

Company Registration No. 03930321 (England and Wales)

ABERCORN EDUCATION LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

COMPANIES HOUSE COPY



ABERCORN EDUCATION LIMITED

COMPANY INFORMATION

Directors

A S Greystoke
A M F Snell
A P Millard
S P Redrupp

Secretary

Connaught Secretaries Limited

Company number

03930321

Registered office

42-50 Hersham Road
Walton-on-Thames
Surrey
United Kingdom
KT12 1RZ

Auditors

UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

ABERCORN EDUCATION LIMITED

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ABERCORN EDUCATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 September 2014:

A S Greystoke

A M F Snell

A J Greystoke

(Retired 31 October 2014)

A P Millard

S P Redrupp

Auditors

UHY Hacker Young were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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 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.

ABERCORN EDUCATION LIMITED

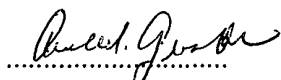
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



A S Greystoke

Director

13/5/2016

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ABERCORN EDUCATION LIMITED**

We have audited the financial statements of Abercorn Education Limited for the year ended 31 August 2015 set out on pages 5 to 13. 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).

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 an auditors' 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 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 Directors' Responsibilities Statement set out on pages 1 - 2, 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

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

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; 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 AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF ABERCORN EDUCATION 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 take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.



Colin Wright (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

19/5/16

Chartered Accountants
Statutory Auditor

ABERCORN EDUCATION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Turnover	2	500,000	500,000
Administrative expenses		(228,487)	(195,380)
Operating profit	3	271,513	304,620
Other interest receivable and similar income	4	874,983	-
Interest payable and similar charges	5	(183,903)	(240,084)
Profit on ordinary activities before taxation		962,593	64,536
Tax on profit on ordinary activities	6	(189,057)	(18,890)
Profit for the year	12	773,536	45,646

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

Note of historical cost profits and losses

	2015 £	2014 £
Reported profit on ordinary activities before taxation	962,593	64,536
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	(2,492)	(1,517)
Historical cost profit on ordinary activities before taxation	960,101	63,019
Historical cost profit for the year retained after taxation, extraordinary items and dividends	771,044	44,129

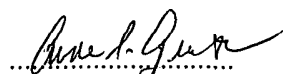
ABERCORN EDUCATION LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	7	15,481,800		15,500,000	
Current assets					
Debtors: amounts falling due within one year	8	5,826		8,494	
Debtors: amounts falling due after more than one year	8	3,443,984		2,569,001	
Creditors: amounts falling due within one year	9	<u>(2,876,827)</u>		<u>(2,433,216)</u>	
Net current assets			572,983		144,279
Total assets less current liabilities			16,054,783		15,644,279
Creditors: amounts falling due after more than one year	10		<u>(4,862,599)</u>		<u>(5,225,632)</u>
			<u>11,192,184</u>		<u>10,418,647</u>
Capital and reserves					
Called up share capital	11	50,000		50,000	
Revaluation reserve	12	10,162,011		10,162,011	
Profit and loss account	12	980,173		206,636	
Shareholders' funds	13		<u>11,192,184</u>		<u>10,418,647</u>

Approved by the Board and authorised for issue on 13/5/2016



A S Greystoke
Director

Company Registration No. 03930321

ABERCORN EDUCATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of rent charged to a fellow subsidiary company.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold property	50 years with a residual value of 75%
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Individual freehold and leasehold properties are carried at valuation at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceeded the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the profit and loss account.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2015	2014
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	18,200	17,225
	<u> </u>	<u> </u>

ABERCORN EDUCATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2015

4	Investment income	2015	2014
		£	£
	Other interest	874,983	-
		<u> </u>	<u> </u>
	The other interest relates to redress from the bank in respect of interest rate hedging product.		
5	Interest payable	2015	2014
		£	£
	On loans repayable after five years	183,903	240,084
		<u> </u>	<u> </u>
6	Taxation	2015	2014
		£	£
	Domestic current year tax		
	U.K. corporation tax	189,057	47,489
	Adjustment for prior years	-	(28,599)
		<u> </u>	<u> </u>
	Total current tax	189,057	18,890
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	962,593	64,536
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.58% (2014 - 22.17%)	198,102	14,308
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	-	177
	Depreciation add back	3,746	3,817
	Capital allowances	(12,798)	(16,257)
	Tax losses utilised (Group Relief)	-	45,448
	Adjustments to previous periods	-	(28,599)
	Other tax adjustments	7	(4)
		<u> </u>	<u> </u>
		(9,045)	4,582
		<u> </u>	<u> </u>
	Current tax charge for the year	189,057	18,890
		<u> </u>	<u> </u>

ABERCORN EDUCATION LIMITED**BALANCE SHEET (CONTINUED)****AS AT 31 AUGUST 2015****7 Tangible fixed assets**

	Freehold property £
Cost or valuation	
At 1 September 2014 & at 31 August 2015	15,500,000
Depreciation	
At 1 September 2014	(18,200)
Charge for the year	36,400
At 31 August 2015	18,200
Net book value	
At 31 August 2015	15,481,800
At 31 August 2014	15,500,000

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 1 September 2014 & at 31 August 2015	5,705,401
Depreciation based on cost	
At 1 September 2014	1,117,043
Charge for the year	15,708
At 31 August 2015	1,132,751
Net book value	
At 31 August 2015	4,572,650
At 31 August 2014	4,588,358

ABERCORN EDUCATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2015

7 Tangible fixed assets

(Continued)

Included in land and buildings is freehold land at valuation of £11,860,000 (Cost £2,563,750) which is not depreciated.

The freehold land and buildings were valued on an open market basis by Levene, a firm of independent Chartered Surveyors, on 20 October 2014. The valuations were in accordance with the requirements of the RICS Appraisal and Valuation Standards and FRS 15. The directors are not aware of any material changes to the properties' values since the year end to the date of the valuation.

It is the company's intention to retain the properties for the foreseeable future. No deferred tax has been provided on the gains arising from the revaluation as such tax would only become payable if the properties were sold. The tax which would be payable in such circumstances is estimated to be approximately £1m.

8 Debtors

	2015 £	2014 £
Amounts owed by parent company and fellow subsidiary undertakings	3,443,984	2,569,001
Other debtors	5,826	8,494
	<u>3,449,810</u>	<u>2,577,495</u>

Amounts falling due after more than one year and included in the debtors above are:

	2015 £	2014 £
Amounts owed by parent company and fellow subsidiary undertakings	<u>3,443,984</u>	<u>2,569,001</u>

ABERCORN EDUCATION LIMITED**BALANCE SHEET (CONTINUED)****AS AT 31 AUGUST 2015**

9	Creditors: amounts falling due within one year	2015	2014
		£	£
	Bank loans (note 10)	357,377	343,914
	Amounts owed to fellow subsidiary undertaking	2,287,048	2,005,408
	Corporation tax	189,057	47,489
	Other creditors	34,345	36,405
	Accruals and deferred income	9,000	-
		<u>2,876,827</u>	<u>2,433,216</u>
The bank loans are secured over the company's freehold land and buildings.			
10	Creditors: amounts falling due after more than one year	2015	2014
		£	£
	Bank loans	<u>4,862,599</u>	<u>5,225,632</u>
	Analysis of loans		
	Not wholly repayable within five years by instalments:		
		4,820,642	5,042,191
	Wholly repayable within five years	<u>399,334</u>	<u>527,355</u>
		5,219,976	5,569,546
	Included in current liabilities	<u>(357,377)</u>	<u>(343,914)</u>
		<u>4,862,599</u>	<u>5,225,632</u>
	Instalments not due within five years	<u>3,596,456</u>	<u>3,885,124</u>
	Loan maturity analysis		
	In more than one year but not more than two years	379,804	359,707
	In more than two years but not more than five years	876,171	980,801
	In more than five years	<u>3,596,456</u>	<u>3,885,124</u>

ABERCORN EDUCATION LIMITED**BALANCE SHEET (CONTINUED)****AS AT 31 AUGUST 2015**

11 Share capital	2015	2014
	£	£
Allotted, called up and fully paid		
50,000 Ordinary Shares of £1 each	50,000	50,000
12 Statement of movements on reserves	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 September 2014	10,162,011	206,637
Profit for the year	-	773,536
Balance at 31 August 2015	10,162,011	980,173
13 Reconciliation of movements in Shareholders' funds	2015	2014
	£	£
Profit for the financial year	773,536	45,646
Other recognised gains and losses	-	3,534,450
Net addition to shareholders' funds	773,536	3,580,096
Opening Shareholders' funds	10,418,647	6,838,551
Closing Shareholders' funds	11,192,184	10,418,647

14 Contingent liabilities

The company has given a cross guarantee in respect of the bank borrowings of Abercorn School Limited, a wholly owned subsidiary of International British Schools Limited, the holding company. At 31 August 2015, these borrowings amounted to £632,466 (2014 £360,844).

15 Employees**Number of employees**

There were no employees during the year apart from the directors.

ABERCORN EDUCATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2015

16 Control

The immediate and ultimate parent company is International British Schools Limited, a company registered in England and Wales. International British Schools prepares group financial statements and copies can be obtained from 42-50 Hersham Road, Walton-on-Thames, Surrey, KT12 1RZ.

The ultimate controlling party is A S Greystoke, a director of the company.

17 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

ABERCORN EDUCATION LIMITED

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2015

ABERCORN EDUCATION LIMITED**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015	2014
	£	£
Turnover		
Rent receivable	500,000	500,000
 Administrative expenses	 (228,487)	 (195,380)
Operating profit	<u>271,513</u>	<u>304,620</u>
 Other interest receivable and similar income		
Other interest received	874,983	-
 Interest payable		
Loan interest paid >5yrs	(183,903)	(240,084)
 Profit before taxation	<u><u>962,593</u></u>	<u><u>64,536</u></u>

ABERCORN EDUCATION LIMITED

**SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015	2014
	£	£
Administrative expenses		
Insurance	128,928	128,928
Legal and professional fees	72,620	41,296
Bank charges	8,739	7,930
Sundry expenses	-	1
Depreciation on freehold property	18,200	17,225
	<hr/>	<hr/>
	228,487	195,380
	<hr/>	<hr/>
