

Registered number: 03423974

CET MANAGEMENT UK LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

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CET MANAGEMENT UK LIMITED

COMPANY INFORMATION

Directors	A K Ericsson T O Ericsson
Company secretary	A K Ericsson
Registered number	03423974
Registered office	12 Ashfield House Ashfield road Cheadle SK8 1BB
Independent auditor	KPMG LLP Statutory auditor 1 St. Peter's Square Manchester M2 3AE

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CET MANAGEMENT UK LIMITED

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CET MANAGEMENT UK LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

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

Principal activities

The Company's principal activity during the year continues to be that of the provision of marketing and travel services.

Directors

The Directors who served during the year were:

A K Ericsson
T O Ericsson

Prior year adjustment

The Directors have identified an adjustment that should have been recognised in the accounts previously as explained in note 11. As a result of the adjustments, the originally reported profit for the year ended 31 August 2016 of \$1,724,839 was reduced by \$171,742 to a profit of \$1,508,097.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

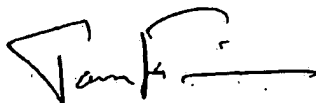
Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 487 of the Companies Act 2006.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 31st May 2018 and signed on its behalf.



T O Ericsson
Director

12 Ashfield House
Ashfield road
Cheadle
SK8 1BB

CET MANAGEMENT UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2017

The Directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Small Entities).

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 judgments and estimates that are reasonable and prudent; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



CET MANAGEMENT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CET MANAGEMENT UK LIMITED

Opinion

We have audited the financial statements of CET Management UK Limited (the 'Company') for the year ended 31 August 2017, which comprise the Statement of Profit and Loss and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including the accounting policies in note 2.

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 profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

CET MANAGEMENT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CET MANAGEMENT UK LIMITED (CONTINUED)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

We have nothing to report these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

CET MANAGEMENT UK LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CET MANAGEMENT UK LIMITED
(CONTINUED)**

The purpose of our audit work and to whom we owe our responsibilities

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.



Andrew Reddington (Senior Statutory Auditor)
for and on behalf of
KPMG LLP
Statutory auditor

Chartered Accountants
1 St. Peter's Square
Manchester
M2 3AE

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CET MANAGEMENT UK LIMITED

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	2017 \$	Restated 2016 \$
Turnover		8,213,013	7,773,220
Cost of sales		(6,161,738)	(5,570,238)
Gross profit		2,051,275	2,202,982
Administrative expenses		(231,358)	(294,737)
Operating profit	3	1,819,917	1,908,245
Interest receivable and similar income		18,131	-
Profit before tax		1,838,048	1,908,245
Tax on profit	7	(370,760)	(400,148)
Profit for the financial year		1,467,288	1,508,097

There was no other comprehensive income for 2017 (2016: \$NIL).

All results in the year are from continuing operations.

The notes on pages 10 to 17 form part of these financial statements.

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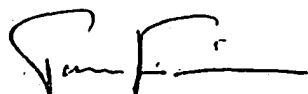
CET MANAGEMENT UK LIMITED
REGISTERED NUMBER: 03423974

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	2017 \$	Restated 2016 \$
Fixed assets			
Tangible assets	8	1,157	1,415
		<u>1,157</u>	<u>1,415</u>
Current assets			
Debtors: amounts falling due within one year	9	251,218	1,767,081
Cash at bank and in hand		2,895,188	3,531,951
		<u>3,146,406</u>	<u>5,299,032</u>
Creditors: amounts falling due within one year	10	(2,899,406)	(4,819,578)
Net current assets		<u>247,000</u>	<u>479,454</u>
Total assets less current liabilities		<u>248,157</u>	<u>480,869</u>
Net assets		<u>248,157</u>	<u>480,869</u>
Capital and reserves			
Called up share capital		8	8
Profit and loss account		248,149	480,861
Shareholders' funds		<u>248,157</u>	<u>480,869</u>

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



T O Ericsson

Director

31st May 2018

The notes on pages 10 to 17 form part of these financial statements.

CET MANAGEMENT UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2017**

	Called up share capital	Profit and loss account	Total equity
	\$	\$	\$
At 1 September 2016 (as previously stated)	8	697,603	697,611
Prior year adjustment	-	(216,742)	(216,742)
At 1 September 2016 (as restated)	8	480,861	480,869
Comprehensive Income for the year			
Profit for the year	-	1,467,288	1,467,288
Total comprehensive income for the year	-	1,467,288	1,467,288
Dividends: Equity capital	-	(1,700,000)	(1,700,000)
Total transactions with owners	-	(1,700,000)	(1,700,000)
At 31 August 2017	8	248,149	248,157

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CET MANAGEMENT UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2016**

	Called up share capital	Profit and loss account	Total equity
	\$	\$	\$
At 1 September 2015	8	172,764	172,772
Comprehensive Income for the year			
Profit for the year as restated	-	1,508,097	1,508,097
Total comprehensive income for the year	-	1,508,097	1,508,097
Dividends: Equity capital	-	(1,200,000)	(1,200,000)
Total transactions with owners	-	(1,200,000)	(1,200,000)
At 31 August 2016	8	480,861	480,869

The notes on pages 10 to 17 form part of these financial statements.

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CET MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. General information

CET Management UK Limited (the "Company") is a private company incorporated, domiciled and registered in the UK.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as issued in August 2014 and the Companies Act 2006. The amendments to FRS 102 issued in July 2015 have been applied. The financial statements have been prepared under the historical cost convention and the presentation currency is United States Dollars.

An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 15.

The Company's ultimate parent undertaking, FriFiSi Utbildningsfabrik AB, includes the Company in its consolidated financial statements. The consolidated financial statements of FriFiSi Utbildningsfabrik AB are prepared in accordance with International Financial Reporting Standards as adopted by the EU, are available to the public and may be obtained from the address given in note 14. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

2.2 Going concern

The Directors, having reviewed the forecast results and financial position of the Company, are satisfied that the Company has sufficient financial support and resources to continue in operation for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Turnover

Turnover 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. Turnover is measured as the fair value of the consideration received or receivable, net of discounts, rebates, value added tax and other sales taxes.

2.4 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

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CET MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

2. Accounting policies (continued)

2.4 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 a reducing balance basis.

Depreciation is provided on the following basis:

Computer equipment	- 20% reducing balance
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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 Profit and Loss and Other Comprehensive Income.

2.5 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.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 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.

2.8 Taxation

Tax is recognised in the Statement of Profit and Loss and Other 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.

CET MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss and Other Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Profit and Loss and Other Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Interest income

Interest income is recognised in the Statement of Profit and Loss and Other Comprehensive Income using the effective interest method.

CET MANAGEMENT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3. Operating profit

The operating profit is stated after charging:

	2017	2016
	\$	\$
Depreciation of tangible fixed assets	258	354
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	15,506	33,090
Taxation compliance services	2,584	-
Exchange differences	8,304	5,301
Defined contribution pension cost	6,092	7,647
	<u>15,506</u>	<u>33,090</u>

4. Auditor's remuneration

	2017	2016
	\$	\$
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	15,506	33,090
	<u>15,506</u>	<u>33,090</u>
Fees payable to the Company's auditor in respect of:		
Taxation compliance services	2,584	-
	<u>2,584</u>	<u>-</u>

5. Employees

The average monthly number of employees, including directors, during the year was 3 (2016 - 3).

During the year no Directors received any emoluments (2016: \$Nil).

6. Dividends

	2017	2016
	\$	\$
Dividends paid on ordinary shares	1,700,000	1,200,000
	<u>1,700,000</u>	<u>1,200,000</u>

CET MANAGEMENT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

7. Taxation

	2017 \$	2016 \$
Corporation tax		
Current tax on profits for the year	370,760	390,867
Adjustments in respect of previous periods	-	9,281
Total current tax	<u>370,760</u>	<u>400,148</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>370,760</u>	<u>400,148</u>

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19.58% (2016 - 20 %).

8. Tangible fixed assets

	Computer equipment \$
Cost	
At 1 September 2016	1,769
At 31 August 2017	<u>1,769</u>
Depreciation	
At 1 September 2016	354
Charge for the year on owned assets	258
At 31 August 2017	<u>612</u>
Net book value	
At 31 August 2017	<u>1,157</u>
At 31 August 2016	<u>1,415</u>

CET MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

9. Debtors: Amounts falling due within one year

	2017 \$	2016 \$
Trade debtors	159,636	86,056
Amounts owed by group undertakings	85,513	1,681,025
Prepayments and accrued income	6,069	-
	<u>251,218</u>	<u>1,767,081</u>

10. Creditors: Amounts falling due within one year

	2017 \$	2016 \$
Trade creditors	56,696	71,898
Amounts owed to group undertakings	2,090,309	1,996,058
Corporation tax	267,146	288,031
Accruals and deferred income	485,255	2,463,591
	<u>2,899,406</u>	<u>4,819,578</u>

11. Prior year adjustment

The directors have identified an adjustment that should have been recognised in the accounts previously as explained below:

Participant insurance costs were under-accrued in the year to 31 August 2016. As a result, profit before tax for the year and net assets have been overstated by \$261,000, impacting accruals. The tax impact of this results in an understatement of profit and net assets of \$44,258. The net overstatement of profit and net assets is therefore \$216,742.

As a result of the above adjustments the originally reported profit for the year ended 31 August 2016 of \$1,724,839 was reduced by \$216,742 to a profit of \$1,508,097. The impact of the adjustments on each line is summarised below:

31 August 2016 Balance Sheet

	As Reported 2016 \$	Adjustment 2016 \$	Restated 2016 \$
Current liabilities			
Corporation tax creditor	(332,389)	44,258	(288,131)
Accruals and deferred income	(2,202,591)	(261,000)	(2,463,591)
	<u></u>	<u></u>	<u></u>

CET MANAGEMENT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

Statement of Profit and Loss and Other Comprehensive Income

	<i>As reported 2016 \$</i>	<i>Adjustment 2016 \$</i>	<i>Restated 2016 \$</i>
Cost of sales	5,309,238	261,000	5,570,238
Taxation	444,406	(44,258)	400,148
	<u>5,753,644</u>	<u>216,742</u>	<u>5,970,386</u>

12. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company to the fund and amounted to \$6,092 (2016 - \$7,647). Contributions totalling \$Nil (2016 - \$Nil) were payable to the fund at the balance sheet date and are included in creditors.

13. Related party transactions

	2017 \$	2016 \$
Educatus UK Limited (fellow subsidiary not wholly owned)		
Expenses paid on behalf of the Company by the fellow subsidiary	-	(15,746)
Intragroup transfers clearing current and brought forward balances	-	67,370
Educatus Cultural Exchange Program Inc (fellow subsidiary not wholly owned)		
Expenses incurred by Company on behalf of fellow subsidiary	(32)	5,856
Intragroup transfers clearing brought forward balances	(5,824)	-
Balance receivable (included within debtors) / (balances payable (included within creditors))	-	5,856
Educatus College and University services (fellow subsidiary not wholly owned)		
Expenses incurred by Company on behalf of fellow subsidiary	(2,358)	4,982
Intragroup transfer clearing brought forward balances	-	-
Balance receivable (included within debtors)	2,624	4,982
JEV Langues (fellow subsidiary not wholly owned)		
Expenses incurred by Company on behalf of fellow subsidiary	149,645	199,810
Intragroup transfers settlements against current and brought forward balances	(198,015)	(157,820)
Balance receivable (included within debtors)	-	48,370

CET MANAGEMENT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

14. Controlling party

The immediate parent undertaking is Explorius Educate AB, a company registered in Sweden.

The ultimate parent undertaking is FriFISI Utbildningsfabrik AB, a company registered in Sweden. The ultimate controlling party is Mr T O Ericsson.

The largest group in which the results of the company are consolidated is that headed by FriFISI Utbildningsfabrik AB, incorporated in Sweden. The consolidated financial statements of this group is available to the public and may be obtained from Bolagsverket, 851 81 Sundsvall, Sweden.

15. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted equity or profit or loss. There are no transitional adjustments to disclose.