

Company Registration No. 06950241

KUE UK 3 Limited

Report and Financial Statements

18 months ended 31 December 2009



KUE UK 3 Limited

Report and financial statements 2009

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KUE UK 3 Limited

Directors' report

The directors present their annual report and the audited financial statements for the 6 month period from incorporation on 2 July 2009 to 31 December 2009

This Directors' report has been prepared in accordance with the special provisions relating to small companies under section 418A of the Companies Act 2006

Date of incorporation

The company was incorporated on 2 July 2009

Reporting period and change of accounting reference date

The company has shortened its accounting reference date to 31 December. Accordingly these financial statements are for the period from 2 July 2009 to 31 December 2009

Issue of shares

The company issued one £1 ordinary share on incorporation at a premium of £1,703,730 to acquire shares in group undertakings

Activities

The company acts as an intermediate holding company. On 2 July 2009 the company acquired 100% of the share capital of Learning Care Group UK and on 16 November 2009 it acquired 100% of the share capital of Learning Care (Europe) No 2

The loss for the period of £75,000 is shown on page 6

Going concern

In preparation of the financial statements, the Directors have made an assessment of the company's ability to continue as a going concern

The company is financed through an inter-company facility with Busy Bees Holdings Limited, its parent company, and there is an unlimited cross guarantee between the company and other group companies in respect of bank borrowings. The group's forecasts show that the group should be able to operate within the level of its current financing arrangements

As such, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing the annual report and financial statements

Directors

The directors who held office during the period were as follows

S Maron	(appointed 2 July 2009)
E Yalow	(appointed 2 July 2009)
P Maslen	(appointed 2 July 2009)
A Cohn	(appointed 2 July 2009)
L Woodward	(appointed 2 July 2009)
S A Irons	(appointed 2 July 2009)
J B Woodward	(appointed 2 July 2009)

KUE UK 3 Limited

Directors' report (continued)

Auditors

Each of the persons who is a director at the date of approval of this report confirms that

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

The directors appointed Deloitte LLP as the company's auditors during the period Deloitte LLP are deemed to be re-appointed under s487(2) of the Companies Act 2006

Approved by the Board of Directors and signed on behalf of the Board



S A Irons

Secretary

29 April 2010

St Matthews
Shaftsbury Drive
Burntwood
Staffordshire
WS7 9QP

KUE UK 3 Limited

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 period. 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). 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 accounting estimates that are reasonable and prudent, and
- state whether applicable accounting standards have been followed, 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 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 auditors' report to the members of KUE UK 3 Limited

We have audited the financial statements of KUE UK 3 Limited for the period ended 31 December 2009 which comprise the Profit and Loss account, Balance Sheet and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 auditors' 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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of KUE UK 3 Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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



Jane Whitlock (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Birmingham, United Kingdom
29 April 2010

KUE UK 3 Limited

Profit and Loss Account 6 months ending 31 December 2009

	Note	6 months ending 31 December 2009 £
Administrative expenses		(75,000)
Operating loss		<u>(75,000)</u>
Taxation on loss on ordinary activities	4	<u>-</u>
Loss for the financial period	7	<u><u>(75,000)</u></u>

All amounts are derived from continuing operations

There are no recognised gains or losses for the current or preceding financial periods other than those recognised in the profit and loss account

KUE UK 3 Limited

Balance sheet As at 31 December 2009

	Note	31 December 2009 £
Fixed assets		
Investments	5	1,628,731
Net assets		<u>1,628,731</u>
Capital and reserves		
Called up share capital	6	1
Share premium	7	1,703,730
Profit and loss account		<u>(75,000)</u>
Total equity shareholders' funds	8	<u>1,628,731</u>

These financial statements of KUE UK 3 Limited, registered number 06950241, were approved by the Board of Directors on 29 April 2010 and were signed on its behalf by



S A Irons

Director

KUE UK 3 Limited

Notes to the financial statements 18 months ended 31 December 2009

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost accounting rules.

Going concern

In preparation of the financial statements, the Directors have made an assessment of the company's ability to continue as a going concern.

The company's business activities, together with the factors likely to affect its future development, performance and position, and its exposures to credit risk are set out in the Director's report.

The company is financed through an inter-company facility with Busy Bees Holdings Limited, its parent company, and there is an unlimited cross guarantee between the company and other group companies in respect of bank borrowings. The group's forecasts show that the group should be able to operate within the level of its current financing arrangements.

As such, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing the annual report and financial statements.

Investments

Fixed asset investments are shown at cost less provision for impairment.

Consolidation

The company is exempt, by virtue of Section 400 of the Companies Act 2006, from the requirement to prepare group financial statements on the basis that its results and cash flows are consolidated into a holding company's financial statements which are publically available. These financial statements present information about the company as an individual undertaking and not as a group.

Reporting period

The company was incorporated on 2 July 2009 and shortened its accounting reference date to 31 December. Accordingly the financial statements are for the period from 2 July 2009 to 31 December 2009.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Related party transactions

The company is partially exempt from the requirements of FRS 8 "Related Party Disclosures" to disclose transactions with other group undertakings as it is a wholly owned subsidiary and its financial statements are included in the consolidated financial statements of the ultimate parent company and those financial statements are available as disclosed in note 8.

2 Remuneration of directors

The directors are remunerated by another group company. They did not receive remuneration in relation to services to this company. There were no employees other than directors throughout the current and previous periods.

KUE UK 3 Limited

Notes to the financial statements (continued) 18 months ended 31 December 2009

3. Audit fee

The audit fee for this company has been borne by another group entity. The fee for the current period was £1,000 (2008: £1,200).

4. Taxation

There is no tax charge for the current period as the loss relates solely to investment impairment, which is non-deductible for tax purposes.

5. Fixed asset investments

	Shares in group undertakings 2009 £
Cost and net book value	
At beginning of period	-
Additions	1,703,731
Impairment charge	(75,000)
At end of period	<u>1,628,731</u>

The principal subsidiaries at 31 December 2009 were as follows:

Name	Country of registration	Nature of business	Proportion of ordinary share capital held %
Learning Care Group UK	England and Wales	Holding Company	100
Learning Care (Europe) No. 2	England and Wales	Investment Company	<u>100</u>

6. Share capital

	31 December 2009 £
Called up, allotted and fully paid	
1 ordinary share of £1 each	<u>1</u>

The company issued one £1 ordinary share on incorporation at a premium of £1,703,730 to acquire shares in group undertakings.

KUE UK 3 Limited

Notes to the financial statements (continued) 18 months ended 31 December 2009

7 Reserves

	Share premium £	Profit and loss account £	Total £
At beginning of the period	-	-	-
Issue of shares at a premium	1,703,730	(75,000)	1,628,730
At end of the period	<u>1,703,730</u>	<u>(75,000)</u>	<u>1,628,730</u>
The company issued one £1 ordinary share on incorporation at a premium of £1,703,730 to acquire shares in group undertakings			

8. Reconciliation of movements in shareholders' funds

	18 months ended 31 December 2009 £
Opening shareholders' funds	-
Issue of shares at a premium (note 5)	1,703,731
Loss for the period	(75,000)
Closing shareholders' funds	<u>1,628,731</u>

9 Contingent liabilities

The company is financed through an inter-company facility with Busy Bees Holdings Limited, its parent company, and is there is an unlimited cross guarantee between the company and other group companies in respect of bank borrowings

10. Controlling parties

The company's immediate parent undertaking is Busy Bees Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Busy Bees Group Holdings Limited can be obtained from this company's registered address. The company's ultimate controlling party is Knowledge Universe Cooperatief U A.