Registered number: 03915611

CET LANGUAGE SCHOOLS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

CET LANGUAGE SCHOOLS LIMITED

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Directors present their report and the financial statements for the year ended 31 August 2015.

PRINCIPAL ACTIVITIES

The Company's principal activity is to provide English language instruction to non-native speakers.

DIRECTORS

The Directors who served during the year were:

A K Ericsson
T O Ericsson

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

INDEPENDENT AUDITOR

The auditor, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 October 2015 and signed on its behalf.

T O Ericsson
Director

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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 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 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 judgments 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF CET LANGUAGE SCHOOLS LIMITED

We have audited the financial statements of CET Language Schools Limited for the year ended 31 August 2015, 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 the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Company's shareholder 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 shareholder those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Directors' Report 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 August 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF CET LANGUAGE SCHOOLS LIMITED

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 prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Alison Sheridan

Alison Sheridan (Senior Statutory Auditor)

for and on behalf of
PKF Littlejohn LLP

Statutory Auditor

1 Westferry Circus
Canary Wharf
London
E14 4HD

30 October 2015

CET LANGUAGE SCHOOLS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	Unaudited - 2014 £
TURNOVER	1	**265,215**	435,863
Cost of sales		**(157,050)**	(157,530)
GROSS PROFIT		**108,165**	278,333
Administrative expenses		**(333,775)**	(306,546)
Other operating income	2	**305,590**	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**79,980**	(28,213)
Tax on profit/(loss) on ordinary activities	4	**-**	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	9	**79,980**	(28,213)

The notes on pages 7 to 10 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	Unaudited - 2014 £	£
FIXED ASSETS					
Tangible assets	5		**49,371**		61,344
CURRENT ASSETS					
Debtors	6	**42,028**		213,355	
Cash at bank and in hand		**18,167**		91,473	
		60,195		304,828	
CREDITORS: amounts falling due within one year	7	**(100,494)**		(437,080)	
NET CURRENT LIABILITIES			**(40,299)**		(132,252)
TOTAL ASSETS LESS CURRENT LIABILITIES			**9,072**		(70,908)
CAPITAL AND RESERVES					
Called up share capital	8		**2**		2
Profit and loss account	9		**9,070**		(70,910)
SHAREHOLDERS' FUNDS/(DEFICIT)			**9,072**		(70,908)

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 October 2015.

T O Ericsson
Director

The notes on pages 7 to 10 form part of these financial statements.

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

The Financial statements have been prepared on a going concern basis for the year ended 31 August 2015. The Directors are satisfied that the use of the going concern basis of accounting remains appropriate and that there are no material uncertainties relating to events or conditions that may cast significant doubt over that assumption. The Company has access to adequate resources to continue in operational existence for the foreseeable future.

1.3 Turnover

Turnover comprises revenue recognised by the Company in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	20% reducing balance
Office equipment	-	20% reducing balance

2. OTHER OPERATING INCOME

	2015	Unaudited - 2014
	£	£
Group balances waived	**305,590**	-

3. PROFIT/(LOSS)

The profit/(loss) is stated after charging:

	2015	Unaudited - 2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	**12,343**	6,816

During the year, no Director received any emoluments (2014 - £NIL).

4. TAXATION

	2015	2014
	£	£
UK corporation tax charge on profit/loss for the year	-	-

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Office equipment	Total
	£	£	£
Cost			
At 1 September 2014 (unaudited)	55,722	57,279	113,001
Additions	-	370	370
At 31 August 2015	55,722	57,649	113,371
Depreciation			
At 1 September 2014 (unaudited)	16,724	34,933	51,657
Charge for the year	7,800	4,543	12,343
At 31 August 2015	24,524	39,476	64,000
Net book value			
At 31 August 2015	31,198	18,173	49,371
At 31 August 2014 (unaudited)	38,998	22,346	61,344

6. DEBTORS

	2015	Unaudited - 2014
	£	£
Trade debtors	22,776	172,182
Amounts owed by group undertakings	-	32,140
Other debtors	19,252	9,033
	42,028	213,355

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

7. CREDITORS:
Amounts falling due within one year

	2015 £	Unaudited - 2014 £
Amounts owed to group undertakings	-	176,259
Other taxation and social security	**6,270**	3,587
Deferred income	**75,035**	234,698
Other creditors	**19,189**	22,536
	100,494	437,080

8. SHARE CAPITAL

	2015 £	Unaudited - 2014 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	**2**	2

9. RESERVES

	Profit and loss account £
At 1 September 2014 (unaudited)	**(70,910)**
Profit for the year	**79,980**
At 31 August 2015	**9,070**

10. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Company had annual commitments under non-cancellable operating leases as follows:

	2015 £	Unaudited - 2014 £
Expiry date:		
Within 1 year	-	41,750

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

11. RELATED PARTY TRANSACTIONS

	2015	Unaudited - 2014
	£	£
CET Management (UK) Limited		
- expenses paid on behalf of the Company	**64,331**	63,068
- balance payable (included within creditors)	**-**	(152,929)
- amounts waived (included within other income)	**(282,261)**	-
Educatius International		
- expenses paid on behalf of the Company	**-**	12,478
- balance payable (included within creditors)	**-**	(23,329)
- amounts waived (included within other income)	**(23,329)**	-
Explorius Education AB	**-**	-
- balance receivable (included within debtors)	**-**	32,140
- amounts waived as irrecoverable	**(32,140)**	-

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is Explorius Education AB, a company registered in Sweden.

The ultimate controlling parties are T O Ericsson and A K Ericsson.