

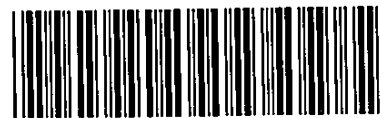
**Company Registration No. 04887133**

**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**REPORT AND ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2011**

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**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

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**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**DIRECTORS, SECRETARY AND ADVISERS**

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**Directors**

K Berlin  
C M Mueller  
J A O Nagel  
A Olek

**Company Secretary**

York Place Company Secretaries Limited

**Registered Office**

Quadrant House  
Floor 6  
4 Thomas More Square  
London  
E1W 1YW

**Business Address**

Neue Kantstraße 14  
D-14057  
Berlin  
Germany

**Company Number**

04887133

**Auditors**

UHY Hacker Young LLP  
Quadrant House  
Floor 6  
4 Thomas More Square  
London  
E1W 1YW

**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2011

**Activities and review of business**

The principal activity of the company continued to be that of specialising in educational project development and consulting services in the field of educational development, management and funding

The company prepares its financial statements in accordance with International Financial Reporting Standards

**Principal risks and uncertainties**

Risks for the Nobel Education Network Limited and the business model fall into the following categories

**Credit risks**

The directors consider the company's credit risk to be minimal as they do not sell goods or services to customers other than group entities.

**Results and dividends**

The results for the year are set out on page 6

**Directors**

The following directors held office during the period as set out below

K Berlin  
C M Mueller (Appointed 30 June 2011)  
J A O Nagel  
A Olek  
A Krefft (Appointed 15 April 2011 and resigned 30 June 2011)

**Auditors**

The auditors UHY Hacker Young LLP are appointed under section 485(3) of the Companies Act 2006.

**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

---

**Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial period 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

- i) select suitable accounting policies and then apply them consistently,
- ii) make judgements and estimates that are reasonable and prudent,
- iii) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business; and
- iv) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

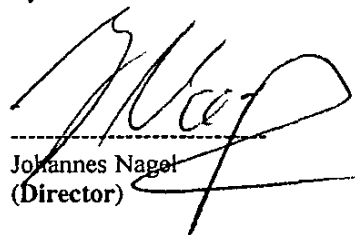
The directors confirm that the financial statements comply with the above requirements

The directors are responsible for keeping proper accounting records which at any time disclose with reasonable accuracy the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the company and for taking steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure to auditor**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

By order of the Board

  
Johannes Nagel  
(Director)

Date 27.9.2012

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**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF NOBEL EDUCATION NETWORK LTD**

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We have audited the financial statements of Nobel Education Network Limited for the period ended 31 December 2011 which comprise of the Statement of Comprehensive Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Equity, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards.

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.

**Respective responsibilities of directors and auditors**

As explained in the Directors' Responsibilities Statement set out on page 3, 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 express an opinion on 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 Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**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 2011 and of the company's profit for the period then ended,
- have been properly prepared in accordance with International Financial Reporting Standards, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the director's report is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF NOBEL EDUCATION NETWORK LTD**

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**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 by the company, or returns adequate for our audit have not been received by us, or
- the company 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
- the directors were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



27/9/12

**Ian Cohen (Senior Statutory Auditor)  
For and on behalf of UHY Hacker Young**

**Chartered Accountants  
Statutory Auditor**

**NOBEL EDUCATION NETWORK LTD**  
**FORMERLY THEMES SCHOOL NETWORK LTD**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 €	2010 €
Revenue	2	115,552	-
Cost of sales		-	-
<b>Gross profit</b>		115,552	-
Other income		4,218	(440)
Administrative expenses		(993,071)	(150,449)
<b>Operating loss</b>	3	(873,301)	(150,889)
Profit on disposal of unlisted investments		-	(15,355)
Finance costs	4	(40)	(6,623)
Finance income	5	22,136	-
Amounts written off investments	11	(63,389)	-
<b>Loss before taxation</b>		(914,594)	(172,867)
Taxation	6	-	11,545
<b>Loss for the year</b>		(914,594)	(161,322)
<b>Other comprehensive income:</b>			
Exchange rate differences		-	-
<b>Other comprehensive income for the year net of tax</b>		-	-
<b>Total comprehensive income for the year</b>		<u>(914,594)</u>	<u>(161,322)</u>



**NOBEL EDUCATION NETWORK LTD**  
**FORMERLY THEMES SCHOOL NETWORK LTD**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2011**

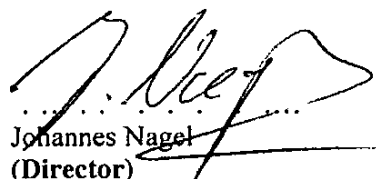
		<b>2011</b>	<b>Restated</b>	<b>Restated</b>
		<b>€</b>	<b>2010</b>	<b>2009</b>
<b>Assets</b>	<b>Notes</b>		<b>€</b>	<b>€</b>
<b>Non-current assets</b>				
Property, Plant and Equipment	10	29,978	-	-
Investments	11	2,541,672	74,697	7,055
<b>Total non-current assets</b>		<b>2,571,650</b>	<b>74,697</b>	<b>7,055</b>
<b>Current assets</b>				
Trade and Other receivables	12	72,848	52,972	50,578
Due from subsidiaries		163,061	57,500	-
Cash and cash equivalents	13	458,044	5,510	36,739
<b>Total current assets</b>		<b>693,953</b>	<b>115,982</b>	<b>87,317</b>
<b>Total assets</b>		<b>3,265,603</b>	<b>190,679</b>	<b>94,372</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	14	131,463	230,072	35,695
Due to subsidiaries		5,470	-	-
<b>Total current liabilities</b>		<b>136,933</b>	<b>230,072</b>	<b>35,695</b>
<b>Non-current liabilities</b>				
Non-current borrowings	15	588,874	-	-
<b>Total non-current liabilities</b>		<b>588,874</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>725,807</b>	<b>230,072</b>	<b>35,695</b>
<b>Total net assets</b>		<b>2,539,796</b>	<b>(39,393)</b>	<b>58,677</b>
<b>Capital and reserves</b>				
Share capital	16	94,829	25,742	10,164
Share premium		3,472,369	47,673	-
Retained earnings		(1,027,402)	(112,808)	48,513
<b>Total equity</b>		<b>2,539,796</b>	<b>(39,393)</b>	<b>58,677</b>

**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**STATEMENT OF FINANCIAL POSITION (Continued)  
AS AT 31 DECEMBER 2011**

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The financial statements of Nobel Education Network Limited, registered number 04887133, were approved by the board of directors and authorised for issue on ~~27.9.2012~~ 27.9.2012... They were signed on its behalf by

  
Johannes Nagel  
(Director)

Date 27.9.2012

**NOBEL EDUCATION NETWORK LTD**  
**FORMERLY THEMES SCHOOL NETWORK LTD**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	Share capital €	Share premium €	Retained earnings €	Total equity €
As at 1 January 2010	10,164	-	48,513	58,677
Total comprehensive income	-	-	(161,321)	(161,321)
Exchange rate differences occurring following change of functional currency (note 1 2)	-	-	-	-
Shares issued in the period	15,578	47,673	-	63,251
<b>At 31 December 2010</b>	<u>25,742</u>	<u>47,673</u>	<u>(112,808)</u>	<u>(39,393)</u>
At 1 January 2011	25,742	47,673	(112,808)	(39,393)
Total comprehensive income	-	-	(914,594)	(914,594)
Shares issued in the period	69,087	3,424,696	-	3,493,783
<b>As at 31 December 2011</b>	<u>94,829</u>	<u>3,472,369</u>	<u>(1,027,402)</u>	<u>2,539,796</u>

**NOBEL EDUCATION NETWORK LTD**  
**FORMERLY THEMES SCHOOL NETWORK LTD**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>Note</b>	<b>2011</b> <b>€</b>	<b>2010</b> <b>€</b>
<b>Cash flow from operating activities</b>			
Operating loss		(873,301)	(150,889)
Adjustments for items not requiring an outlay of funds:			
Depreciation of property, plant and equipment		5,872	-
Exchange rate differences arising on translation		(40)	-
Bad debt		(61,000)	104,718
Operating loss before changes in working capital		(928,469)	(46,171)
(Increase) / Decrease in trade and other receivables		(31,243)	1,884
Increase in trade and other payables		32,763	23
Cash used in operations		(926,949)	(44,264)
Interest paid		(40)	(6,623)
Tax paid		496	(11,685)
<b>Net cash used in operating activities</b>		<b>(926,493)</b>	<b>(62,572)</b>
<b>Investing activities</b>			
Purchase of property, plant and machinery		(35,850)	-
Proceeds from sale of property, plant and equipment		40,650	(256)
Interest received		22,136	-
Purchase of subsidiaries		(2,530,364)	(49,697)
Loans to subsidiaries		44,327	(187,217)
<b>Net cash used in investing activities</b>		<b>(2,459,101)</b>	<b>(237,170)</b>
<b>Financing activities</b>			
Issue of share capital		3,493,782	63,251
Loans from shareholders		500,000	-
Loans from the directors		(115,415)	205,262
Loans from subsidiaries		(40,239)	-
<b>Net cash from financing activities</b>		<b>3,838,128</b>	<b>268,513</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>452,534</b>	<b>(31,229)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>5,510</b>	<b>36,739</b>
<b>Cash and cash equivalents at end of period</b>	<b>13</b>	<b>458,044</b>	<b>5,510</b>

**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**1 Accounting policies**

Nobel Education Network Limited is a company incorporated in England and Wales

The company has adopted the accounting policies set out below in preparation of the financial information for the year ended 31 December 2011. All of these policies have been applied consistently throughout the year unless otherwise stated.

The financial statements present information about the company. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts.

**1.1 Adoption of IFRS**

The directors have decided to prepare the company's financial statements in accordance with International Financial Reporting Standards (IFRS).

The comparative information has been restated in accordance with IFRS.

The adoption of IFRS has had no material effect on the company's reported financial position, financial performance or cash flows.

**1.2 Change in Functional currency of the company**

The functional and presentation currency of Nobel Education Network has changed from Sterling to Euros. This is because it is now the primary currency in the economic environment the company operates in.

The comparative figures in the statement of comprehensive income and statement of financial position have been translated into Euros. This is because the functional currency of the company changed in the year from Sterling to Euros.

**1.3 Basis of preparation**

The company's financial statements have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("Adopted IFRSs"), and in accordance with the Companies Act 2006.

The financial statements have been prepared on the historical cost basis.

**1.4 Revenue recognition**

Revenue represents the fair value of the consideration received for services, net of VAT and trade discounts.

**1.5 Investments**

Investments are stated at cost less any provision for impairment.

**1.6 Property, plant and equipment**

Buildings, property, plant and equipment are stated at cost less depreciation. Depreciation is provided at rates calculated to allocate the cost less estimated residual value of each asset over its expected useful life, using the straight line method as follows:

Plant and machinery	3 years
Fixtures and fittings	5 years

**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**1 7 Foreign currency translation**

In preparing the financial statements of the company, transactions in foreign currencies are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

The exchange rates prevailing at the year end date were as follows:

€1 = \$1.295001

€1 = £0.83783

**1 8 Current and deferred taxation**

Tax on the profit or loss for the periods presented comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the financial reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each financial reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

**1 9 Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged against income on a straight line basis.

**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**1.10 IFRS Standards and interpretations in issue but not yet effective**

The IASB and IFRIC have issued new standards and interpretations with an effective date after the date of these financial statements. The company does not anticipate that the adoption of those standards and interpretations that are effective for the financial period ending 31 December 2012 and beyond will have a material effect on its financial statements. On initial adoption, the company is evaluating the effect of those standards and interpretations that are effective subsequently. The standards and interpretations to be adopted include:

**International Financial Reporting Standards (IFRS)**

IFRS 1 (amended)	Limited exemption from Comparative IFRS 7 disclosures for First time Adopters, Replacement of 'fixed dates' for certain exceptions with 'the date of transition to IFRSs', and Additional exemption for entities ceasing to suffer from severe hyperinflation.
IFRS 7 (amended)	Amendments enhancing disclosures about transfers of financial assets
IFRS 9	Classification and measurement of financial instruments
IFRS 13	Fair Value Measurement
IAS 1	Amendments to revise the way other comprehensive income is presented
IAS 12	Limited scope amendment (recovery of underlying assets)
IAS 24 (revised 2009)	Revised definition of related parties
IAS 19	Amended Standard resulting from the Post-Employment Benefits and Termination Benefits projects
IAS 32 (amended)	Classification of rights issues
Improvements to IFRSs (May 2009 & 2010)	

**International Financial Reporting Interpretations Committee (IFRIC)**

IFRIC 19	Extinguishing financial liabilities with equity instruments
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**1.11 Critical accounting estimates, assumptions and judgments**

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Judgements and estimates are continually evaluated and are based on historical experience and other factors which include expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates may differ from the related actual results.

Management believe that there are no areas that involve a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

**NOBEL EDUCATION NETWORK LTD**  
**FORMERLY THEMES SCHOOL NETWORK LTD**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**2 Revenue**

An analysis of the company's revenue is as follows

	2011 €	2010 €
Revenue from the provision of services	115,552	-
	<u>115,552</u>	<u>-</u>

The company has taken advantage of exemptions conferred by IFRS 8 "Operating segments" from the requirement to analyse its activities according to the business segments in which the company operates as identified by management

**3 Operating loss**

	2011 €	2010 €
The operating loss for the year is stated after charging/(crediting)		
Auditors' remuneration (see below)	9,546	-
Depreciation on property, plant and equipment	5,873	-
Amounts paid in respect of operating leases	26,062	-
Profit on disposals of fixed assets	-	(30,495)
Losses/(Gains) on foreign currency	(4,419)	(4,951)
	<u>9,546</u>	<u>(30,495)</u>
<b>Audit services</b>		
Fees payable to the company's auditors for the audit of the company	9,546	-
	<u>9,546</u>	<u>-</u>

**4 Finance costs**

	2011 €	2010 €
Bank interest expense	40	6,623
	<u>40</u>	<u>6,610</u>

**5 Finance income**

	2011 €	2010 €
Other interest	22,136	-
	<u>22,136</u>	<u>-</u>



**NOBEL EDUCATION NETWORK LTD**  
**FORMERLY THEMES SCHOOL NETWORK LTD**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**6 Taxation**

	2011 €	2010 €
UK corporation tax on profits for the year at 20 25% (2010 21%)	-	(11,580)
Deferred tax (credit)/charge, origination and reversal of temporary timing differences	-	-
	<u>-</u>	<u>(11,580)</u>
Total tax expense in the income statement	<u>-</u>	<u>(11,580)</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before tax	<u>(914,594)</u>	<u>(282,699)</u>
Profit on ordinary activities multiplied by the standard rate of UK corporation tax of 20 25% (2010 21%)	<u>(185,205)</u>	<u>(59,367)</u>
Effects of:		
Non-deductible expenses	18,215	8,452
Exempt profits on disposal of investments	-	(5,443)
Tax losses not recognised	218,062	44,778
Depreciation	14,025	-
Capital losses	(7,260)	-
Other tax adjustments	(57,837)	-
	<u>-</u>	<u>(11,580)</u>
Total tax charge	<u>-</u>	<u>(11,580)</u>

The directors do not consider it appropriate to recognise any deferred tax asset to reflect in these accounts any potential benefit arising from the UK tax losses as at 31 December 2011, as the directors of the parent company have migrated the company's tax residence since the balance sheet date. As a result the UK tax losses will be forfeited.

**7 Amounts written off investments**

	2011 €	2010 €
Impairment in value of investments	63,389	-
	<u>63,389</u>	<u>-</u>

**NOBEL EDUCATION NETWORK LTD**  
**FORMERLY THEMES SCHOOL NETWORK LTD**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**8 Staff numbers and costs**

	<b>2011</b>	<b>2010</b>
	<b>Number</b>	<b>Number</b>
The average number of people employed by the company (including directors) during the year was as follows		
Average number of employees during the year	7	4

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Staff costs including directors:		
Wages and salaries	479,610	-
Social security costs	18,663	-
	<u>498,273</u>	<u>-</u>

**9 Directors' emoluments**

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Emoluments for qualifying services:		
Aggregate directors' emoluments	333,833	-
	<u>333,833</u>	<u>-</u>

The highest paid director received aggregate remuneration of €111,833

**NOBEL EDUCATION NETWORK LTD  
FORMERLY THEMES SCHOOL NETWORK LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**10 Property, plant and equipment**

	<b>Plant &amp; machinery €</b>	<b>Fixtures &amp; fittings €</b>	<b>Total €</b>
<b>Cost</b>			
At 31 December 2010	-	-	-
Additions	11,882	23,969	35,851
	<hr/>	<hr/>	<hr/>
At 31 December 2011	11,882	23,969	35,851
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 31 December 2010	-	-	-
Charge for the period	1,054	4,819	5,873
	<hr/>	<hr/>	<hr/>
At 31 December 2011	1,054	4,819	5,873
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2010	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2011	10,828	19,150	29,978
	<hr/>	<hr/>	<hr/>

Depreciation has been charged to administrative expenses on the statement of comprehensive income

**NOBEL EDUCATION NETWORK LTD**  
**FORMERLY THEMES SCHOOL NETWORK LTD**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**11 Investments**

	<b>Total €</b>
<b>Cost</b>	
At 1 January 2011	74,697
Additions	2,530,364
Impairment in value of investment	(63,389)
	<hr/>
At 31 December 2011	2,541,672
	<hr/>
<b>Net book value</b>	
At 31 December 2010	74,697
	<hr/>
At 31 December 2011	2,541,672
	<hr/>

**Directly held subsidiaries**

<i>Company</i>	<i>Country of incorporation</i>	<i>holding</i>
Deutsche Auslandsschulen AG	Germany	85%
Themes Vienna Ltd	England & Wales	65%
Themes Vienna Limited & Co KG	Austria	47%
Nobel Education Services LLC	Puerto Rico	100%
Vietnam Educational Development Company Ltd	British Virgin Islands	50%

**Indirectly held subsidiaries**

<i>Company</i>	<i>Country of incorporation</i>	<i>holding</i>
German International Education Service Co. Ltd	Vietnam	50%

**Nature of business activities**

Deutsche Auslandsschulen AG	Management of educational funds
Themes Vienna Ltd	Operation of a school by management agreement
Themes Vienna Limited & Co KG	Operation of a school
Nobel Education Services LLC	Educational consultancy
Vietnam Educational Development Company Ltd	Holding company
German International Education Service Co. Ltd	Operation of a school

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**12 Trade and other receivables**

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Trade receivables	-	-
Other receivables	60,552	41,923
Taxes and social security	11,585	11,545
Prepayments and accrued income	711	-
Amounts owed by group undertakings	163,061	57,004
	<u>235,909</u>	<u>110,472</u>

No trade or other receivable was overdue at the balance sheet date, nor has any provision for doubtful debt been recognised. The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

**13. Cash and cash equivalents**

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Cash at bank and in hand	458,044	5,510
	<u>458,044</u>	<u>5,510</u>

**14 Current liabilities**

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Trade payables	18,853	20,891
Taxes and social security	19,439	(496)
Other payables	44,327	-
Directors' current accounts	972	205,262
Accruals and deferred income	47,872	4,415
Amounts owed to group undertakings (note 21)	5,470	-
	<u>136,933</u>	<u>230,072</u>

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**15 Non-current liabilities**

	2011 €	2010 €
Other loans repayable	588,874	-
Other non-current liabilities	-	-
	<u>588,874</u>	<u>-</u>
<i>Loan maturity analysis</i>		
Repayable between two and five years	-	-
Repayable in more than five years	588,874	-
	<u>588,874</u>	<u>-</u>

**16 Share capital**

	2011 £	2010 £
<b>Allotted, called up and fully paid:</b>		
81,840 Ordinary shares of £1 each	81,840	20,460
	<u>81,840</u>	<u>20,460</u>

	2011 €	2010 €
<b>Allotted, called up and fully paid:</b>		
81,840 Ordinary shares of £1 each	94,829	25,742
	<u>94,829</u>	<u>25,742</u>

7,000 shares were translated at the rate of £1 = €1.45201  
13,460 shares were translated at the rate of £1 = €1.15734  
61,380 shares were translated at the rate of £1 = €1.125556

The company has one class of ordinary shares which carry no right to fixed income

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**17. Operating leases**

The total future minimum lease payments under operating leases are as follows:

	2011 €	2010 €
Within one year	606	-
Between one and five years	66,024	-
More than 5 years	-	-
	<hr/>	<hr/>
	66,630	-
	<hr/>	<hr/>

Operating lease payments for leases which expire within one year consist of the following

- Parking space in Germany - The lease is for a term of one year from July 2011 at a fixed rate of €101 per month

Operating lease payments for leases which expire between one and five years consist of the following:

- Offices in Germany - The lease is for a term of two years from July 2011 at a fixed rate of €3,668 per month.

**18. Control**

Nobel Education Network Limited is controlled by Arete Investments Limited

**19. Capital management**

Capital of NEN consists of cash at bank, short and medium term financial investments as well as receivables. NEN and subsidiaries usually keep about one month's financing needs as cash on the current bank account and invest any excess liquidity in money markets and fixed interest / fixed duration deposits.

Quantitative information regarding capital can be found in notes 12 and 13

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**20 Financial risk management**

The following section provides quantitative and qualitative disclosures on the effect that these risks have upon the company

***Credit Risk***

The directors consider the company's exposure to credit risk to be minimal as they do not sell goods or services to customers other than group entities.

***Liquidity Risk***

Financial liabilities are entered into regularly as the build-up of the company is progressing. As NEN does not have a stable income base it is dependent on further financing for which financial facilities have been set-up. Other than that no significant financial instruments mature in 2012 which NEN or one of its subsidiaries need to refinance.

Typically enough cash kept in reserve to meet the requirements of the next four weeks. Liquidity in excess of four weeks requirements is invested in short term financial investments such as money market certificates and/or fixed income deposits.

Cash and cash equivalents held as at 31 December 2011 is disclosed in note 13 and a maturity analysis of non-current liabilities is disclosed in note 15.

***Market Risk***

The company's functional and presentation currency and the majority of its spending as well as financing facilities are in Euros. As such, no exchange rate risk exists. Deposit facilities have fixed interest rates. They are not affected by interest rate fluctuations.

**21 Related party transactions**

At the year end date there were amounts due to the directors of €88,875 (2010: €205,262). Movements in the year relate to €66,653 of expenses claimed, €34,444 of cash paid into the business and €210,136 of cash paid to the directors relating to their loans and expenses claimed. The remaining balance relates to exchange rate differences.

At the year end date there was a loan outstanding to shareholders of €500,000 (2010: nil). This loan was provided to finance the group.

During the year other income of €4,202 (2010: nil) was received from a company controlled by two group directors.

At the year end date there were balances outstanding to NEN Ltd from subsidiary entities of €163,061 (2010: €57,004). There were also balances outstanding to subsidiaries of €5,470 (2010: €nil). All movements other than those outlined below relate to transfers of cash.

Management fees of €106,992 (2010: nil) and loan interest of €22,136 (2010: €nil) were invoiced to subsidiaries in the year.

€61,000 (2010: €104,670) of bad debt was written off to administrative expenses in relation to balances outstanding from subsidiaries which were deemed irrecoverable by the directors.