

Company number : 1322992

O.I.S.E. LIMITED

**Abbreviated Financial Statements
31 December 1993**

**Neville Russell
Chartered Accountants
Prima House
267 Banbury Road
Oxford
OX2 7YA**

OISE93.ABB



O.I.S.E. LIMITED

Registered in England No 1322002

DIRECTORS

T Gins
F Gins

SECRETARY

J W Mills

REGISTERED OFFICE

O.I.S.E. House
Binsey Lane
Oxford
OX2 0EY

AUDITORS

Neville Russell
Chartered Accountants
Prima House
267 Banbury Road
Oxford
OX2 7YA

G.I.S.E. LIMITED

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1 REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 December 1993.

1.1 Review of the Business

The principal activity of the company continued to be the teaching of the English language to overseas students.

1.2 Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those 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 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 proper accounting records which 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 1985. 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.

1.3 Results and Dividends

The results of the company for the year ended 31 December 1993 are set out in the financial statements on pages 3 to 11.

An interim dividend of £450 per share on the issued ordinary share capital amounting to £45,000 was paid during the year. The directors do not recommend the payment of a final dividend (1992: £30,000).

1.4 Fixed Assets

Changes in fixed assets are given in note 9 to the financial statements.

1.5 Directors

The directors set out below have held office during the whole of the period from 1 January 1993 to the date of this report. The interests of the directors on 1 January 1993 and 31 December 1993 were as shown below.

T Gins	90 ordinary shares of £1 each
F Gins	2 ordinary shares of £1 each

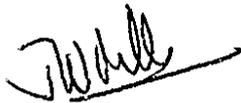
In accordance with the Articles of Association T Gins retires by rotation and, being eligible, offers himself for re-election.

REPORT OF THE DIRECTORS CONTD

1.6 Donations

During the year the company made charitable donations totalling £1,347.

Approved by the board on.....*5 October*.....1994
and signed on its behalf by



J W Mills, Secretary

O.I.S.E. Limited
Binsey Lane
Oxford
OX2 0EY

2 AUDITORS' REPORT TO THE DIRECTORS OF O.I.S.E. LIMITED PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 11 together with the full financial statements of O.I.S.E. Limited for the year ended 31 December 1993. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemption claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Part I of Schedule 8 to that Act in respect of the year ended 31 December 1993 and the abbreviated accounts on pages 2 and 3 have been properly prepared in accordance with that Schedule.

On *5 October 1994* we reported, as auditors of O.I.S.E. Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1993 and our audit report was as follows:

We have audited the financial statements on pages 3 to 15 which have been prepared following the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 1 the directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Neville Russell

NEVILLE RUSSELL
CHARTERED ACCOUNTANTS
and Registered Auditor

Prama House
267 Banbury Road
Oxford
OX2 7YA

15 October 1994

3 ABBREVIATED PROFIT AND LOSS ACCOUNT
For the Year Ended 31 December 1993

	Notes	1993 £	1992 £
GROSS (LOSS) PROFIT		(403,919)	55,391
Goodwill written off		-	(20,000)
Loss on disposal of freehold property		(8,487)	(31,240)
(LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(412,406)	4,151
Taxation on loss on ordinary activities	7	(5,878)	(6,944)
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(418,284)	(2,793)
Dividends	8	(45,000)	(30,000)
RESULT FOR THE FINANCIAL YEAR RETAINED PROFITS brought forward		(463,284) 1,638,825	(32,793) 1,671,618
RETAINED PROFITS carried forward		<u>£1,175,541</u>	<u>£1,638,825</u>

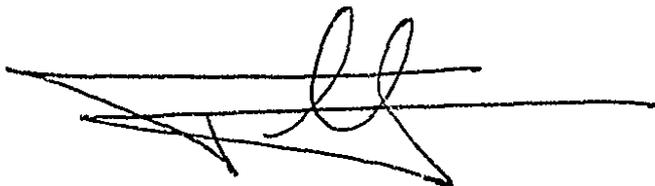
The company's turnover and expenses all relate to continuing operations.
The company has no recognised gains or losses other than the profit for the year.
The profit for the year has been calculated on the historical cost basis.
The movement on reserves is shown in note 16 on page 11.

4 BALANCE SHEET
At 31 December 1993

FIXED ASSETS	Notes	1993 £	1992 £
Tangible assets	9	1,663,822	1,663,320
Investments	10	702	702
		<u>1,664,524</u>	<u>1,664,022</u>
CURRENT ASSETS			
Debtors and prepayments	11	55,323	402,358
Cash at bank and in hand		197	330
		<u>55,520</u>	<u>402,688</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	12	<u>(539,803)</u>	<u>(423,185)</u>
NET CURRENT LIABILITIES		<u>(484,283)</u>	<u>(20,497)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,180,241	1,643,525
PROVISIONS FOR LIABILITIES AND CHARGES	13	<u>(4,600)</u>	<u>(4,600)</u>
		<u>£1,175,641</u>	<u>£1,638,925</u>
CAPITAL AND RESERVES			
Called up share capital	14	100	100
Profit and loss account	16	<u>1,175,541</u>	<u>1,638,825</u>
		<u>£1,175,641</u>	<u>£1,638,925</u>

Approved by the board on 5 October 1994
and signed on its behalf by

Advantage is taken of the exemptions conferred by Section B Part III of Schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions having met the qualifications for a medium sized company specified in sections 246 and 247 of the Companies Act 1985.



T Gins, Director

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

For the Year Ended 31 December 1993

1 ACCOUNTING POLICIES**(a) Accounting convention**

The financial statements are prepared under the historical cost convention.

(b) Turnover

The turnover represents fees for language tuition and leisure programmes, and for introducing students to private tutors.

(c) Depreciation

Depreciation is calculated to write off the cost less estimated residual value of fixed assets on a straight line basis over their estimated useful lives. No depreciation is charged on freehold and long leasehold land.

Freehold buildings are depreciated to write down the cost less estimated residual value over the remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their estimated residual value is not less than their net book value at any given time, no depreciation is charged.

(d) Deferred Taxation

Deferred tax is provided in respect of the tax effect of all timing differences, to the extent that it is probable that a liability will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

(e) Foreign Currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the balance sheet date.

Differences arising on the translation of such items are dealt with in the profit and loss account.

2 TURNOVER

The turnover and profit before taxation is attributable to the one principal activity of the Group, the teaching of English Language to overseas students. The whole of the turnover arose from courses held within the UK and the Republic of Ireland, although the majority of students are foreign students.

3 OTHER OPERATING INCOME

	1993	1992
	£	£
Profit on sale of fixed assets	8,285	-
Interest receivable	-	-
Rent receivable	23,400	5,046
Other	-	-
	<hr/>	<hr/>
	£31,685	£5,046

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
For the Year Ended 31 December 1993 (continued)

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1993	1992
The profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible fixed assets	56,743	55,045
Auditors' remuneration	9,000	9,000
	<u>65,743</u>	<u>64,045</u>

5 STAFF COSTS (including directors)

	1993 £	1992 £
Wages and salaries	266,448	260,010
Social security costs	24,970	29,457
Other pension costs	43,562	20,555
	<u>334,980</u>	<u>310,022</u>

Average number of persons employed by the company during the year:

	1993 Company Number	1992 Company Number
Administrative	21	20
Teaching	-	-
	<u>21</u>	<u>20</u>

6 DIRECTORS

	1993 £	1992 £
Emoluments		
Management services	54,002	54,002
Pension contributions	36,347	15,000
Benefits in kind	6,298	8,876
	<u>96,647</u>	<u>77,878</u>

The emoluments of directors disclosed above (excluding pension contributions) included amounts paid to:

The chairman and highest paid director £33,299 (1992: £33,804).

The emoluments of the other director fell in the range £25,001 - £30,000 (1992: £25,001 - £30,000).

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
For the Year Ended 31 December 1993 (continued)

7 TAXATION

	1993 £	1992 £
Based on the result for the year:		
UK Corporation tax at 25% (1992: 25%)	<u>£5,878</u>	<u>£31,176</u>

8 DIVIDENDS

	1993 £	1992 £
Dividend paid: £450 per £1 ordinary share (1992: £300 per £1 ordinary share)	<u>£45,000</u>	<u>£30,000</u>

9 TANGIBLE FIXED ASSETS

	Freehold properties £	Improvements to leasehold property £	Furniture and fixtures £	Computer system £	Motor vehicles £	Total £
COST OF VALUATION						
At 1 January 1993	1,424,922	41,664	457,535	112,069	46,610	2,082,800
Additions	2,909	-	16,818	15,250	22,270	57,247
Disposals	-	-	(849)	-	(30,265)	(31,114)
At 31 December 1993	<u>1,427,831</u>	<u>41,664</u>	<u>473,504</u>	<u>127,319</u>	<u>38,615</u>	<u>2,108,933</u>
DEPRECIATION						
At 1 January 1993	-	41,663	219,146	112,065	46,606	419,480
Disposals	-	-	(848)	-	(30,264)	(31,112)
Charge for the year	-	-	46,800	4,375	5,568	56,743
At 31 December 1993	<u>-</u>	<u>41,663</u>	<u>265,098</u>	<u>116,440</u>	<u>21,910</u>	<u>445,111</u>
NET BOOK VALUE						
At 31 December 1993	<u>£1,427,831</u>	<u>£1</u>	<u>£208,406</u>	<u>£10,879</u>	<u>£16,705</u>	<u>£1,663,822</u>
At 31 December 1992	<u>£1,424,922</u>	<u>£1</u>	<u>£238,389</u>	<u>£4</u>	<u>£4</u>	<u>£1,663,320</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
For the Year Ended 31 December 1993 (continued)

10 FIXED ASSET INVESTMENTS - GROUP UNDERTAKINGS

	1993 £	1992 £
Shares in group undertakings - subsidiary undertakings	<u>£702</u>	<u>£702</u>

The above investments are unlisted.

Shares in group undertakings

Cost at 1 January 1993	702	700
Addition	-	2
Cost at 31 December 1993	<u>£702</u>	<u>£702</u>

The following companies are the 100% owned principal subsidiaries of OISE Limited. All are registered in England and Wales, except OISE (Ireland) Limited which is registered in the Republic of Ireland.

	Authorised Share Capital
OISE Financial Services Limited	£100
OISE (UK) Limited	£100
OISE Travel Limited	£100
OISE (Bristol) Limited	£100
OISE (Cambridge) Limited	£100
OISE (Youth Language Centres) Limited	£100
New Forest International Limited	£100
OISE (Ireland) Limited	£2

All the above companies arrange holiday language and leisure courses for overseas students.

11 DEBTORS

	1993 £	1992 £
Trade debtors	-	-
Corporation tax owing	10,866	6,500
Amounts owed by group companies	32,700	380,698
Other debtors	3,083	10,011
Prepayments	8,674	5,149
	<u>£55,323</u>	<u>£402,358</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
For the Year Ended 31 December 1993 (continued)

12 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	1993	1992
	£	£
Amounts owed to group companies	296,552	268,211
Corporation tax	-	6,944
Social security and other taxes	-	2,808
Directors' current account	147,424	107,349
Accruals	95,827	37,873
	<u>£539,803</u>	<u>£423,185</u>

The bank loan and overdraft are secured by fixed charges on all the freehold properties. The bank loan bears interest at a rate which fluctuates in line with the Lloyds Bank base rate. At the year end the rate was 8.0%.

13 PROVISIONS FOR LIABILITIES AND CHARGES

	1993	1993	1992	1992
	Amount provided £	Total potential liability £	Amount provided £	Total potential liability £
Deferred taxation				
Excess of capital allowances over depreciation	<u>£4,600</u>	<u>£4,600</u>	<u>£4,600</u>	<u>£4,600</u>

14 CALLED UP SHARE CAPITAL

	1993	1992
✓ Authorised, Issued and Fully Paid: 100 Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>

15 PENSION COMMITMENTS

Defined Contribution Scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund, and amounted to £52,237 (1992: £30,234).

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
 For the Year Ended 31 December 1993 (continued)

16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	Share Capital £	Profit & Loss Account £	Total Shareholders Funds £
At 1 January 1992	100	1,671,618	1,671,718
Profit for the year	-	(32,793)	(32,793)
At 31 December 1992	100	1,638,825	1,638,925
Profit/(Loss) for the year	-	(463,284)	(463,284)
At 31 December 1993	£100	£1,175,541	£1,175,641