

**Bristol Polytechnic Enterprises Limited**

**Directors' Report and Financial Statements**

**31 July 2009**

**Company Registration Number: 2227891**

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**Bristol Polytechnic Enterprises Limited**

**Directors' Report and Financial Statements for the 7 Months Ended 31 July 2009**

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**Bristol Polytechnic Enterprises Limited**  
**Directors' Report for the 7 Months Ended 31 July 2009**

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The Directors have pleasure in submitting their report and the audited financial statements for the period 01 January to 31 July 2009.

**Activities**

The principal activity of the company was the leasing to the University of the West of England of two properties situated within the University's Frenchay Campus. In February 2009, the company sold one of these to its former parent undertaking, Wallscourt Foundation, and the following day the Foundation sold its 100% holding in the company to the University.

**Review of the Business**

The company incurred a loss of £87,000 in the seven month period compared to a profit of £175,000 in the previously reported twelve month period. The loss arose because the company's new directors considered that its equipment should be fully depreciated and as a result a charge of £135,000 was incurred.

The directors do not recommend the payment of a dividend (2008 £nil).

The directors who served during the year were:

Mr N Biddle (resigned 25 February 2009)  
Mr B D Styles CBE (resigned 25 February 2009)  
W J Marshall (appointed 25 February 2009)  
Professor S G West (appointed 25 February 2009)

**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 the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Coldharbour Lane  
Frenchay  
Bristol  
BS16 1QY

By Order of the Board



W J Marshall  
Director

Date: 24 November 2009

## **Bristol Polytechnic Enterprises Limited**

### **Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements**

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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, they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent Auditors' Report to the Members of Bristol Polytechnic Enterprises Limited**

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We have audited the financial statements of Bristol Polytechnic Enterprises Limited for the period ended 31 July 2009 set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 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 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 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 2, 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 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/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **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 July 2009 and of its loss for the period 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.

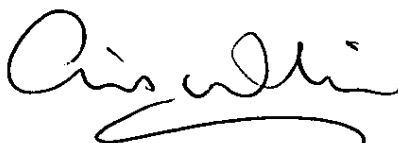
### **Opinion on other matter prescribed by the Companies Act 2006**

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.

### **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.



**Chris Wilson (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

100 Temple Street  
Bristol  
BS1 6AG

**Profit and Loss Account****01 January 2009 to 31 July 2009**

	<b>Note</b>	<b>2009 £000 [7 months]</b>	<b>2008 £000 [Year]</b>
Rent receivable		<b>218</b>	650
Operating expenses		<b>(277)</b>	(70)
<b>Operating (Loss)/Profit</b>		<b>(59)</b>	<b>580</b>
Interest receivable	4	<b>16</b>	73
Interest payable	5	<b>(44)</b>	(478)
<b>(Loss)/Profit on Ordinary Activities before Taxation</b>	6	<b>(87)</b>	<b>175</b>
Taxation		-	-
<b>(Loss)/Profit for the Year</b>	12	<b>(87)</b>	<b>175</b>

The results relate wholly to the continuing operations of the company.

The company has no recognised gains or losses other than the loss shown above.

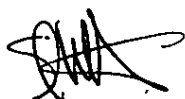
A statement of movement in reserves is given in note 12.

**Balance Sheet**

At 31 July 2009

	Note	2009 £000 [31 July]	2008 £000 [31 Dec]
<b>Fixed Assets</b>			
Tangible Assets	7	<u>11,106</u>	<u>13,048</u>
<b>Current Assets</b>			
Debtors	8	1	1
Short Term Deposits		1,270	1,117
Cash at bank		<u>252</u>	<u>251</u>
		<u>1,523</u>	<u>1,369</u>
<b>Current Liabilities</b>			
Creditors: Amounts Falling Due Within One Year	9	<u>(122)</u>	<u>(211)</u>
<b>Net Current Assets</b>		<u>1,401</u>	<u>1,158</u>
<b>Total Assets Less Current Liabilities</b>		<b>12,507</b>	<b>14,206</b>
<b>Creditors: Amounts Falling Due After One Year</b>	10	-	(8,922)
<b>Net Assets</b>		<u><b>12,507</b></u>	<u><b>5,284</b></u>
<b>Share Capital and Reserves</b>			
Called Up Share Capital	11	12,060	4,750
Profit and Loss Account	12	<u>447</u>	<u>534</u>
<b>Equity Shareholders' Funds</b>		<u><b>12,507</b></u>	<u><b>5,284</b></u>

These financial statements were approved by the board of directors on 24 November 2009 and were signed on its behalf by



S G West  
Director

## Notes to the Financial Statements

31 July 2009

**1 Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements, except as noted below.

*Basis of Preparation*

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

The directors have, in accordance with s396 of the Companies Act 2006, departed from the standard format of the profit and loss account as set out in Schedule 4 of the Act on the grounds that the prescribed form is not applicable to the circumstances of the company and would result in the financial statements not showing a true and fair view. The financial statements comply with the requirements of s396 and Schedule 4 of the Act in all other respects and have been prepared in accordance with all applicable accounting standards.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company was a wholly owned subsidiary of Wallscourt Foundation until February 2009 and, from that date, a wholly owned subsidiary of the University of the West of England, it has taken advantage of the exemption contained in FRS 8 and has, therefore, not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Wallscourt Foundation and the University of the West of England, within which this Company is included, can be obtained from the address given in note 14.

*Recognition of income*

All income and expenditure is accounted for on an accruals basis.

*Depreciation of tangible fixed assets*

Until February 2009, tangible fixed assets were depreciated on the reducing balance basis over their anticipated useful economic lives using the following rates:

Computer hardware and software	25%
Office equipment and fittings	25%

From February 2009, depreciation is provided on a straight line basis but with no depreciation in the year of acquisition:

Land and buildings	50 years
Computer hardware and software	3 years
Office equipment and fittings	3 years

*Finance Costs*

In accordance with FRS 15 'Tangible Fixed Assets', the company capitalised interest costs on the loan taken from AIB Group (UK) plc to finance the construction of the New Redland building for the University of the West of England. The finance costs capitalised were those incurred during the construction period.

## Notes to the Financial Statements (continued)

31 July 2009

**1 Accounting Policies** (continued)*Investment Properties*

In accordance with Statement of Standard Accounting Practice No 19 (SSAP 19), investment properties are revalued annually and any aggregate surplus or deficit is recorded in the revaluation reserve; no depreciation or amortisation is provided in respect of freehold investment properties. The application of the provisions of SSAP 19 to assets owned by the company represents a technical departure from the Companies Act 1985 which requires all fixed assets to be depreciated. However, in common with other companies adopting the provisions of SSAP 19, the directors consider that the calculation of systematic annual depreciation would fail to give a true and fair view of investment properties.

The company reclassified its investment property as land and buildings in February 2009 as it continued to be leased to the University of the West of England, which had become its new parent undertaking, and SSAP 19 specifically excludes classifying property leased to a parent undertaking as an investment property.

*Short Term Deposits and Cash at Bank*

The heading 'Cash at Bank' includes deposits repayable within 24 hours without penalty, all other deposits being included within the heading 'Short Term Deposits'. All Short Term Deposits are held at approved UK banks.

*Leases*

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

**2 Remuneration of the Directors**

	2009 £000 [7 months]	2008 £000 [Year]
Directors' emoluments	-	-

**3 Staff Numbers and Costs**

The company had no employees during the year.

**4 Interest Receivable**

	2009 £000 [7 months]	2008 £000 [Year]
Bank interest	16	73

## Notes to the Financial Statements (continued)

31 July 2009

<b>5 Interest Payable</b>	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
	<b>[7 months]</b>	<b>[Year]</b>
Interest payable on loans due within five years	<u>44</u>	<u>478</u>

<b>6 Profit on Ordinary Activities before Taxation</b>	<b>2009</b>	<b>2008</b>
The profit on ordinary activities is stated after charging:	<b>£000</b>	<b>£000</b>
	<b>[7 months]</b>	<b>[Year]</b>
Auditors' remuneration	1	1
Depreciation	260	46
Operating lease rentals	3	23

<b>7 Tangible Assets</b>	<b>Investment Property £000</b>	<b>Land and Buildings £000</b>	<b>Equipment £000</b>	<b>Total £000</b>
<b>Cost or Valuation</b>				
At 01 January 2009	12,913	-	1,192	14,105
Additions during the period	-	-	-	-
Disposals	(1,682)	-	-	(1,682)
Re-classification	(11,231)	11,231	-	-
<b>At 31 July 2009</b>	<u>-</u>	<u>11,231</u>	<u>1,192</u>	<u>12,423</u>
<b>Accumulated Depreciation</b>				
At 01 January 2009	-	-	1,057	1,057
Charge for the period	-	125	135	260
<b>At 31 July 2009</b>	<u>-</u>	<u>125</u>	<u>1,192</u>	<u>1,317</u>
<b>Net Book Value</b>				
<b>At 31 July 2009</b>	<u>-</u>	<u>11,106</u>	<u>-</u>	<u>11,106</u>
At 01 January 2009	<u>12,913</u>	<u>-</u>	<u>135</u>	<u>13,048</u>

The company reclassified its investment property as land and buildings in February 2009 as it continued to be leased to the University of the West of England, which had become its new parent undertaking, and SSAP 19 specifically excludes classifying property leased to a parent undertaking as an investment property. It has an estimated useful life of 50 years and, being 10 years old, is being written down over its remaining useful life of 40 years.

After acquiring the company in February 2009, the directors reviewed the value of the company's equipment and decided that it should be fully depreciated and carried at £nil value. As a result, the depreciation charge for the year was £135,000 as opposed to £34,000 under the previous method. This results in a loss for the period of £87,000 as opposed to a profit of £14,000.

## Notes to the Financial Statements (continued)

31 July 2009

8 Debtors	2009 £000 [31 July]	2008 £000 [31 Dec]
Amounts falling due within one year:		
Accrued income	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

9 Creditors: amounts falling due within one year	2009 £000 [31 July]	2008 £000 [31 Dec]
Other creditors	33	12
Accruals and deferred income	43	55
Amounts due to parent undertaking University of the West of England	46	144
	<u>122</u>	<u>211</u>

10 Creditors: amounts falling due after one year	2009 £000 [31 July]	2008 £000 [31 Dec]
Bank loan	<u>-</u>	<u>8,922</u>

The loan was secured over the freeholds of the New Redland Faculty of Education and Bristol Information Technology Centre buildings.

11 Called-Up Share Capital	2009 £000 [31 July]	2008 £000 [31 Dec]
<b>Authorised</b>		
10,000,000 ordinary shares of £1 each	<u>20,000</u>	<u>10,000</u>
<b>Allotted, called up and fully paid</b>		
Balance at 01 January	4,750	4,750
New shares issued at par	<u>7,310</u>	<u>-</u>
<b>At end of period</b>	<u>12,060</u>	<u>4,750</u>

12 Profit and Loss Account	2009 £000 [31 July]	2008 £000 [31 Dec]
At 01 January	534	359
(Loss)/Profit for the period	<u>(87)</u>	<u>175</u>
<b>At end of period</b>	<u>447</u>	<u>534</u>

## Notes to the Financial Statements (continued)

31 July 2009

<b>13 Reconciliation of Shareholders' Funds</b>	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
	<b>[31 July]</b>	<b>[31 Dec]</b>
At 1 January	5,284	5,109
New shares issued at par	7,310	-
Retained (loss)/profit for the year	(87)	175
<b>At end of period</b>	<b>12,507</b>	<b>5,284</b>

**14 Parent Body**

At the 31 December 2008, the company was a wholly owned subsidiary of the Wallscourt Foundation, incorporated in England. The Foundation's address is Dupont Bristol Centre, Bristol Business Park, Bristol, BS16 1QD.

From 19 February 2009, the company has been a wholly owned subsidiary of University of the West of England. The University's address is Frenchay Campus, Bristol, BS16 1QY.