

BPP LEARNING MEDIA LIMITED

Annual Report and Financial Statements

For the year ended 31 August 2017

Company No. 05959432



OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

A Wells (Appointed 08/03/2017)
G Gaddes (Appointed 06/02/2018)
G Dart (Appointed 06/02/2018)

AUDITOR

Deloitte LLP
Statutory Auditor
St Albans
United Kingdom

BANKERS

Barclays Bank PLC
27 Soho Square
London W1D 3QR

SOLICITORS

Eversheds LLP
One Wood Street
London
EC2V 7WS

REGISTERED OFFICE

BPP House
Aldine Place
142-144 Uxbridge Road
London
W12 8AW

STRATEGIC REPORT

RESULTS AND DIVIDENDS

The trading results for the year ended 31 August 2017, and the Company's financial position as at the end of the year, are shown in the attached financial statements.

The profit and loss account for the year shows a loss after tax of £4,230,000 (2016: £3,141,000 loss). The directors have not recommended a dividend (2016: £nil).

PRINCIPAL ACTIVITY OF THE BUSINESS

The principal activity of the Company is the provision of study material to customers including bookshops, colleges and students studying for a variety of qualifications.

FINANCIAL REVIEW

Turnover has decreased by £892,000 (5%) compared to the prior year, with an operating loss of £4,892,000 (2016: £3,966,000). Net assets have decreased by £4,230,000 reflecting the loss for the year.

ANALYSIS OF KEY PERFORMANCE INDICATORS

BPP Learning Media Limited key performance indicators have been identified as turnover and operating profit. These are discussed under the financial review above.

KEY RISKS AND UNCERTAINTIES

BPP Learning Media Limited assumes the risks and uncertainties of a publishing business. These include printing in the UK and in a number of overseas markets, storage in both the Company's UK warehouse and that of the logistics partner in Singapore of books and other e-learning materials, their sale and distribution in the UK and over 170 countries around the world.

Brexit and the uncertainty in the UK economy has yet to significantly impact the business or its subsidiaries, however this continues to be watched by management. A risk is represented in the UK through the wider economic impact of Brexit causing reduced discretionary spend by students, however there is a potential opportunity from foreign exchange differences as £3.6m of turnover comes from outside of Europe.

The entity continued to make a loss in 2017. This means that continued support from the parent Company is required. The trading conditions and cashflows of the business continue to be monitored by management.

The Company seeks to address these risks by maintaining its high standards of education in order to be the provider of choice for students and monitoring the economic outlook caused by Brexit and other global economic events in core geographies and will maintain flexible resources available so the Company is able to respond to changes in economic conditions and competitor actions.

COMPLIANCE AND REGULATORY RISK

The Company competes on a global scale and therefore any change in the local existing tax regimes could put the Company at competitive disadvantage, and reduce its ability to compete on a level playing field.

FUTURE DEVELOPEMENTS

Revenue enhancing opportunities, such as working with a wider network of professional bodies, have been identified and are being successfully developed. Efficiencies are also being sought through appropriate technology investments in workflow and management of our learning content.

By order of the Board

G Gaddes
Director
Date:



24th May 2018

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended to 31 August 2017.

Information about the Company's performance, outlook, strategy; policies, proposed dividends and risk and uncertainties can be found in the strategic report.

DIRECTORS

The directors who served during the year or were subsequently appointed are set out below:

C Lygo (Resigned 08/03/2017)
K Rice (Resigned 29/09/2017)
W Etchell (Resigned 30/09/2016)
T Stewart (Resigned 06/02/2018)
A Wells (Appointed 08/03/2017)
G Gaddes (Appointed 06/02/2018)
G Dart (Appointed 06/02/2018)

GOING CONCERN

After making enquiries the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Company financial statements (see note 1 for further details).

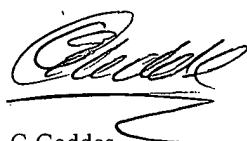
DISCLOSURE OF INFORMATION TO THE AUDITOR

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/she is obliged to take as a director in order to make himself/herself 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 THE AUDITOR

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

By order of the Board



G Gaddes
Director

Date: 24th May 2018

DIRECTORS' RESPONSIBILITIES STATEMENT

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 year. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 to 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 MEMBERS OF BPP LEARNING MEDIA LIMITED

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of BPP Learning Media Limited (the 'Company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BPP LEARNING MEDIA LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BPP LEARNING
MEDIA LIMITED (CONTINUED)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

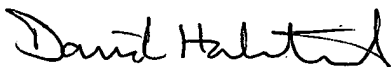
In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report and the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



David Halstead FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
St Albans, United Kingdom

Date: 24 May 2018

BPP Learning Media Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 August 2017

	Notes	Year Ended 31 August 2017 £'000	Year Ended 31 August 2016 £'000
Turnover	3	15,613	16,505
Cost of sales		(12,602)	(12,900)
Gross profit		3,011	3,605
Administrative expenses		(7,903)	(7,571)
Operating loss	4	(4,892)	(3,966)
Interest income	5	420	513
Loss on ordinary activities before taxation		(4,472)	(3,453)
Tax on loss on ordinary activities	8	242	312
Loss for the year		(4,230)	(3,141)
Total comprehensive loss for the year		(4,230)	(3,141)

All of the activities of the Company are classed as continuing.

There were no recognised gains or losses other than the loss for the year of £4,230,000 (2016: £3,141,000).

Notes on pages 11-18 form part of these financial statements.

BPP Learning Media Limited

BALANCE SHEET

As at 31 August 2017

	Notes	31 August 2017 £'000	31 August 2016 £'000
Fixed assets			
Intangible assets	9	16,838	19,243
Tangible assets	10	-	-
		<u>16,838</u>	<u>19,243</u>
Current assets			
Stock	11	533	468
Debtors: amounts falling due within one year	12	21,227	22,035
Debtors: amounts falling due after more than one year	13	372	396
Cash at bank and in hand		720	633
		<u>22,853</u>	<u>23,532</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(3,830)	(2,685)
Net current assets		<u>19,023</u>	<u>20,847</u>
Total assets less current liabilities		<u>35,772</u>	<u>40,090</u>
Net assets		<u>35,860</u>	<u>40,090</u>
Capital and reserves			
Called-up share capital	16	421	421
Share premium account		39,379	39,379
Profit and loss account		(3,940)	290
Total shareholder's funds		<u>35,860</u>	<u>40,090</u>

Notes on pages 11-18 form part of these financial statements.

The financial statements of BPP Learning Media Limited were approved by the board of directors and authorised for issue and signed on their behalf by:



G Dart
Director

Date: 24th May 2018

BPP Learning Media Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 August 2017

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 September 2015	421	39,379	3,431	43,231
Total comprehensive loss for the year ended 31 August 2016	-	-	(3,141)	(3,141)
As at 31 August 2016	421	39,379	290	40,090
Total comprehensive loss for the year ended 31 August 2017	-	-	(4,230)	(4,230)
As at 31 August 2017	421	39,379	(3,940)	35,860

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of preparation

BPP Learning Media Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the group's operations and its principal activities are set out in the strategic report on page 2.

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issue by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also in pounds sterling.

Company's financial statements are consolidated within the financial statements of Apollo Education Group Inc. a Company incorporated in the United States of America. Copies of Apollo Education Group Inc. financial statements can be obtained from 4025 S Riverpoint, Phoenix, AZ 85040.

BPP Learning Media Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less its estimated residual value, of each asset evenly over its useful economic life.

Office equipment	—	over three to five years
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The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

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.

Intangible fixed assets - Goodwill

Positive goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised on a straight-line basis over its useful economic life up to a presumed maximum of 10 years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other years if events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible fixed assets - Other

Other intangible fixed assets relates to the acquisition of intellectual property in the year and is amortised on a straight-line basis over its useful economic life. This is determined to be over a 12-month period.

Stocks

Stocks are principally books (finished goods) or raw material used for the production of books (work in progress), which are stated at the lower of cost and net realisable value. External creative costs and artwork costs of new titles are absorbed into the cost of the first print run. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Revenue recognition

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

Sales of goods: Sales of goods are recognised when the Company has delivered goods to the customer; the customer has accepted the goods; and collectability of the related receivable is reasonably assured.

Deferred revenue represents amounts invoiced for which the goods will be provided in future years.

Pension policy

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company and the annual contributions payable are charged to the profit and loss account.

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out on page 2 in the Strategic Report.

The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its UK parent BPP Holdings Limited and fellow subsidiaries:

BPP Holdings Limited has committed that it will loan as is necessary to this entity to pay their debts as they become due for a period up to 30 June 2019. Having assessed the responses of the directors of BPP Holdings Limited, the directors of the Company have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of BPP Learning Media Limited to continue as a going concern.

On the basis of its assessment of the Company's financial position and of the enquiries made of the directors of BPP Holdings Limited, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The directors deem that there were no critical judgements in applying the Company's accounting policies and no key source of estimation uncertainty involved in these financial statements.

3. TURNOVER AND SEGMENTAL ANALYSIS

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

The Company operates in three geographical markets; the United Kingdom, Europe and the Rest of the World.

An analysis of turnover is provided below:

	Year Ended 31 August 2017 £'000	Year Ended 31 August 2016 £'000
United Kingdom	11,391	12,449
Europe	570	673
Rest of the World	3,652	3,383
	15,613	16,505

4. (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

(Loss) on ordinary activities before taxation is stated after charging:

	Year Ended 31 August 2017 £'000	Year Ended 31 August 2016 £'000
Depreciation	-	2
Amortisation of intangibles	2,405	2,405
Operating lease rentals – leasehold properties	-	51
Cost of stock recognised as an expense	1,512	1,461
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	33	46

5. INTEREST INCOME

	Year Ended 31 August 2017 £'000	Year Ended 31 August 2016 £'000
Interest on intercompany balances	420	500
Interest - external	-	13
	420	513

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. DIRECTORS' REMUNERATION

In total and amount in respect of the highest paid director:

	Year Ended 31 August 2017 £'000	Year Ended 31 August 2016 £'000
Emoluments	124	126
Company contribution to pension schemes	5	4
	129	130

The amount remunerated to directors of the Company by its parent, BPP Holdings Limited, and not included above was £1,549,000 (2016: £1,373,000). It is not practicable to allocate this between their services as executives of BPP Holdings Limited and their services as directors of BPP subsidiary companies. The directors are executives of the holding Company, BPP Holdings Limited, and are also directors of other BPP subsidiary companies.

In addition, all of the directors were accruing benefits under the BPP Holdings Limited group pension scheme, which is a defined contribution scheme, in respect of their services to the group companies. This amount is included in amount remunerated to directors of BPP Holdings Limited above.

7. STAFF COSTS

Staff costs during the year amounted to:

	Year Ended 31 August 2017 £'000	Year Ended 31 August 2016 £'000
Wages and salaries	2,780	3,010
Social security costs	274	285
Other pension costs	90	83
	3,144	3,378

The Company provides a defined contribution pension plan to its employees. The pension plan is administered by an external pension provider. The Company is required to contribute a specified percentage of payroll costs to the scheme to fund the benefit and has no other obligation under the scheme other than to make the required contributions.

The monthly average number of employees during the year was:

	Year Ended 31 August 2017 No.	Year Ended 31 August 2016 No.
Authors	52	52
Warehouse	-	8
Administrative	26	28
	78	88

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. TAX ON LOSS ON ORDINARY ACTIVITIES

(a) Analysis of credit in the year

	Year Ended 31 August 2017	Year Ended 31 August 2016
	£'000	£'000
UK corporation tax	-	85
Tax in prior year	117	(156)
Group relief receivable	(384)	(428)
	(267)	(499)
Deferred tax (note 14):		
Origination and reversal of timing differences – current-year	-	166
Origination and reversal of timing differences – prior-year	2	1
Decrease in tax rate	22	20
	24	187
Tax credit in the period	(243)	(312)

(b) Factors affecting total tax (credit)/charge for year

The tax assessed on the profit on ordinary activities for the year is different from the standard rate of corporation tax in the UK. The differences are explained below.

	Year Ended 31 August 2017	Year Ended 31 August 2016
	£'000	£'000
Loss on ordinary activities before tax	(4,472)	(3,453)
Loss on ordinary activities multiplied by the rate of corporation tax in the UK of 19.58% (2016: 20%)	(876)	(691)
Effect of:		
Disallowed expenses	471	482
Depreciation (below)/in excess of capital allowances	-	(95)
Foreign taxes	-	8
Adjustments in respect of prior years	117	(156)
Deferred tax timing difference	2	143
Change in tax rate	22	44
Other timing differences	21	(47)
Total tax credit in the period	(243)	(312)

The Finance Act 2016 was enacted on 15 September 2016 meaning that the main rate of UK Corporation Tax will be reduced to 19% for the years starting the 1 April 2017, 2018 and 2019 and 17% from 1 April 2020.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. INTANGIBLE FIXED ASSETS

	Other intangibles £'000	Goodwill £'000	Total £'000
<i>Cost</i>			
At 1 September 2016	200	39,010	39,210
At 31 August 2017	200	39,010	39,210
<i>Amortisation</i>			
At 1 September 2016	200	19,767	19,967
Provided during the year	-	2,405	2,405
At 31 August 2017	200	22,172	22,372
<i>Net book value</i>			
At 31 August 2017	-	16,838	16,838
At 31 August 2016	-	19,243	19,243

Other intangible assets

Other intangible assets relates to intellectual property purchased.

Goodwill

Goodwill relates to former subsidiaries that were hived up into this Company.

10. TANGIBLE ASSETS

	Office Equipment £'000	Total £'000
<i>Cost</i>		
At 1 September 2016	64	64
Disposals	-	-
At 31 August 2017	64	64
<i>Depreciation</i>		
At 1 September 2016	64	64
Provided during the year	-	-
Disposals	-	-
At 31 August 2017	64	64
<i>Net book value</i>		
At 31 August 2017	-	-
At 31 August 2016	-	-

BPP Learning Media Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. STOCKS

	2017	2016
	£'000	£'000
Finished goods – books held for resale	533	403
Work in progress	-	65
	<u>533</u>	<u>468</u>

Finished goods and work in progress recognised as cost of sales in the year amounted to £533,000 (2016: £468,000).

12. DEBTORS - Amounts falling due within one year

	2017	2016
	£'000	£'000
Trade receivables	2,589	2,302
Amounts due from parent undertakings	15,833	16,375
Amounts due from fellow subsidiaries	1,214	1,886
Intercompany in respect of Group Corporation Tax Relief	468	201
Other taxes	-	305
Other debtors	6	12
Prepayments and accrued income	1,117	954
	<u>21,227</u>	<u>22,035</u>

13. DEBTORS - Amounts falling due after more than one year

	2017	2016
	£'000	£'000
Deferred tax asset (see note 14)	372	396
	<u>372</u>	<u>396</u>

14. DEFERRED TAX ASSET

	2017	2016
	£'000	£'000
As at 1 September	396	583
Arising in the year	(24)	(187)
As at 31 August	<u>372</u>	<u>396</u>

The amounts provided are as follows:

Depreciation in advance of capital allowances	372	393
Other timing differences	-	3
As at 31 August	<u>372</u>	<u>396</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £'000	2016 £'000
Trade creditors	955	249
Amounts due to fellow subsidiaries	959	60
Intercompany in respect of Group Corporation Tax Relief	126	-
Other creditors	19	60
Fees received in advance	60	-
Accruals and deferred revenue	1,711	2,316
	3,830	2,685

16. CALLED-UP SHARE CAPITAL

	2017 £'000	2016 £'000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	100	100
Preference shares of £0.01 each	42,096	42,096

The preference shares are irredeemable and carry no voting rights. The preference shares carry the right to a cumulative floating rate dividend, of LIBOR + 4.36% on the issue price, payable annually solely at the discretion of the directors.

On a winding up of the Company, the preference shareholders have a right to receive, in preference to payments to the ordinary shareholders, the nominal value paid up on the irredeemable shares plus any accrued dividend. The preference shareholders will also receive £0.99 per each irredeemable preference share held at the date of winding up.

17. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption allowed in Section 33 of FRS 102 and has not disclosed details of related party transactions with entities within the Apollo Education Group Inc.

18. OTHER FINANCIAL COMMITMENTS

The Company had no annual commitments under non-cancellable operating leases (2016: £nil).

19. PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARENT UNDERTAKING

In the opinion of the directors, the Company's ultimate parent company is AP VIII Queso Holdings, L.P incorporated in USA. The Company's immediate controlling party is BPP Holdings Limited. Apollo Education Group Inc. is the smallest where the results of this Company are consolidated and AP VIII Queso Holdings, L.P. is the largest group where the results of the Company are consolidated. Copies of Apollo Education Group Inc's consolidated financial statements for the year ended 31 August 2017 can be obtained from 4025 S Riverpoint, Phoenix, AZ 85040, USA.

20. SUBSEQUENT EVENTS

On 28th February 2018 AP VIII Queso Holdings, L.P legally separated a number of its subsidiaries into new statutory groups. Following this the ultimate parent Company of BPP Holdings Limited is now Socrates Global Parent Limited, a Company that is incorporated in the UK with a registered office of Eversheds House, 70 Great Bridgewater Street, Manchester, England And Wales, United Kingdom, M1 5ES."