

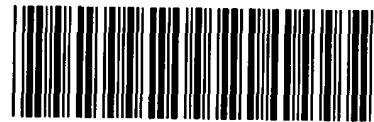
Registered number: 03300705

LANGUAGE LINK LONDON LIMITED

UNAUDITED

FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

MONDAY



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LANGUAGE LINK LONDON LIMITED

BALANCE SHEET AS AT 31 MARCH 2018


	Note	2019 £	2018 £
Fixed assets	5		
Tangible Fixed Assets		56,428	56,611
Current assets			
Debtors	6	1,379,624	1,392,380
Cash at bank and in hand		4,299	4,841
		<u>1,383,923</u>	<u>1,397,221</u>
Creditors	7	<u>(1,844,561)</u>	<u>(1,733,761)</u>
Net current (liabilities)/assets		(460,638)	(336,540)
Total assets less current		<u>(404,210)</u>	<u>(279,929)</u>
Provisions for liabilities			
Deferred tax		<u>(4,698)</u>	<u>(4,698)</u>
		<u>(4,698)</u>	<u>(4,698)</u>
Net (liabilities)/assets		<u><u>(408,908)</u></u>	<u><u>(284,627)</u></u>
Capital and reserves			
Called up share capital	8	100,000	100,000
Profit and loss account		<u>(508,908)</u>	<u>(384,627)</u>
		<u><u>(408,908)</u></u>	<u><u>(284,627)</u></u>

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 December 2019.



M. M. Curran

Director

The notes on pages 3 to 8 form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital £	Profit & loss account £	Total equity £
At 1 April 2015	100,000	(71,831)	28,169
Comprehensive income for the year			
Profit for the year	-	40,180	40,180
Total comprehensive income for the year	-	40,180	40,180
Total transactions with owners	-	-	-
At 1 April 2016	100,000	(31,651)	68,349
Comprehensive income for the year			
Loss for the year	-	(231,026)	(231,026)
Total comprehensive income for the year	-	(231,026)	(231,026)
Total transactions with owners	-	-	-
At 1 April 2017	100,000	(262,677)	(162,677)
Comprehensive income for the year			
Loss for the year	-	(121,950)	(121,950)
Total comprehensive income for the year	-	(121,950)	(121,950)
Total transactions with owners	-	-	-
At 1 April 2018	100,000	(384,627)	(284,627)
Comprehensive income for the year			
Loss for the year	-	(124,281)	(124,281)
Total comprehensive income for the year	-	(124,281)	(124,281)
Total transactions with owners	-	-	-
At 31 March 2019	100,000	(508,908)	(408,908)

LANGUAGE LINK LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 General information

Language Link London Limited, company number 03300705, is a limited company incorporated in England and Wales. The registered office is 62 Wilson Street, London, EC2A 2BU.

The principal activity of the company continued to be that of education.

The financial statements are presented in Sterling (£).

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

- 2.2 Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2 Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis.

Office equipment	-	10% reducing balance
Furniture & equipment	-	10% reducing balance
Computer equipment	-	10% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2 Accounting policies (continued)

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Foreign currency transaction

Functional and presentation currency

The Company's functional and presentation currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.8 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.9 Pensions

The Company makes payments to defined contribution pension plan for its employees in accordance with the requirement of auto-enrolment. Once the contributions have been paid, the Company has no further payment obligations.

2.10 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.11 Provision for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance sheet.

LANGUAGE LINK LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2 Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3 Other operating income

	2019 £	2018 £
Fees receivable	<u>36,169</u>	<u>80,000</u>

4 Employees

The average monthly number of employees, including directors, during the year was 28 (2018 - 28).

LANGUAGE LINK LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

5 Tangible fixed assets

	Furniture & equipment £	Office equipment £	Computer equipment £	Classroom improvements £	Total £
Cost or valuation					
At 1 April 2018	26,451	24,754	-	31,599	82,805
Additions	-	293	5,812	25	6,130
At 31 March 2019	26,451	25,047	5,812	31,623	88,934
Depreciation					
At 1 April 2018	16,989	9,204	-	-	26,194
Charge for the year	2,645	2,505	1,162	-	6,312
At 31 March 2019	19,634	11,709	1,162	-	32,506
Net book value					
At 31 March 2019	6,817	13,338	4,649	31,623	56,428
At 31 March 2018	9,462	15,550	-	31,599	56,611

6 Debtors

	2019 £	2018 £
Trade debtors	117,202	57,977
Amounts owed by group undertakings	469,762	469,337
Other debtors	749,980	774,948
Prepayment and accrued income	42,680	90,118
	<u>1,379,624</u>	<u>1,392,380</u>

LANGUAGE LINK LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

7 Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	73,134	26,749
Bank loans	46,050	65,561
Trade creditors	155,207	151,674
Amounts owed to group undertakings	1,510,388	1,440,720
Corporation tax	-	2,624
Other creditors	59,781	46,433
	<u>1,844,561</u>	<u>1,733,761</u>

8 Share capital

2019 £	2018 £
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Shares classified as equity

Authorised, allotted, called up and fully paid:
100,000 Ordinary shares of £1 each

<u>100,000</u>	<u>100,000</u>
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