

BRUNEL UNIVERSITY ENTERPRISES LIMITED

DIRECTORS' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2014

Company No. 4237327

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**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**

Company Information

DIRECTORS

P. Thomas
M. Sarhadi
J. E. Robinson
T Waller

REGISTERED OFFICE

Brunel Enterprise Centre
Brunel University
Kingston Lane
Uxbridge
Middlesex
UB8 3PH

COMPANY NUMBER

4237327

BANKERS

HSBC Bank plc
PO Box 41
High Street
Uxbridge
Middlesex
UB8 1BY

AUDITORS

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014**

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**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2014**

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The directors present their report and financial statements for the year ending 31 July 2014

The main activities of the company are to add value to its parent Brunel University by pursuing activities principally through the commercial exploitation of assets, tangible and intangible, held by and generated within the University and through the management and administration of the Brunel Science Park.

Commercialisation can include BUEL taking a shareholding in companies, including spinouts and licencing Brunel or BUEL Intellectual Property (IP). The Science Park management includes services to tenants, marketing, tenant relations, estate management and operating the Brunel car park.

The Directors have reviewed the investment assets held during the year and consider that the loan in Dynamic Extractions Limited has become impaired and should be reflected in the financial statements at nil value.

GOING CONCERN

The Directors have reviewed the financial position of the company and have considered the budget for the year ahead in their assessment of adopting the going concern basis for the preparation of the financial statements. Moreover, assurances have been provided by the company's ultimate parent, Brunel University regarding timing of any repayment of the amounts owed to the University. The Directors therefore, have made an assessment that the company will be able to manage its working capital and existing resources to enable it to meet its liabilities as they fall due.

Based on these factors, the Directors have prepared the financial statements on the going concern basis

The results for the year ended 31 July 2014 are set out on page 7.

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 elected to prepare the financial statements in accordance with UK Accounting Standards. The financial statements are required by law to 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,
- 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.

**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT FOR THE
YEAR ENDED 31 JULY 2014 (Continued)**

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, and to 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.

DIRECTORS

The directors who served during the period were as follows:

P. Thomas
M. Sarhadi
J. E. Robinson
T Waller

None of the directors had any beneficial interests in the issued ordinary share capital.

AUDITORS

In accordance with section 487 of the Companies Act 2006, a resolution proposing that KPMG LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

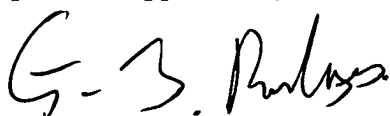
DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all steps he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

OWNERSHIP

The company is wholly owned by Brunel University, a Charter Corporation governed by the laws of England.

This report was approved by the board, and signed on its behalf on 30 October 2014



Chair - Professor G Rodgers

Company No. 4237327

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRUNEL UNIVERSITY ENTERPRISES LIMITED

We have audited the financial statements of Brunel University Enterprises Limited for the year ended 31 July 2014 set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK General Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with section 495 and 496 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 more fully 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 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 (APB'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/auditscopeukprivate.

Opinion of 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 July 2014 and of its profit for the year then ended 31 July 2014;
- have been properly prepared in accordance with UK 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.

This report was approved by the board, and signed on its behalf on 30 October 2014

**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS OF BRUNEL UNIVERSITY ENTERPRISES 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.

N May

**Nicola May (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL**

4th November 2014

BRUNEL UNIVERSITY ENTERPRISES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2014

	Year to 31 July 2014	Year to 31 July 2013
	£	£
Turnover	561,252	518,445
Cost of sales	(232,057)	(230,466)
Gross profit	<u>329,195</u>	<u>287,979</u>
Miscellaneous income	2,650	1,050
Administration expenses	(149,375)	(52,014)
Dividends from shares in group undertakings	0	0
Operating Profit	<u>182,470</u>	<u>237,015</u>
Interest payable	(748)	(1,508)
Interest receivable	0	0
Profit on ordinary activities before taxation	<u>181,722</u>	<u>235,507</u>
Gift Aid remitted to Brunel University	28,188	(108,188)
Taxation	(24,059)	(61,470)
Profit on ordinary activities after taxation	<u>185,851</u>	<u>65,849</u>
Retained Profit for the year	<u><u>185,851</u></u>	<u><u>65,849</u></u>

All results are from continuing operations

In the year, there was no difference between the profit on ordinary activities after taxation and the retained profit for the year stated above and their historical cost equivalents.

In the year, the company had no recognised gains or losses other than the profit above and therefore no separate statement of total recognised gains and losses was presented.

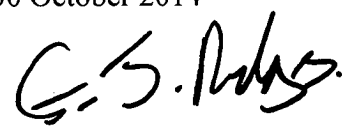
The notes on pages 10 to 13 form part of these financial statements.

BRUNEL UNIVERSITY ENTERPRISES LIMITED
BALANCE SHEET
AT 31 JULY 2014

		As at 31 July 2014	As at 31 July 2013
		£	£
FIXED ASSET INVESTMENTS	Note 7		
Participating interests		<u>147</u>	<u>34,377</u>
		147	34,377
CURRENT ASSETS			
Debtors:	Note 8		
due within one year		68,108	34,692
due after one year		<u>30,000</u>	<u>30,000</u>
		98,108	64,692
Cash at bank and in hand		178,766	190,956
		<u>276,874</u>	<u>255,648</u>
Creditors (amounts falling due within one year)	Note 9	168,756	367,611
NET CURRENT LIABILITIES		<u>108,118</u>	<u>(111,963)</u>
NET LIABILITIES		<u>108,265</u>	<u>(77,586)</u>
CAPITAL AND RESERVES			
Called-up share capital	Note 10	1	1
Profit and loss account		<u>108,264</u>	<u>(77,587)</u>
		108,265	(77,586)
EQUITY SHAREHOLDER'S FUNDS		<u>108,265</u>	<u>(77,586)</u>

The notes on pages 10 to 13 form part of these financial statements.

The financial statements were approved by the board and signed on its behalf on 30 October 2014


Director
GEDFF RODGERS

BRUNEL UNIVERSITY ENTERPRISES LIMITED
RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
FOR THE YEAR ENDED 31 JULY 2014

	As at 31 July 2014	As at 31 July 2013
	£	£
Profit for the financial year	185,851	65,849
	<hr/>	<hr/>
Net increase in shareholder's funds	185,851	65,849
Opening shareholder's funds	(77,586)	(143,435)
Closing shareholder's funds	<u>108,265</u>	<u>(77,586)</u>

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2014

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable UK Accounting Standards.

The Directors have reviewed the financial position of the company and have considered the budget for the year ahead in their assessment of adopting the going concern basis for the preparation of the financial statements. Moreover, assurances have been provided by the company's ultimate parent, Brunel University regarding timing of any repayment of the amounts owed to the University. The Directors therefore, have made an assessment that the company will be able to manage its working capital and existing resources to enable it to meet its liabilities as fall due.

Based on these factors, the Directors have prepared the financial statements on a going concern basis.

Turnover

Turnover, which is stated net of Value Added Tax, represents amounts invoiced to Science Park tenants for rent and service charges. Turnover arises entirely within the United Kingdom.

Operating Leases

All leases are operating leases, and the annual rentals are charged to operating profit on a straight line basis over the lease

Lease of premises

The premises occupied by BUEL have been leased from Brunel University for the period until 31 July 2031. The premises may be sub-let, but only for specific uses that are set out in the Lease.

Deferred taxation

Deferred tax is provided in full on an undiscounted basis, on all timing differences which result in an obligation at the balance sheet date, to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in financial statements.

Cash flow statement and consolidation

The company has taken advantage of the exemption in Financial Reporting Standard 1 from producing a cash flow statement on the grounds that its results, which are publicly available, are consolidated into those of its ultimate parent undertaking, Brunel University.

2. OPERATING PROFIT

	2013-14	2012-13
Operating profit is stated after charging:	£	£
Operating lease rentals (other)	44,000	44,000
Auditors' remuneration	<u>2,500</u>	<u>2,460</u>

3. DIRECTORS' EMOLUMENTS

Directors' emoluments of £Nil were paid or payable by the company during the year (2012 - £Nil).

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2014

4. EMPLOYEE INFORMATION

There was one person employed, 0.5 equivalent, during the period (1 person, 0.5 equivalent - 2012) and three were seconded from Brunel University. The employee of BUEL received a non-pensionable salary and the employees of Brunel University are members of two University pension schemes, the Universities' Superannuation Scheme and the London Pensions Fund Authority scheme. Brunel University contributes to these defined benefit schemes for the three seconded employees, and these contributions are included in the staff costs in the University's accounts. The seconded employee salary costs are fully reimbursed to Brunel University, and are included in Cost of Sales. One of the employees has joined a defined contribution stakeholder pension scheme, to which the company makes a contribution.

	2013-14	2012-13
	£	£
Salaries and wages	89,531	86,555
Social security costs	7,177	6,891
Pension costs	13,612	13,626
	<u>110,319</u>	<u>107,072</u>

5. GIFT AID PAYABLE

As a wholly owned subsidiary of a charitable body, the company will make gift aid payments to Brunel University within 9 months of the 13-14 year end to eliminate the profit chargeable to corporation tax in 2013-14

	2013-14	2012-13
	£	£
Payment relating to 13-14 year accrued	80,000	0
Payment relating to 11-12 year made in prior year year	0	108,188
Reimbursement relating to 11-12 year originally paid 3 April 2013	(108,188)	
	<u>(28,188)</u>	<u>108,188</u>

6. TAXATION

	2013-14	2012-13
	£	£
UK Corporation tax relief on income for the year	<u>24,059</u>	<u>61,470</u>

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2013: higher) than the standard rate of corporation tax in the UK (22.333%, 2013:23.667%). The differences are explained below.

	2013	2013
	£	£
Current tax reconciliation		
Profit on ordinary activities before gift aid and tax	<u>181,722</u>	<u>235,507</u>
Current tax at 22.333% (2013; 23.667%)	40,585	55,737
Effects of:		
Expenses not deductible for tax purposes	1,341	5,733
Charges payable - Gift Relief payable to Brunel University	(17,867)	-
Total current tax charge (see above)	<u>24,059</u>	<u>61,470</u>

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2014

7. INVESTMENTS

	Participating £
At 1 August	34,377
Additions in year	0
Impairments in year	<u>(34,230)</u>
At 31 July	<u>147</u>

	Number of shares held	Nominal value	Cost (£)	Value	% of issued share capital
Participating interests:					
Cascade Fund Management Limited	20	£1	£20	£20	20%
Dynamic Extractions Limited	80,600	20p	£59,230	£0	5.9%
Performance Brunel Ltd	127	£1	£127	£127	43.33%
			<u>£59,377</u>	<u>£147</u>	

8. DEBTORS

	2014	2013
Debtors due within one year:	£	£
Debtors	39,884	32,968
Loan to Dynamic Extractions Limited	28,224	0
Amounts Owed By Parent Undertaking: Brunel University	0	1,724
	<u>68,108</u>	<u>34,692</u>
Debtors due after one year:		
Loan to Park Fund	30,000	30,000
Loan to Dynamic Extractions Limited	28,224	0
	<u>58,224</u>	<u>30,000</u>

9. CREDITORS: amounts falling due within one year

	2014	2013
	£	£
Creditors including taxation	33,095	73,975
Accruals and deferred income	85,257	66,543
Amounts owing to parent undertaking: Brunel University	50,404	227,093
	<u>168,756</u>	<u>367,611</u>

The amounts owed to Group undertakings are unsecured, interest-free, and have no fixed date for repayment.

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2014

10. CALLED-UP SHARE CAPITAL

		2014	2013
Authorised:	1000 Ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
Allotted, issued and fully paid:	1 Ordinary shares of £1 each	<u>£1</u>	<u>£1</u>

1 ordinary share of £1 each was issued at par on 19 June 2001.

11. RELATED PARTY TRANSACTIONS

The company has had material transactions with its ultimate parent, Brunel University. These transactions are eliminated in the Consolidated Financial Statements of Brunel University which are publicly available. Accordingly, the company has availed itself of the dispensation in FRS 8 not to disclose such items in

12. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking and controlling party is Brunel University, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Brunel University's consolidated financial statements can be obtained from its administrative headquarters, Kingston Lane, Uxbridge, Middlesex,

13 CAPITAL COMMITMENTS

The company had no capital expenditure commitments at 31 July 2014 (2013 - Nil).

14. CONTINGENT LIABILITIES

In the opinion of the directors, the company had no material contingent liabilities at 31 July 2014 (2013 - Nil).

15. FINANCIAL COMMITMENTS

At 31 July 2013, the company had annual commitments under non-cancellable operating leases for the rent of land and buildings expiring as follows:

	2014	2013
	£	£
Within one year	0	0
Within two to five years	0	0
After five years	<u>44,000</u>	<u>44,000</u>
	<u>44,000</u>	<u>44,000</u>