

REGISTERED NUMBER: 07754025 (England and Wales)

Abbreviated Accounts for the Year Ended 30 June 2014

for

K12 Education (UK) Ltd

TUESDAY



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COMPANIES HOUSE

K12 Education (UK) Ltd

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for the Year Ended 30 June 2014

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K12 Education (UK) Ltd

Company Information
for the Year Ended 30 June 2014

DIRECTORS:

N A Davis
S A Finnigan
J J Rhyu

SECRETARY:

M Jakki Lea

REGISTERED OFFICE:

Coventry University
Technology Park
Puma Way
Coventry
CV1 2TT

REGISTERED NUMBER:

07754025 (England and Wales)

AUDITORS:

Auria Audit LLP
Statutory Auditors
9 Wimpole Street
London
W1G 9SR

Report of the Independent Auditors to
K12 Education (UK) Ltd
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages three to five, together with the full financial statements of K12 Education (UK) Ltd for the year ended 30 June 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

Other information

On 30 March 2015 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 30 June 2014 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

"Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £1,116,455 during the year ended 30 June 2014 and, at that date, the company's current liabilities exceeded its total assets by £1,525,517 and it had net current liabilities of £1,543,155. These conditions, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern."

Auria Audit LLP

Roy Davis (Senior Statutory Auditor)
for and on behalf of Auria Audit LLP
Statutory Auditors
9 Wimpole Street
London
W1G 9SR

Date: 30. 3. 2015

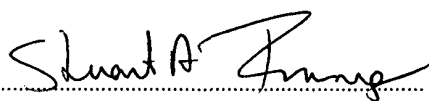
K12 Education (UK) Ltd (Registered number: 07754025)

Abbreviated Balance Sheet
30 June 2014

	Notes	30.6.14		30.6.13 as restated	
		£	£	£	£
FIXED ASSETS					
Intangible assets	2		3,369		-
Tangible assets	3		14,269		21,714
			<u>17,638</u>		<u>21,714</u>
CURRENT ASSETS					
Debtors		19,311		219,969	
Cash at bank		53,317		101,267	
		<u>72,628</u>		<u>321,236</u>	
CREDITORS					
Amounts falling due within one year		1,615,783		122,986	
			<u>(1,543,155)</u>		<u>198,250</u>
NET CURRENT (LIABILITIES)/ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(1,525,517)</u>		<u>219,964</u>
CREDITORS					
Amounts falling due after more than one year			-		629,026
NET LIABILITIES			<u>(1,525,517)</u>		<u>(409,062)</u>
CAPITAL AND RESERVES					
Called up share capital	4		100		100
Profit and loss account			<u>(1,525,617)</u>		<u>(409,162)</u>
SHAREHOLDERS' FUNDS			<u>(1,525,517)</u>		<u>(409,062)</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 26 March 2015 and were signed on its behalf by:


S A Finnigan - Director

The notes form part of these abbreviated accounts

K12 Education (UK) Ltd

Notes to the Abbreviated Accounts
for the Year Ended 30 June 2014

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements have been drawn up on a going concern basis. The company is dependent upon the support of its parent company, K12 International Holdings BV and its ultimate parent company K12 Inc in order to meet its working capital requirements. The directors of the company have received written undertakings that support will be provided for a period which will exceed twelve months from the date of approval of the financial statements. No adjustments have been made in the accounts which would result from a withdrawal of that support.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents recharged costs together with management fee charges for services provided during the year, excluding value added tax. Included in turnover is invoiced sales of goods and services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates on a straight-line basis in order to write off each asset over its estimated useful life.

Computer Equipment - 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. **INTANGIBLE FIXED ASSETS**

	Total £
COST	
Additions	4,031
At 30 June 2014	4,031
AMORTISATION	
Amortisation for year	662
At 30 June 2014	662
NET BOOK VALUE	
At 30 June 2014	3,369

K12 Education (UK) Ltd

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 June 2014

3. **TANGIBLE FIXED ASSETS**

	Total £
COST	
At 1 July 2013 and 30 June 2014	22,334
DEPRECIATION	
At 1 July 2013	620
Charge for year	7,445
At 30 June 2014	8,065
NET BOOK VALUE	
At 30 June 2014	14,269
At 30 June 2013	21,714

4. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.6.14	30.6.13 as restated
100	Ordinary	£1	£ 100	£ 100

5. **ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of K12 International Holdings BV, a company incorporated in the Netherlands. The ultimate parent company is K12 Inc, a company incorporated in the USA.

6. **RELATED PARTY DISCLOSURES**

At year-end the amount owed by K12 Education (UK) Ltd to K12, Inc. was £1,599,154 (2013:629,026). K12 Education (UK) Ltd entered into a loan agreement with K12, Inc. as of an effective date of 1 October 2012. K12 Education (UK) Ltd borrowed US\$4m from K12, Inc. The entire unpaid principal balance shall be due and payable in full 3 years from the effective date of 1 October 2012. The principal of the loan bears interest at the long term applicable federal rate and interest is accrued on a monthly basis.

7. **ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.