

**International School of London (Surrey) Limited**

**Report and Financial Statements**

**31 August 2017**

**Company Registration Number 01226711**

**Rawi & Co Associates Ltd**

**Chartered Accountants and Registered Auditors**

**128 Ebury Street**

**London**

**SW1W 9QQ**



**International School of London (Surrey) Limited**  
**Report and accounts**  
**Contents**

	<b>Page</b>
Company information	1
Directors' report	2-3
Strategic report	4
Independent auditors' report	5-6
Income statement	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10-17

**International School of London (Surrey) Limited**  
**Company Information**

**Directors**

Mr A.N.Makarem  
Mr N. A. Makarem

**Secretary**

Mr A.N.Makarem

**Auditors**

Rawi & Co Associates Ltd  
128 Ebury Street  
London  
SW1W 9QQ

**Bankers**

Natwest Bank  
135 Bishopsgate  
London  
EC2M 3UR

**Registered office**

Old Woking Road  
Woking  
Surrey  
GU22 8HY

**Registered number**

01226711

**International School of London (Surrey) Limited****Registered number:** 01226711**Directors' Report**

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

**Principal activities**

The company's principal activity during the year continued to be that of providing 'Educational Services' within the meaning of the Education Act 1944.

**Events since the balance sheet date**

There are no matters to report as post balance sheet events.

**Directors**

The following persons served as directors during the year:

Mr A.N.Makarem  
Mr N. A. Makarem

**Going Concern**

The directors have assessed the reasonableness of adopting the going concern basis in preparing the financial statements in the light of commercial performance and position of the company and its conduct of the financial affairs subsequent to the balance sheet date.

The directors have a reasonable expectation that the company has adequate available resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

**Directors' responsibilities**

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

## **International School of London (Surrey) Limited**

**Registered number:** 01226711

### **Directors' Report**

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. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

#### **Post balance sheet events**

Following a complete review of the company's business activities during 2016-17, the secondary school section has been closed from the academic year 2017-18. The directors expect the losses to be substantially lower and the school will concentrate on improving the primary school activities. The directors expect the company to make profits from the year 2020-21 onwards.

#### **Strategic Report**

The company has chosen in accordance with S.414C(11) Companies Act 2006 to set out in the company's strategic report information required by schedule 7 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments.

#### **Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 28/05/2018 and signed on its behalf.



**Mr A.N. Makarem**  
**Director**



## **International School of London (Surrey) Limited Strategic Report**

### **Results, dividends and business review**

The directors present their strategic report for the year ended 31 August 2017.

Turnover fell by 16.89% to £3,338,881 (2016: £4,017,411) during the year, compared to last year and losses before taxes increased by 27.40% to £1,510,215 (2016: £1,185,436). The company has net liabilities of £8,592,704 (2016: £7,060,416). The directors expect that the company become profitable from 2020-21 onwards.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or the position of the business.

### **Risks and uncertainties**

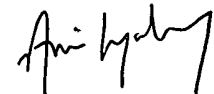
The company provides private education to the children of families living mainly in Surrey. The school's primary source of income is tuition fees collected from students and as such the school's financial performance is directly linked to the number of students enrolled. With a high turnover of students due to family mobility, student enrolment is positively and/or adversely affected by the economic situation in London, as well as global economic forces. The company is undergoing changes and expects to increase intake of students in the coming years following a period of consolidation. The directors expect that the company will become profitable from 2020-21 onwards.

### **Future developments**

The directors aim to reverse the loss making trend that has besotted the company for the past few years by exploring various avenues open to them, including the enrolment of internationally minded students who are long-term residents of the UK.

28/05/2018

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



**Mr A.N. Makarem**  
Director



**International School of London (Surrey) Limited**  
**Independent auditors' report**  
**to the members of International School of London (Surrey) Limited**

**Opinion**

We have audited the financial statements of International School of London (Surrey) Limited for the year ended 31 August 2017 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (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 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.

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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis of 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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.

**Other information**

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 this regard.

**International School of London (Surrey) Limited**  
**Independent auditors' report**  
**to the members of International School of London (Surrey) Limited**

**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

**Matters on which we are required to report by exception**

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 material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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

**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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**R Rawi**

Mr Radwan Rawi  
(Senior Statutory Auditor)  
for and on behalf of  
Rawi & Co Associates Ltd  
Chartered Accountants and Registered Auditors

128 Ebury Street  
London  
SW1W 9QQ

23 May 2018

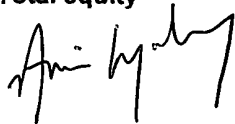


**International School of London (Surrey) Limited**  
**Income Statement**  
**for the year ended 31 August 2017**

	Notes	2017 £	2016 £
<b>Turnover</b>	2	3,338,881	4,017,411
Cost of sales		(3,235,175)	(3,218,376)
<b>Gross profit</b>		<u>103,706</u>	<u>799,035</u>
Administrative expenses		(1,613,921)	(1,984,471)
<b>Operating loss</b>	3	<u>(1,510,215)</u>	<u>(1,185,436)</u>
<b>Loss on ordinary activities before taxation</b>		<u>(1,510,215)</u>	<u>(1,185,436)</u>
Tax on loss on ordinary activities	5	(22,073)	6,034
<b>Loss for the financial year</b>		<u>(1,532,288)</u>	<u>(1,179,402)</u>

**International School of London (Surrey) Limited**  
**Statement of Financial Position**  
**as at 31 August 2017**

	Notes	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	6	<u>266,563</u>	<u>214,452</u>
<b>Current assets</b>			
Stocks	7	42,969	47,516
Debtors	8	494,027	1,576,945
Cash at bank and in hand		<u>82,606</u>	<u>280,915</u>
		619,602	1,905,376
<b>Creditors: amounts falling due within one year</b>	9	(9,478,751)	(9,180,244)
<b>Net current liabilities</b>		<u>(8,859,149)</u>	<u>(7,274,868)</u>
<b>Total assets less current liabilities</b>		<u>(8,592,586)</u>	<u>(7,060,416)</u>
<b>Provisions for liabilities</b>			
Deferred taxation	10	<u>(118)</u>	<u>-</u>
<b>Net liabilities</b>		<u>(8,592,704)</u>	<u>(7,060,416)</u>
<b>Capital and reserves</b>			
Called up share capital	11	1,760,000	1,760,000
Profit and loss account	12	(10,352,704)	(8,820,416)
<b>Total equity</b>		<u>(8,592,704)</u>	<u>(7,060,416)</u>



**Mr A.N. Makarem**  
**Director**

Approved by the board on 28 May 2018



**International School of London (Surrey) Limited**  
**Statement of Changes in Equity**  
**for the year ended 31 August 2017**

	Share capital £	Profit and loss account £	Total £
<b>At 1 September 2015</b>	1,760,000	(7,641,014)	(5,881,014)
Loss for the financial year		(1,179,402)	(1,179,402)
<b>At 31 August 2016</b>	<u>1,760,000</u>	<u>(8,820,416)</u>	<u>(7,060,416)</u>
<b>At 1 September 2016</b>	1,760,000	(8,820,416)	(7,060,416)
Loss for the financial year		(1,532,288)	(1,532,288)
<b>At 31 August 2017</b>	<u>1,760,000</u>	<u>(10,352,704)</u>	<u>(8,592,704)</u>

**International School of London (Surrey) Limited**  
**Notes to the Accounts**  
**for the year ended 31 August 2017**

**1 Summary of significant accounting policies**

***Basis of preparation***

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

***Going concern***

The company meets its day to day working capital requirement through internal funding from its parent undertaking, International Community College Limited

The directors have indicated that it is reasonable to rely on the continuation, into the foreseeable future, of financial support of its immediate and ultimate parent undertakings. On the basis of this information and the conduct of its financial affairs subsequent to the balance sheet date, the directors consider it appropriate to prepare the financial statements on the going concern basis.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

***Turnover***

Turnover represents the value of fees receivable during year, net of any discounts. Turnover is attributable to one continuing activity of providing educational services.

Turnover represents tuition fees receivable and income from other educational activities, net of value added tax and discounts and is evenly recognised over the terms in the academic year.

Any amounts charged in respect of courses that have not started by the year end are held on the balance sheet as deferred income.

Turnover is attributable to only one activity that of providing educational services in the United Kingdom.

***Depreciation***

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	3-5 years	Straight Line Basis
Leasehold land and buildings	over the lease term	
Motor vehicle	10 years	Straight Line Basis

***Stocks***

Stocks consisting of library books and sportswear are valued by the directors at the lower of cost and net realisable value.

**International School of London (Surrey) Limited**  
**Notes to the Accounts**  
**for the year ended 31 August 2017**

***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred tax is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

***Taxation***

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

***Provisions***

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

***Foreign currency translation***

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

**International School of London (Surrey) Limited**  
**Notes to the Accounts**  
**for the year ended 31 August 2017**

**Leased assets**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

**Pensions**

Contributions to defined contribution plans are expensed in the period to which they relate.

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**Statement of cash flows**

In accordance with FRS102 section 7 the company has not prepared a statement of cash flows as its parent undertaking, International Community College Ltd produces publicly available consolidated financial statements.

<b>2 Analysis of turnover</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Services rendered	<u>3,338,881</u>	<u>4,017,411</u>
By geographical market:		
UK	<u>3,338,881</u>	<u>4,017,411</u>
 <b>3 Operating Loss</b>	 <b>2017</b>	 <b>2016</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	100,625	103,589
Operating lease rentals - plant and machinery	3,677	7,355
Operating lease rentals - land and buildings	404,000	404,000
Auditors' remuneration for audit services	21,294	25,244
Key management personnel compensation (including directors' emoluments)	<u>91,344</u>	<u>90,000</u>

**International School of London (Surrey) Limited**  
**Notes to the Accounts**  
**for the year ended 31 August 2017**

**4 Staff costs**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,940,577	2,772,952
Social security costs	267,251	264,102
Other pension costs	152,321	129,488
	<u>3,360,149</u>	<u>3,166,542</u>

**Average number of employees during the year**

	<b>Number</b>	<b>Number</b>
Administration	10	10
Teaching and support	83	89
	<u>93</u>	<u>99</u>

**5 Taxation**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Deferred tax:		
Origination and reversal of timing differences	22,073	(6,034)
	<u>22,073</u>	<u>(6,034)</u>
Tax on profit/(loss) on ordinary activities		
	<u>22,073</u>	<u>(6,034)</u>

**Factors affecting tax charge for period**

The difference between the tax assessed for the period and the standard rate of corporation tax is explained as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities before tax	<u>(1,510,215)</u>	<u>(1,185,436)</u>
Standard rate of corporation tax in the UK	19.58%	20.00%
	<b>£</b>	<b>£</b>
Loss on ordinary activities multiplied by the standard rate of corporation tax	(295,700)	(237,087)
Effects of:		
Expenses not deductible for tax purposes	6,655	6,789
(Capital allowances for period in excess of depreciation) /		
Depreciation for period in excess of depreciation	(21,630)	6,483
Utilisation of tax losses	310,675	223,815
	<u>-</u>	<u>-</u>
Current tax charge for period		

**International School of London (Surrey) Limited**  
**Notes to the Accounts**  
**for the year ended 31 August 2017**

**6 Tangible fixed assets**

	<b>Plant and machinery</b>	<b>Motor vehicles</b>	<b>Total</b>
	<i>At cost</i>	<i>At cost</i>	
	£	£	£
<b>Cost or valuation</b>			
At 1 September 2016	1,226,205	65,599	1,291,804
Additions	140,516	12,220	152,736
Disposals	(26,833)	-	(26,833)
At 31 August 2017	<u>1,339,888</u>	<u>77,819</u>	<u>1,417,707</u>
<b>Depreciation</b>			
At 1 September 2016	1,044,552	32,800	1,077,352
Charge for the year	92,843	7,782	100,625
On disposals	(26,833)	-	(26,833)
At 31 August 2017	<u>1,110,562</u>	<u>40,582</u>	<u>1,151,144</u>
<b>Carrying amount</b>			
At 31 August 2017	<u>229,326</u>	<u>37,237</u>	<u>266,563</u>
At 31 August 2016	<u>181,653</u>	<u>32,799</u>	<u>214,452</u>

**7 Stocks**

	<b>2017</b>	<b>2016</b>
	£	£
Library books and sportswear	<u>42,969</u>	<u>47,516</u>

**8 Debtors**

	<b>2017</b>	<b>2016</b>
	£	£
Trade debtors	378,044	1,399,148
Deferred tax asset (see note 10)	-	21,955
Other debtors	71,732	126,884
Prepayments and accrued income	44,251	28,958
	<u>494,027</u>	<u>1,576,945</u>

**9 Creditors: amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	£	£
Trade creditors	42,675	97,653
Amounts owed to group undertakings and undertakings in which the company has a participating interest	8,088,413	5,491,324
Other taxes and social security costs	73,743	73,679
Other creditors	327,346	337,151
Accruals and deferred income	946,574	3,180,437
	<u>9,478,751</u>	<u>9,180,244</u>



**International School of London (Surrey) Limited**  
**Notes to the Accounts**  
**for the year ended 31 August 2017**

<b>10 Deferred taxation</b>	<b>2017 £</b>	<b>2016 £</b>
Accelerated capital allowances	118	(21,955)
	<b>2017 £</b>	<b>2016 £</b>
At 1 September	(21,955)	(15,921)
Charged/(credited) to the profit and loss account	22,073	(6,034)
At 31 August	118	(21,955)

<b>11 Share capital</b>	<b>Nominal value</b>	<b>2017 Number</b>	<b>2017 £</b>	<b>2016 £</b>
Allotted, called up and fully paid:				
Ordinary shares	£1 each	1,760,000	1,760,000	1,760,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

<b>12 Profit and loss account</b>	<b>2017 £</b>	<b>2016 £</b>
At 1 September	(8,820,416)	(7,641,014)
Loss for the financial year	(1,532,288)	(1,179,402)
At 31 August	(10,352,704)	(8,820,416)

**13 Other financial commitments**

Total future minimum lease payments under non-cancellable operating leases:

	<b>Land and buildings 2017 £</b>	<b>Land and buildings 2016 £</b>	<b>Other 2017 £</b>	<b>Other 2016 £</b>
Falling due:				
within one year	378,000	378,000	3,677	-
within two to five years	1,512,000	1,512,000	-	7,355
in over five years	599,622	977,622	-	-
	<u>2,489,622</u>	<u>2,867,622</u>	<u>3,677</u>	<u>7,355</u>

**International School of London (Surrey) Limited**  
**Notes to the Accounts**  
**for the year ended 31 August 2017**

**14 Loans to directors**

Description and conditions	B/fwd £	Paid £	Repaid £	C/fwd £
Mr A.N.Makarem Advanced payments	30,000		(30,000)	-

**15 Related party transactions**

	2017 £	2016 £
Rent paid to associate	378,000	378,000
Amount due from associate	71,732	77,627

Associate refers to a company where the shareholders of the ultimate parent company (note 17) have significant control.

The company has provided a guarantee of £4,290,660 (2016- £4,290,660) to secure bank borrowings of its associate.

The company has taken advantage of the exemption allowed in FRS 102 in section 33 and has not disclosed details of related party transactions with 100% owned entities within the Group.

**16 Employer Pension Scheme**

The company operates a defined contribution scheme. During the year the company contributed £152,321 (2016 - £129,488). There were outstanding contribution of £33,992 at the year end included in creditors amounts falling due within one year.

**17 Ultimate Parent Company**

In the opinion of the directors the ultimate holding company is Educational Associates Limited, a company incorporated in the British Virgin Islands.

**18 Legal form of entity and country of incorporation**

International School of London (Surrey) Limited is a private company limited by shares and incorporated in England.

**19 Principal place of business**

The address of the company's principal place of business and registered office is:

Old Woking Road  
Woking  
Surrey  
GU22 8HY

**International School of London (Surrey) Limited**  
**Notes to the Accounts**  
**for the year ended 31 August 2017**

**20 Going Concern**

During the current year the company incurred losses of £1,532,288. As at the Balance sheet date, the company had net liabilities of £8,592,704 including £8,088,413 due to the parent company.

The parent and associates have given undertakings to continue to financially support the company.

**21 Events after the end of reporting period**

The secondary school section has been closed from the academic year 2017-18 following a complete review during 2016/17. The directors expect the losses to be substantially lower and the school will concentrate on improving the primary school activities. The directors expect the company to make profits from the year 2020-21 onwards.