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# **OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**

**ANNUAL REPORT  
FOR THE YEAR ENDED 31 JULY 2013**

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**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED  
YEAR ENDED JULY 2013**

**DIRECTORS**

Mr S Lebus  
Mrs J Rippeth

**COMPANY SECRETARY**

Mrs S Knight

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Abacus House  
Castle Park  
Cambridge  
CB3 0AN

**BANKERS**

Barclays Bank PLC  
Bene't Street  
Cambridge  
CB2 3PZ

**REGISTERED OFFICE**

University of Cambridge Local  
Examinations Syndicate  
1 Hills Road  
Cambridge  
CB1 2EU

**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**  
**YEAR ENDED JULY 2013**

**CONTENTS**

Directors' Report	3
Independent Auditors' Report	5
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements	9

## **OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED DIRECTORS' REPORT FOR YEAR ENDED 31 JULY 2013**

The directors present their annual report and the audited financial statements for the year ended 31 July 2013

The report has been prepared taking advantage of the small companies exemption within Part 15 of the Companies Act 2006

Cambridge Assessment is a department of the University of Cambridge (see note 13)

### **Principal activities**

The company's main activity is to provide overseas representative offices for the University of Cambridge ESOL Examinations and University of Cambridge International Examinations, which are divisions of Cambridge Assessment

### **Review of business and future developments**

Turnover for the year was £1,291k, compared with £1,249k for the year ended 31 July 2012  
The profit for the year after taxation was £25k (2012 £21k)

### **Dividends**

The directors do not recommend the payment of a dividend for the year (2012 £nil)

### **Directors**

No director has had a material interest, directly or indirectly, at any time during the year under review, in any contract significant to the company's business

The directors who served during the year are listed on page 1 of these accounts

### **Indemnity provision for directors**

Cambridge Assessment has paid for insurance for the directors in respect of their duties as directors of the company

### **Political and charitable contributions**

The company made no political or charitable contributions during the year (2012 £nil)

### **Independent auditors**

Pursuant to a shareholders' resolution, the company is not obliged to reappoint its auditors annually and PricewaterhouseCoopers LLP will therefore continue in office

### **Statement of disclosure of information to auditors**

In accordance with Section 418 of the Companies Act 2006, as the company's directors, we certify that

- So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- Each director has taken all the steps that he or she ought to have taken as a director in order to make him or herself aware of any relevant information and to establish that the company's auditors are aware of that information

**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED  
DIRECTORS' REPORT FOR YEAR ENDED 31 JULY 2013**

**Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for 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.

ON BEHALF OF THE BOARD



**Mrs J Rippeth**  
*Director*  
9 October 2013

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**

We have audited the financial statements of Oxford and Cambridge International Assessment Services Limited for the year ended 31 July 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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.

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

### **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 Directors' Report and the financial statements to identify material inconsistencies with the audited financial statements. 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 July 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED  
(continued)**

**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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report



Simon Ormiston (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cambridge  
9 October 2013

**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2013**

	<b>Note</b>	<b>2013 £000</b>	<b>2012 £000</b>
<b>Turnover</b>	<b>1</b>	<b>1,291</b>	<b>1,249</b>
Cost of sales		(1,254)	(1,199)
<b>Gross profit</b>		<u>37</u>	<u>50</u>
Administrative expenses		(26)	(25)
Other operating income		24	5
<b>Operating profit</b>	<b>2</b>	<u>35</u>	<u>30</u>
Interest payable and similar charges		(2)	(2)
<b>Profit on ordinary activities before taxation</b>		<u>33</u>	<u>28</u>
Tax on profit on ordinary activities	<b>5</b>	(8)	(7)
<b>Profit for the financial year</b>	<b>10</b>	<u>25</u>	<u>21</u>

All income and expenditure relates to continuing activities

The company has no recognised gains or losses other than the results shown above  
Therefore no separate statement of total recognised gains and losses has been presented



**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**  
**BALANCE SHEET AS AT 31 JULY 2013**

	Note	2013 £000	2012 £000
<b>Current assets</b>			
Debtors	6	56	59
Short term deposits		26	25
Cash at bank and in hand		<u>237</u>	<u>253</u>
		319	337
<b>Creditors: amounts falling due within one year</b>	7	(191)	(234)
<b>Net current assets</b>		128	103
<b>Total assets less current liabilities</b>		<u>128</u>	<u>103</u>
<b>Creditors: amounts falling due after more than one year</b>	8	(95)	(95)
<b>Net assets</b>		<u>33</u>	<u>8</u>
<b>Capital and reserves</b>			
Called up share capital	9	400	400
Profit and loss account		<u>(367)</u>	<u>(392)</u>
<b>Total shareholders' funds</b>	10	<u>33</u>	<u>8</u>

The financial statements on pages 7 to 13 were approved by the board of directors on 9 October 2013 and were signed on its behalf by



**Mrs J Rippeth**  
*Director*

Oxford and Cambridge International Assessment Services Limited  
Registered number 1838486

**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013**

**1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below

**Basis of preparation**

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

**Cash flow statement**

Under Financial Reporting Standard 1 (revised 1996), "Cash Flow Statements", the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own publically available consolidated financial statements

**Turnover**

Turnover represents the amounts derived from the provision of goods and services to customers during the year, excluding value added tax. All turnover is derived from the UK

**Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the Profit and Loss Account

**Taxation**

Tax recognised in the Profit and Loss Account is the amount estimated to be payable in respect of the taxable profit for the year along with adjustments to estimates in respect of previous years. Tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date

**Trade debtors**

Trade debtors are carried at original fair value less any impairment. An impairment is established when there is objective evidence that the company will not be able to collect all amounts due. The difference between the carrying amount and the recoverable amount is recognised within Administrative Expenses in the Profit and Loss Account

**Short term deposits**

Short term deposits represent monetary amounts repayable at more than 24 hours' notice

**Cash and cash equivalents**

Cash and cash equivalents are carried at cost. Bank overdrafts are included within current liabilities on the balance sheet

**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013**

**1. Accounting policies (continued)**

**Trade creditors**

Trade creditors are carried at the value of goods and services received from others

**2. Operating profit**

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
Operating profit is stated after charging/(crediting)		
Services provided by the company's auditor		
- Fees payable for the audit	2	1
Exchange gain	<u>(24)</u>	<u>(5)</u>

**3. Remuneration of directors**

During the year the company had two directors in office (2012 two) The directors did not receive any remuneration in respect of services to the company (2012 £nil)

**4. Staff numbers and costs**

The average number of persons (full time equivalent) employed by the company in overseas offices during the year was 19 (2012 19)

Staff costs comprise

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
Salaries and wages	480	458
Social security costs	77	58
Other pension costs	43	37
	<u>600</u>	<u>553</u>

Other pension costs represent amounts payable to compulsory foreign government schemes in respect of overseas office staff

**5. Tax on profit on ordinary activities**

**(a) Analysis of charge in the year**

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
Current tax		
UK corporation tax on profits for the year	<u>8</u>	<u>7</u>

**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013**

**5. Tax on profit on ordinary activities (continued)**

**(b) Factors affecting the tax for the year**

The tax assessed for the year is the same as (2012 same as) the standard rate of corporation tax in the UK of 23.7% (2012 25.3%)

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
Profit on ordinary activities before tax	<u>33</u>	<u>28</u>
Current tax at 23.7% (2012 25.3%)	8	7
Effects of Expenses not deductible for tax purposes	-	-
Total current tax charge for the year	<u>8</u>	<u>7</u>

A number of changes to the UK corporation tax system were announced in the March 2013 UK Budget statement. Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 was included in the Finance Act 2012 and this was substantively enacted on 3 July 2012.

In addition to the changes in rates of corporation tax disclosed above further changes to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These include reductions to the main rate to reduce the rate to 21% from 1 April 2014 and to 20% from 1 April 2015.

**6. Debtors**

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
Prepayments and accrued income	<u>56</u>	<u>59</u>

**7. Creditors: amounts falling due within one year**

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
Amounts owed to parent undertaking	52	44
Other creditors	4	-
Taxation and social security	8	7
Accruals and deferred income	<u>127</u>	<u>183</u>
	<u>191</u>	<u>234</u>

**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013**

**8. Creditors: amounts falling due after more than one year**

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
Amounts owed to parent undertaking	<u>95</u>	<u>95</u>

Amounts owed to the parent undertaking represents a loan from Cambridge Assessment for USD 149k (2012 USD 149k), which is unsecured and repayable at the discretion of the company. Interest is charged at 2% above Barclays Bank PLC UK base rate.

**9. Called up share capital**

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
<b>Allotted and fully paid</b> 400,000 (2012 400,000) Ordinary shares of £1 each	<u>400</u>	<u>400</u>

**10. Movement in shareholders' funds**

	<b>Share capital</b> <b>£000</b>	<b>Profit and loss account</b> <b>£000</b>	<b>Total</b> <b>£000</b>
<b>Year ended 31 July 2013:</b>			
Balance at 1 August 2012	400	(392)	8
Profit for the financial year	-	25	25
Balance at 31 July 2013	<u>400</u>	<u>(367)</u>	<u>33</u>
<b>Year ended 31 July 2012:</b>			
Balance at 1 August 2011	400	(413)	(13)
Profit for the financial year	-	21	21
Balance at 31 July 2012	<u>400</u>	<u>(392)</u>	<u>8</u>

**11. Subsidiary companies**

<b>Name of subsidiary</b>	<b>Country of registration</b>	<b>Class of share</b>	<b>Proportion held direct</b>	<b>Nature of business</b>
World Class Tests Limited	England	Ordinary	100%	Dormant

**OXFORD AND CAMBRIDGE INTERNATIONAL ASSESSMENT SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013**

**12. Related parties**

Advantage has been taken of the exemption available under Financial Reporting Standard (FRS) 8, "Related Parties", not to disclose transactions with entities that are part of the University of Cambridge group

**13. Ultimate parent undertaking and controlling party**

The parent undertaking is Cambridge Assessment, a not-for-profit organisation and a department of the University of Cambridge. The ultimate parent undertaking is the University of Cambridge.

The largest group in which the results of the company are consolidated is that headed by the University of Cambridge. The smallest group in which they are consolidated is that headed by Cambridge Assessment. The consolidated financial statements of the University of Cambridge may be obtained from the Cambridge University Reporter, Cambridge University Press Bookshop, 1 Trinity Street, Cambridge, CB2 1SZ.