deductible for tax purposes	32,650	-
Capital allowances	(13,727)	-
Group relief	-	(134,797)
Deferred tax movement	9,182	244
Marginal relief	(1,033)	-
Total tax charge	<u>32,477</u>	<u>244</u>

7. DIVIDENDS

	2015 £	2014 £
Final	<u>-</u>	<u>708,908</u>

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2015	19,718	748,564	226,404	994,686
Additions	39,106	14,004	8,744	61,854
At 31 December 2015	<u>58,824</u>	<u>762,568</u>	<u>235,148</u>	<u>1,056,540</u>
DEPRECIATION				
At 1 January 2015	3,726	446,190	156,437	606,353
Charge for year	1,380	109,051	31,272	141,703
At 31 December 2015	<u>5,106</u>	<u>555,241</u>	<u>187,709</u>	<u>748,056</u>
NET BOOK VALUE				
At 31 December 2015	<u>53,718</u>	<u>207,327</u>	<u>47,439</u>	<u>308,484</u>
At 31 December 2014	<u>15,992</u>	<u>302,374</u>	<u>69,967</u>	<u>388,333</u>

UNITED LANGUAGE SCHOOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

9. STOCKS

	2015	2014
	£	£
Finished goods	<u>3,446</u>	<u>11,379</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade debtors	496,360	463,557
Amounts owed by group undertakings	1,104,176	891,896
Other debtors	28,250	30,465
Prepayments	48,181	52,033
	<u>1,676,967</u>	<u>1,437,951</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Payments on account	857,982	708,542
Trade creditors	11,880	12,996
Tax	23,295	-
Social security and other taxes	41,106	45,714
VAT	25,842	42,939
Other creditors	80,476	61,257
Deferred income	1,494,676	1,436,642
Accrued expenses	50,485	20,923
	<u>2,585,742</u>	<u>2,329,013</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2015	2014
	£	£
Within one year	11,813	15,750
Between one and five years	59,040	59,040
In more than five years	210,400	210,400
	<u>281,253</u>	<u>285,190</u>

13. PROVISIONS FOR LIABILITIES

	2015	2014
	£	£
Deferred tax	<u>37,525</u>	<u>28,343</u>
		Deferred tax
		£
Balance at 1 January 2015		28,343
Charge to Statement of Comprehensive Income during year		<u>9,182</u>
Balance at 31 December 2015		<u>37,525</u>

UNITED LANGUAGE SCHOOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2015

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2015 £	2014 £
Number:	Class:			
3,750	Ordinary	£1	<u>3,750</u>	<u>3,750</u>

15. RELATED PARTY DISCLOSURES

United Language Schools Limited is a 100% subsidiary of Prime Education and Training Limited.

The Company has taken advantage of the exemption available by FRS 8 from disclosing related party transactions on the grounds that the results are included in consolidated accounts of the parent company.

16. ULTIMATE CONTROLLING PARTY

The controlling party is Prime Education & Training Limited.

The ultimate controlling party is N Pamplin, A Hutchinson, A Green & J A Flores.

This is by virtue of their 100% holding of the issued share capital of Prime Education & Training Limited.

17. ACCOUNTING BASIS

As stated in the accounting policy note, these financial statements have been prepared on the basis that the company will continue to be a going concern. As at the year end the current liabilities exceeded current assets by £273,527.

The Company utilises cash it generates from operations as a means of working capital. The directors have assessed the risk of this source of finance not being available to the Company on an ongoing basis as remote. As such, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they adopt the going concern basis in preparing these financial statements.

UNITED LANGUAGE SCHOOLS LIMITED

RECONCILIATION OF EQUITY

1 JANUARY 2014

(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		437,991	-	437,991
CURRENT ASSETS				
Stocks		19,201	-	19,201
Debtors		1,345,757	-	1,345,757
Cash at bank and in hand		463,543	-	463,543
		1,828,501	-	1,828,501
CREDITORS				
Amounts falling due within one year		(2,199,055)	-	(2,199,055)
NET CURRENT LIABILITIES		(370,554)	-	(370,554)
TOTAL ASSETS LESS CURRENT LIABILITIES		67,437	-	67,437
PROVISIONS FOR LIABILITIES		(28,099)	-	(28,099)
NET ASSETS		39,338	-	39,338
CAPITAL AND RESERVES				
Called up share capital		3,750	-	3,750
Retained earnings	1	35,588	-	35,588
SHAREHOLDERS' FUNDS		39,338	-	39,338

The notes form part of these financial statements

UNITED LANGUAGE SCHOOLS LIMITED

RECONCILIATION OF EQUITY - continued
31 DECEMBER 2014

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		388,333	-	388,333
CURRENT ASSETS				
Stocks		11,379	-	11,379
Debtors		1,437,951	-	1,437,951
Cash at bank and in hand		523,864	-	523,864
		1,973,194	-	1,973,194
CREDITORS				
Amounts falling due within one year		(2,329,013)	-	(2,329,013)
NET CURRENT LIABILITIES		(355,819)	-	(355,819)
TOTAL ASSETS LESS CURRENT LIABILITIES		32,514	-	32,514
PROVISIONS FOR LIABILITIES		(28,343)	-	(28,343)
NET ASSETS		4,171	-	4,171
CAPITAL AND RESERVES				
Called up share capital		3,750	-	3,750
Retained earnings	1	421	-	421
SHAREHOLDERS' FUNDS		4,171	-	4,171

Notes to the reconciliation of equity

1: RETAINED EARNINGS

No Changes in equity under FRS 102 were recorded on transition.

UNITED LANGUAGE SCHOOLS LIMITED

**RECONCILIATION OF PROFIT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	6,835,297	-	6,835,297
Cost of sales	(4,840,930)	-	(4,840,930)
GROSS PROFIT	1,994,367	-	1,994,367
Administrative expenses	(1,319,203)	-	(1,319,203)
OPERATING PROFIT	675,164	-	675,164
Interest payable and similar charges	(1,179)	-	(1,179)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	673,985	-	673,985
Tax on profit on ordinary activities	(244)	-	(244)
PROFIT FOR THE FINANCIAL YEAR	673,741	-	673,741

Notes to the reconciliation of profit or loss

No changes to profit under FRS 102 were recorded on transition.

UNITED LANGUAGE SCHOOLS LIMITED
**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015		2014	
	£	£	£	£
Turnover				
Turnover	6,404,850		6,835,297	
Management	40,000		-	
		6,444,850		6,835,297
Cost of sales				
Activities and excursions	56,524		44,522	
Transport and transfers	86,243		116,198	
Accommodation and subsistence	1,521,389		1,785,599	
Academic materials	126,877		107,412	
Student recruitment costs	1,246,311		1,399,389	
Teachers salaries	1,427,582		1,379,945	
Pensions	13,744		7,865	
		4,478,670		4,840,930
GROSS PROFIT		1,966,180		1,994,367
Expenditure				
Rent	147,180		147,180	
Rates and water	55,314		54,519	
Insurance	10,324		9,885	
Light and heat	46,372		46,403	
Repairs and maintenance	39,169		44,949	
Wages	608,385		579,500	
Computer costs	59,123		55,423	
Telephone	25,541		25,822	
Printing, postage & stationery	29,296		31,628	
Promotion and advertising	45,881		40,256	
Travelling	8,078		8,887	
Student and staff welfare	14,590		13,001	
Household and cleaning	54,920		54,611	
Management charges	572,868		-	
Sundry expenses	-		530	
Subscriptions	10,899		17,770	
Accountancy	9,362		9,237	
Legal fees	1,636		4,449	
Entertainment	13,772		-	
Bad debts	3,620		2,886	
Staff training	30,996		26,440	
		1,787,326		1,173,376
		178,854		820,991
Finance costs				
Bank charges	11,414		9,239	
Bank loan interest	-		1,179	
		11,414		10,418
		167,440		810,573
Depreciation				
Short leasehold	1,380		1,188	
Fixtures and fittings	109,050		110,136	
Computer equipment	31,272		25,264	
		141,702		136,588
NET PROFIT		25,738		673,985

This page does not form part of the statutory financial statements