

# **BPP Maidstone Limited**

## **Report and Financial Statements**

31 August 2009

Company No 4186739

FRIDAY



LD4

\*LNY7UKD4\*

28/05/2010

COMPANIES HOUSE

160

## BPP Maidstone Limited

---

Registered No 4186739

### **Directors**

I Fidock  
C Ross-Roberts

### **Auditors**

Deloitte LLP  
London  
United Kingdom

### **Bankers**

National Westminster Bank Plc  
25 Shepherds Bush Green  
London W12 8PR

### **Registered Office**

BPP House  
142-144 Uxbridge Road  
London W12 8AA

## Directors' report

The directors present their report and financial statements for the period ended 31 August 2009

### Change in parent company and financial year end

On the 30 July 2009 Apollo UK Acquisition Company Limited completed the acquisition of the entire issued and to be issued ordinary share capital of BPP Holdings plc (the parent company of BPP Maidstone Limited), a company registered in England and Wales, for a cash purchase price of 620 pence per share. Apollo UK Acquisition Company Limited is a wholly-owned subsidiary of Apollo Global Inc which is a majority-owned subsidiary of Apollo Group Inc. Hence, Apollo Group Inc became the company's ultimate parent company where the results of this company are consolidated.

As a result of this acquisition the financial year end of the company has changed to 31 August in line with the statutory year end date of the ultimate parent company.

### Results and dividends

The company did not trade during the period. Prior year comparatives are presented for the year ended 31 December 2008. The profit and loss account for the period shows a profit after tax of £nil (2008 – profit of £162,401). A dividend of £nil was declared and paid in 2009 (2008 £512,575).

### Principal activity

The company did not trade during 2009.

### Financial review

On 1 July 2008 BPP Maidstone Limited sold all its trade and trading assets to BPP Professional Education Limited for £192,646. This was sold at net book value and no profit or loss was generated on disposal. The only transactions during the current period were the transfer of bank balances from BPP Professional Education Ltd through an inter-company account.

### Key risks and uncertainties

The only risk that remains for BPP Maidstone Limited is the possibility of legal or other action, as a result of activities undertaken or guarantees made whilst the business was trading. This is viewed as highly unlikely.

### Outlook

This company has ceased trading and there is no intention to resume any business activities in the foreseeable future.

### Directors

The directors who served during the year were as follows:

I Fidock  
C Ross-Roberts

## Directors' report

### Disclosure of information to the auditors

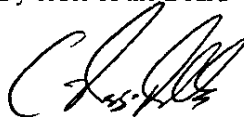
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information. The confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### Re-appointment of auditors

The previous auditors, Ernst & Young LLP, resigned and Deloitte LLP were appointed as auditors in respect of this period. A resolution to reappoint Deloitte LLP as auditors will be put to the members at the Annual General Meeting.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

By order of the Board



C Ross-Roberts  
Director

Date 27/05/2010

## Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statement, 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 proper accounting records that 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 auditors' report**

**to the members of BPP Maidstone Limited**

We have audited the financial statements of BPP Maidstone Limited for the eight month period from 1 January 2009 to 31 August 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 15. 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, 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 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 (APB'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.

## **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 2009 and of its result for the period 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

to the members of BPP Maidstone 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
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report, or
- we have not received all the information and explanations we require for our audit

*Sarah Shillingford*

Sarah Shillingford (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
London, England

Date 28/05/2010

## Profit and loss account

for the period ended 31 August 2009

	Notes	8 months ended 31 August 2009 £'000	Year ended 31 December 2008 £'000
Turnover	2	-	584,815
Cost of sales		-	(304,165)
<b>Gross Profit</b>		-	280,650
Administrative Expenses		-	(52,017)
<b>Profit on ordinary activities before taxation</b>	3	-	228,633
Tax on profit on ordinary activities	6	-	(66,232)
<b>Profit for the period</b>		-	162,401

All activities have been discontinued as a result of the sale of the companies business on 1 July 2008

## Statement of total recognised gains and losses

for the period ended 31 August 2009

There were no recognised gains or losses other than the result for the period of £nil (2008-profit of £162,401)



## Balance sheet

at 31 August 2009

Company No 4186739

		31 August 2009	31 December 2008
	Notes	£	£
<b>CURRENT ASSETS</b>			
Debtors amounts falling due within one year	8	757,917	873,943
Cash at bank and in hand		10,655	65,629
		<u>768,572</u>	<u>939,572</u>
<b>CREDITORS amounts falling due within one year</b>	9	(512,575)	(171,000)
<b>NET CURRENT ASSETS</b>		<u>255,997</u>	<u>768,572</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>255,997</u>	<u>768,572</u>
<b>CREDITORS amounts falling due in more than one year</b>	10	-	(512,575)
<b>NET ASSETS</b>		<u>255,997</u>	<u>255,997</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	80,000	80,000
Capital contribution reserve	12	3,998	3,998
Profit and loss account	12	171,999	171,999
<b>EQUITY SHAREHOLDERS' FUNDS</b>	12	<u>255,997</u>	<u>255,997</u>



Chris Ross-Roberts  
Director

Date 27/05/2010

## Notes to the financial statements

at 31 August 2009

### 1. Accounting policies

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the company's annual financial statements for the year ended 31 December 2008

#### ***Basis of preparation***

The financial statements of BPP Maidstone Limited were approved for issue by the Board of Directors on 27 May 2010

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

As explained in director's report, the company has transferred its trade, assets and liabilities to a fellow subsidiary BPP Professional Education Limited on 1 July 2008 and has ceased trading. As required by FRS 18, Accounting Policies, the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities were transferred to the fellow subsidiary company BPP Professional Education Limited at their book value.

#### ***Operating lease agreements***

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the term of the lease.

#### ***Current taxation***

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the tax rates and laws that are enacted or substantively enacted by the balance sheet date.

#### ***Deferred taxation***

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### ***Statement of cash flows***

In accordance with FRS 1 (revised) the company has not prepared a statement of cash flows as its ultimate parent undertaking, Apollo Group Inc, produces publicly available consolidated financial statements.

## Notes to the financial statements

at 31 August 2009

### 1. Accounting policies (continued)

#### *Revenue recognition*

Revenue represents the invoiced amount of goods and services provided. Revenue is recognised as follows:

#### *Rendering of services*

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied: the revenue can be measured reliably, it is probable that the economic benefits will flow to the entity, the stage of completion at the balance sheet date can be measured reliably, and the costs relating to the transaction can be measured reliably.

Deferred revenue represents amounts invoiced for which the service will be provided in future periods.

#### *Share-based payments*

##### *Equity settled transactions*

The equity instruments are granted to the employees of the Company by its ultimate parent, BPP Holdings plc. The share based compensation is accounted for as equity-settled in the consolidated financial statements of the parent, therefore the Company is required to record an expense for such compensation in accordance with FRS 20 'Share based payments', with a corresponding increase recognised in the capital contribution reserve in equity as a contribution from the parent.

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. The fair value is determined using a binomial valuation model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions. Number of equity instruments that will ultimately vest or, in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the income statement for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the income statement.

## Notes to the financial statements

at 31 August 2009

### 1. Accounting policies (continued)

#### *Share-based payments (continued)*

#### *Equity settled transactions (continued)*

The Company has taken advantage of the transitional provisions of FRS 20 in respect of equity-settled awards so as to apply FRS 20 only to those equity-settled awards granted after 7 November 2002 that had not vested before 1 January 2006

For awards granted before 7 November 2002, the company recognises only the intrinsic value or cost of these potential awards as an expense. This is accrued over the performance period of each plan based on the intrinsic value of the equity settled awards

### 2. Turnover

Turnover represents the invoiced amount of goods and services provided during the year, stated net of value added tax. Amounts invoiced but unearned at the year end are treated as deferred revenue

Turnover is attributable to one continuing activity, the provision of accountancy training

All turnover derives from the United Kingdom

### 3. Profit on ordinary activities before taxation

This is stated after charging

	<i>8 months ended 31 August 2009</i>	<i>Year ended 31 December 2008</i>
	£	£
Depreciation	-	9,180
Auditors' remuneration – audit of the financial statements	-	2,400
Operating lease rentals on leasehold property	-	17,358
	<u>          </u>	<u>          </u>

Current year auditor remuneration of £2,000 has been borne by another group company and has not been recharged to the company

### 4. Directors' emoluments

	<i>8 months ended 31 August 2009</i>	<i>Year ended 31 December 2008</i>
	£	£
Emoluments	-	41,511
	<u>          </u>	<u>          </u>

The directors received no remuneration for their services to the company during the period. For the period ended 31 December 2008, C Ross-Roberts was also a director of other group companies and was not involved in the day-to-day running of BPP Maidstone Limited. Accordingly he received no remuneration for services to the company

## Notes to the financial statements

at 31 August 2009

### 5 Staff costs

	8 months ended 31 August 2009	Year ended 31 December 2008
	£	£
Wages and salaries	-	195,320
Social security costs	-	22,245
Share-based payments	-	836
	<u>-</u>	<u>218,401</u>

The Company does not operate a company pension scheme. Employees can opt to contribute to a pension scheme through a salary sacrifice scheme but there is no pension contribution cost to the Company.

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

	8 months ended 31 August 2009	Year ended 31 December 2008
	No	No
Tutors and administrative staff	-	8
	<u>-</u>	<u>8</u>

### 6. Tax on profit on ordinary activities

(a) Analysis of charge in the period

	8 months ended 31 August 2009	Year ended 31 December 2008
	£	£
<i>Current tax</i>		
UK corporation tax at 28% (2008 – 28.5%)	-	66,832
Adjustments to tax charges in respect of previous periods	-	-
Total current tax (note 6(b))	<u>-</u>	<u>66,832</u>
<i>Deferred taxation</i>		
Origination and reversal of timing differences	-	(600)
Tax on profit on ordinary activities	<u>-</u>	<u>66,232</u>

## Notes to the financial statements

at 31 August 2009

### 6. Tax on profit on ordinary activities (continued)

(b) Factors affecting current tax charge for the period

	<i>8 months ended 31 August 2009</i>	<i>Year ended 31 December 2008</i>
	<i>£</i>	<i>£</i>
Profit on ordinary activities before tax	–	228,633
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK at 28% (2008- 28.5%)	–	65,160
<i>Effects of</i>		
Expenses not deductible for tax purposes	–	1,000
Depreciation in advance of capital allowances	–	672
Other timing differences	–	–
Adjustments to tax charges in respect of previous periods	–	–
Total current tax (note 6(a))	–	66,832

### 7. Dividends

	<i>31 August 2009</i>	<i>31 December 2008</i>
	<i>£</i>	<i>£</i>
2008 dividend paid	–	512,575

## Notes to the financial statements

at 31 August 2009

### 8. Debtors

	31 August 2009	31 December 2008
	£	£
Amounts owed by fellow subsidiary undertakings	757,917	873,943

Amounts falling due after more than one year included above are

	31 August 2009	31 December 2008
	£	£
Amounts owed by fellow subsidiary undertakings	-	192,646

Amounts due from fellow subsidiaries are non-interest bearing

### 9. Creditors: amounts falling due within one year

	31 August 2009	31 December 2008
	£	£
Amounts owed to parent undertaking	512,575	-
Inter-company in respect of group relief	-	171,000
	512,575	171,000

Amounts owed to fellow subsidiaries are non-interest bearing

### 10. Creditors: amounts falling due in more than one year

	31 August 2009	31 December 2008
	£	£
Amounts owed to parent undertaking	-	512,575

Amounts owed to parent undertaking are non-interest bearing

## Notes to the financial statements

at 31 August 2009

### 11. Share capital

	31 August 2009	31 December 2008
	£	£
Authorised 100,000 ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid 80,000 ordinary shares of £1 each	80,000	80,000

### 12. Reconciliation of shareholders' funds and movement on reserves

	Share capital	Capital contrib- ution reserve	Profit and loss account	Total share- holders' funds
At 1 January 2008	80,000	3,162	522,173	605,335
Profit for the year	-	-	162,401	162,401
Capital contribution – share based payments	-	836	-	836
Dividends	-	-	(512,575)	(512,575)
At 31 December 2008	80,000	3,998	171,999	255,997
Profit for the period	-	-	-	-
Capital contribution – share based payments	-	-	-	-
Dividends	-	-	-	-
At 31 August 2009	80,000	3,998	171,999	255,997

#### Capital contribution reserve

This reserve records the cost of equity-settled transactions recognised in the profit and loss account in respect of equity instruments which are granted to the employees of the Company by its parent, BPP Holdings plc

### 13. Share based payments

#### Savings related share option scheme

BPP Holdings plc operates a savings related share option scheme (Sharesave) that is open to all employees of the group within the UK. Options are issued at a discount of 15% of the share price on the pricing day (approximately one month prior to the grant date) and are exercisable three years after they are issued. Exercise of the option is subject to continued employment and the scheme leaver provisions.

The costs of these options are recharged by BPP Holdings plc to BPP Maidstone Limited



## Notes to the financial statements

at 31 August 2009

### 13. Share based payments (continued)

#### *Savings related share option scheme (continued)*

The following table illustrates the number (No ) and weighted average exercise price (WAEP) of share options for the employees of BPP Maidstone Limited

	2009 No	2009 WAEP	2008 No	2008 WAEP
Outstanding at 1 January	–	£0 00	4,840	£4 34
Granted during year	–	£0 00	–	£0 00
Forfeited during year	–	£0 00	–	£0 00
Exercised during year	–	£0 00	–	£0 00
Transferred out	–	£0 00	(4,840)	£4 34
Outstanding at the end of the period	–	£0 00	–	£0 00
Exercisable at the end of the period	–	£0 00	–	£0 00

The fair values of the Sharesave plans have been estimated at the date of grant using the binomial model. The following table gives the assumptions used in valuing the grant of options made during the periods

	2008
Grant date	03/10/08
Share price at grant date (£)	4 58
Exercise price (£)	3 79
Dividend yield (%)	4 0
Expected volatility (%)	45
Risk free interest rate (%)	3 99
Expected life of options (years)	3 5
Expected forfeiture (%)	28
Fair value (£)	1 83

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

### 14. Related party transactions

The Company has taken advantage of the exemption allowed under FRS 8 and has not disclosed details of related party transactions with entities within the Group.

### 15. Ultimate parent undertaking and controlling party

On the 30 July 2009, Apollo UK Acquisition Company Limited completed the acquisition of the entire issued and to be issued ordinary share capital of BPP Holdings Plc (the parent company of BPP Maidstone Limited), a company registered in England and Wales, for a cash purchase price of 620 pence per share. Apollo UK Acquisition Company Limited is a wholly-owned subsidiary of Apollo Global Inc which is a majority-owned subsidiary of Apollo Group Inc. Hence, Apollo Group Inc became the company's ultimate parent company where the results of this company are consolidated. BPP Holdings Plc is the immediate parent of the company. Apollo Group Inc is the smallest and the largest group where the results of this company are consolidated. Copies of Apollo Group Inc's financial statements can be obtained from 4025 S Riverpoint, Phoenix, AZ 85040.