

**Company Registration
No. 07285315**

**EDU UK Intermediate
Limited**

**Directors' Report and
Financial Statements
31 December 2012**

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EDU UK Intermediate Limited

Directors' report and financial statements 31 December 2012

Contents	Page
Officers and professional advisors	1
Directors' report	2
Independent auditors' report	4
Balance sheet	6
Notes to the financial statements	7

EDU UK Intermediate Limited

Directors' report and financial statements 2012

Officers and professional advisers

DIRECTORS AND CORPORATE INFORMATION

Directors

A Petersen
P Wilde
D Leigh
D Rammal

Company secretary

Baker and McKenzie

Registered office

Brighton Study Centre
1 Billinton Way
Brighton
East Sussex
BN1 4LF

Bankers

NAB Ltd

Solicitors

Baker and McKenzie

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
First Point
Buckingham Gate
London Gatwick Airport
West Sussex
RH6 0NT

Company registered number

Registered in England No 07285315

EDU UK Intermediate Limited

Directors' report For the year ended 31 December 2012

The directors present their annual report and the audited financial statements for year ended 31 December 2012

Principal activity

The principal activity of the company is as a holding company and holder of financing instruments. The company made neither a profit nor loss during the year or preceding financial year. Accordingly, neither a profit and loss account nor a statement of total recognised gains and losses have been presented.

Results

The result for the financial year after taxation was £nil (2011: £nil)

Key business risks

The key risk to the business is the ability of its trading subsidiaries to generate sufficient cash to support the carrying value of the investment carried. The risks to the subsidiaries are primarily global risks that either presents a danger to the world's economy and especially to the willingness and ability of international students to travel to their centres to study together with regulatory changes that may impede the ability of international students to study abroad.

Financial risk management objectives and policies

The main financial risks arising from the company's activities are credit risk. The company's principal financial asset is its investment in EDU UK Bidco Limited. The recoverability of this investment is ultimately dependant on the performance of EDU UK Bidco Limited's subsidiary companies. This risk is managed through an annual review by the Directors of the portfolio of companies owned by EDU UK Bidco Limited.

The company does not have exposure to price risk on commodities and has no foreign currency activities.

The company has no liabilities and hence no liquidity or interest rate risk.

Dividends

During the year no dividend was approved or paid (2011: £nil)

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

A Petersen

P Wilde

H Mackay-Cruise – resigned 19 February 2013

P Corso - resigned 31 May 2013

D Leigh – appointed 1 March 2013

D Rammal – appointed 3 June 2013

EDU UK Intermediate Limited

Directors' report (continued) For the year ended 31 December 2012

Independent auditors and statement of provision of information to the independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors of the company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

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

- (1) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) The director has taken all the steps that he ought to have taken as a director in order to make himself 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

Statement of directors' responsibilities

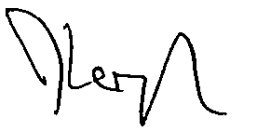
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

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



D Leigh
Director

4 July 2013

EDU UK Intermediate Limited

Independent Auditors' Report to the members of EDU UK Intermediate Limited

We have audited the financial statements of EDU UK Intermediate Limited for the year ended 31 December 2012 which comprise the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities 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 audit and 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the Directors' Report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012,
- 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 matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

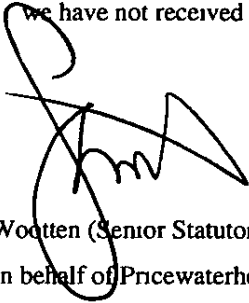
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- 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

EDU UK Intermediate Limited

Independent Auditors' Report to the members of EDU UK Intermediate Limited

- we have not received all the information and explanations we require for our audit



Stephen Wootten (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Gatwick

5 July 2013

EDU UK Intermediate Limited

Balance sheet As at 31 December 2012

	Note	2012 £	2011 £
Fixed assets			
Investments	4	<u>273,781,658</u>	<u>273,781,658</u>
Net assets		<u>273,781,658</u>	<u>273,781,658</u>
Capital and reserves			
Called-up share capital	5	1	1
Equity instruments	6	<u>273,781,657</u>	<u>273,781,657</u>
Total shareholders' funds	7	<u>273,781,658</u>	<u>273,781,658</u>

These financial statements of EDU UK Intermediate Limited, Company Registration Number 07285315, on pages 6 to 9 were approved by the Board of Directors on 4 July 2013 and signed on its behalf by



D Leigh

Director

4 July 2013

EDU UK Intermediate Limited

Notes to the financial statements For the year ended 31 December 2012

1. Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of preparation

A review of the Company's activities is set out in the Directors' Report. This statement includes reference to the financial position of the Company and its liquidity position.

In addition the Directors' Report also includes reference to the Company's key business risks and its position on risk management including exposures to credit and liquidity risk.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Investments

In the Company's financial statements, investments in subsidiary undertakings are stated at cost less any impairment.

Cashflow statement

The company is a wholly owned subsidiary company of a group headed by EDU UK TopCo Limited, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS1 (revised 1996) 'Cash flow statements' from preparing a cash flow statement.

2. Information regarding directors and employees

There were no employees in the current year other than the directors who did not receive any emoluments in respect of their services to the company (2011 £nil).

EDU UK Intermediate Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

3. Operating result

Auditors' remuneration has been borne by the company's subsidiary undertakings

4. Investments

	2012 £	2011 £
Cost		
Investments in subsidiaries – ordinary share capital	1	1
Investments in subsidiaries – special preference certificates	<u>273,781,657</u>	<u>273,781,657</u>
	<u>273,781,658</u>	<u>273,781,658</u>

Investments represent the ordinary share capital and special preference certificates of EDU UK Bidco Limited, a holding company registered in England and Wales

The directors believe that the carrying value of the investments is supported by their underlying assets

5. Called up share capital

	2012 £	2011 £
Called up, allotted and fully paid:		
1 (2011 1) ordinary shares of £1 each	<u>1</u>	<u>1</u>

6. Equity instruments

	2012 £	2011 £
Called up, allotted and fully paid:		
8,410,974,147 subordinated preference certificates	<u>273,781,657</u>	<u>273,781,657</u>

Subordinated preference certificates (SPCs) are redeemable at the option of the Company by applying the predetermined redemption price, which is £1 for each SPC. The SPCs are unsecured and rank behind all other obligations of the Company except they rank ahead of the shares on issue. These instruments have a redemption date of 1 July 2040, however the company can defer the redemption date indefinitely.

7. Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Result for the financial year	-	-
Opening shareholders' funds	<u>273,781,658</u>	<u>273,781,658</u>
Closing shareholders' funds	<u>273,781,658</u>	<u>273,781,658</u>

8. Immediate parent company and ultimate controlling party

The immediate parent undertaking is EDU UK TopCo Ltd

EDU UK Intermediate Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

The ultimate parent undertaking and controlling party is Providence Equity Partners VI International LP, a company incorporated in the Cayman Islands

9. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by its immediate parent company

The largest and smallest group in which the results of the company are consolidated is that headed by EDU UK TopCo Ltd, 1 Billinton Way, Brighton, BN1 4LF, UK

15. Contingent liabilities

The company has no contingent liabilities