

**BRUNEL UNIVERSITY ENTERPRISES LIMITED**

**DIRECTORS' REPORT AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2015**

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**Company No. 4237327**

**BRUNEL UNIVERSITY ENTERPRISES LIMITED  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2015**

**Company Information**

**DIRECTORS**

P. Thomas	
M. Sarhadi	resigned 15 October 2014
J. E. Robinson	
T Waller	
G. J. Rodgers	appointed 15 October 2014

**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 2015**

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**BRUNEL UNIVERSITY ENTERPRISES LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 JULY 2015**

**PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS**

The directors present their report and financial statements for the year ending 31 July 2015

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 £1.

**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 2015 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 2015 (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  
G Rodgers  
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.

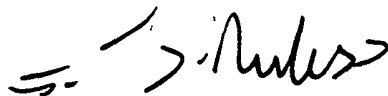
**DISCLOSURE OF INFORMATION TO AUDITORS**

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 25 November 2015



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 2015 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 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 auditor**

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 Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://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 2015 and of its profit for the year then ended;
- 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.

**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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report



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

27 November 2015

**BRUNEL UNIVERSITY ENTERPRISES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2015**

	<b>Year to 31 July 2015</b>	Year to 31 July 2014
	<b>£</b>	£
Turnover	<b>565,770</b>	561,252
Cost of sales	<b>(259,566)</b>	(232,057)
Gross profit	<u><b>306,204</b></u>	<u>329,195</u>
Miscellaneous income	<b>3,185</b>	2,650
Administration expenses	<b>(177,965)</b>	(149,375)
Dividends from shares in group undertakings	<b>0</b>	0
Operating Profit	<u><b>131,424</b></u>	<u>182,470</u>
Interest payable	<b>(119)</b>	(748)
Interest receivable	<b>0</b>	0
Profit on ordinary activities before taxation	<u><b>131,305</b></u>	<u>181,722</u>
Gift Aid remitted to Brunel University Note 5	<b>(189,788)</b>	28,188
Taxation	<b>0</b>	(24,059)
Profit on ordinary activities after taxation	<u><b>(58,483)</b></u>	<u>185,851</u>
Retained Profit for the year	<u><u><b>(58,483)</b></u></u>	<u><u>185,851</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 2015**

		As at 31 July 2015	As at 31 July 2014
		£	£
<b>FIXED ASSET INVESTMENTS</b>	Note 7		
Participating interests		<u>148</u>	<u>147</u>
		<b>148</b>	<b>147</b>
<b>CURRENT ASSETS</b>			
Debtors:	Note 8		
due within one year		90,335	68,108
due after one year		<u>3</u>	<u>30,000</u>
		<b>90,338</b>	<b>98,108</b>
Cash at bank and in hand		<u>255,542</u>	<u>178,766</u>
		<b>345,880</b>	<b>276,874</b>
Creditors (amounts falling due within one year)	Note 9	<b>296,246</b>	168,756
<b>NET CURRENT ASSETS</b>		<u><b>49,634</b></u>	<u>108,118</u>
<b>TOTAL NET ASSETS</b>		<u><b>49,782</b></u>	<u>108,265</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	Note 10	1	1
Profit and loss account		<u>49,781</u>	<u>108,264</u>
		<b>49,782</b>	<b>108,265</b>
<b>EQUITY SHAREHOLDER'S FUNDS</b>		<u><b>49,782</b></u>	<u>108,265</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 25 November 2015

  
 Director  
 Geoff Rodgers

**BRUNEL UNIVERSITY ENTERPRISES LIMITED**  
**RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**  
**FOR THE YEAR ENDED 31 JULY 2015**

	<b>As at 31 July 2015</b>	As at 31 July 2014
	£	£
Profit for the financial year	(58,483)	185,851
	<hr/>	<hr/>
Net increase in shareholder's funds	(58,483)	185,851
Opening shareholder's funds	108,265	(77,586)
Closing shareholder's funds	<u>49,782</u>	<u>108,265</u>

**BRUNEL UNIVERSITY ENTERPRISES LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2015**

**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**

	2014-15	2013-14
Operating profit is stated after charging:	£	£
Operating lease rentals (other)	78,000	44,000
Auditors' remuneration	<u>2,500</u>	<u>2,500</u>

**3. DIRECTORS' EMOLUMENTS**

Directors' emoluments of £Nil were paid or payable by the company during the year (2014 - £Nil).

**BRUNEL UNIVERSITY ENTERPRISES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 JULY 2015**

**4. EMPLOYEE INFORMATION**

There was one person employed, 0.5 equivalent, August 14 to February 15 (1 person, 0.5 equivalent - 2014) and two 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. The employee had joined a defined contribution stakeholder pension scheme, to which the company made a contribution.

	2014-15	2013-14
	£	£
Salaries and wages	87,055	89,531
Social security costs	7,136	7,177
Pension costs	12,949	13,612
Redundancy costs	10,991	0
	<u>118,130</u>	<u>110,320</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 14-15 year end to eliminate the profit chargeable to corporation tax in 2014-15

	2014-15	2013-14
	£	£
Payment relating to 14-15 year accrued	189,788	0
Payment relating to 13-14 year accrued	0	80,000
Reimbursement relating to 11-12 year originally paid 3 April 2013	0	-108,188
	<u>189,788</u>	<u>-28,188</u>

**6. TAXATION**

UK Corporation tax relief on income for the year

	2014-15	2013-14
	£	£
	<u>0</u>	<u>24,059</u>

**Factors affecting the tax charge for the current period**

The current tax charge for the period is lower (2014: lower) than the standard rate of corporation tax in the UK (22.333%, 2013:23.667%). The differences are explained below.

	2015	2014
	£	£
Current tax reconciliation		
Profit on ordinary activities before gift aid and tax	<u>131,305</u>	<u>181,722</u>
Current tax at 20.667% (2014; 22.333%)	27,137	40,585
Effects of:		
Expenses not deductible for tax purposes	12,086	1,341
Charges payable - Gift Relief payable to Brunel University	(39,223)	(17,867)
Total current tax charge (see above)	<u>(0)</u>	<u>24,059</u>

**BRUNEL UNIVERSITY ENTERPRISES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 JULY 2015**

**7. INVESTMENTS**

	<b>Participating £</b>
At 1 August	147
Additions in year	0
Reversal of impairments in year	1
<b>At 31 July</b>	<b><u>148</u></b>

	Number of shares held	Nominal value	Cost (£)	Value	% of issued share capital
<b>Participating interests:</b>					
Cascade Fund Management Limited	20	£1	£20	£20	20%
Dynamic Extractions Limited	80,600	20p	£59,230	£1	5.9%
Performance Brunel Ltd	127	£1	£127	£127	43.33%
			<u>£59,377</u>	<u>£148</u>	

**8. DEBTORS**

	2015	2014
<b>Debtors due within one year:</b>		
Debtors	£ 90,335	£ 39,884
Loan to Dynamic Extractions Limited	0	28,224
Amounts Owed By Parent Undertaking: Brunel University	0	0
	<u>90,335</u>	<u>68,108</u>
<b>Debtors due after one year:</b>		
Loan to Park Fund	3	30,000
Loan to Dynamic Extractions Limited		0
Loans to CascadeFund Partnership		0
	<u>3</u>	<u>30,000</u>

**9. CREDITORS: amounts falling due within one year**

	2015	2014
	£	£
Creditors including taxation	7,206	33,095
Accruals and deferred income	81,824	85,257
Amounts owing to parent undertaking: Brunel University	207,216	50,404
	<u>296,246</u>	<u>168,756</u>

The amounts owed to Group undertakings are unsecured, interest-free, and have a 30 day payment date for repayment from invoice date.

**BRUNEL UNIVERSITY ENTERPRISES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 JULY 2015**

**10. CALLED-UP SHARE CAPITAL**

		2015	2014
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 these financial statements.

**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 2015 (2014 - Nil).

**14. CONTINGENT LIABILITIES**

In the opinion of the directors, the company had no material contingent liabilities at 31 July 2015 (2014 - Nil).

**15. FINANCIAL COMMITMENTS**

At 31 July 2015, the company had annual commitments under non-cancellable operating leases for the rent of land and buildings expiring as follows:

	2015	2014
	£	£
Within one year	0	0
Within two to five years	0	0
After five years	<u>78,000</u>	<u>44,000</u>
	<u>78,000</u>	<u>44,000</u>