

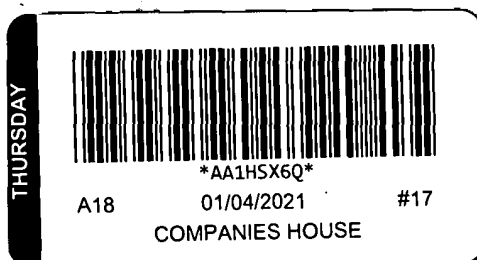
Company Registration No. 2753431

**UNIVERSITY OF BRIGHTON
TRADING COMPANY LIMITED**

Report and Financial Statements

Year ended 31 July 2020

**Mithras House
Lewes Road
Brighton
East Sussex BN2 4AT**



UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS 2020

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2-3
Statement of Directors' responsibilities	4
Independent auditor's report to the members of the University of Brighton Trading Company	5-7
Income Statement	8
Statement of Changes in Equity	9
Statement of Financial Position	10
Notes to the accounts	11-14

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS 2020

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS (as at 31 July 2020)

Professor Debra Humphris
Professor Tara Dean
Professor Andrew Lloyd

REGISTERED OFFICE

Mithras House
Lewes Road
Brighton
East Sussex
BN2 4AT

AUDITOR

BDO UK
2 City Place
Beehive Ring Road
Gatwick
RH6 0PA

BANKER

Barclays Bank Plc
139-142 North Street
Brighton
BN1 7RU

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 July 2020

ACTIVITIES

The company did not trade throughout the year ended 31 July 2020.

The directors took the decision that from the 13 November 2018 the company would not enter into any new contracts and should become dormant once current trading activity had ceased. In 2019-20, the remaining assets and liabilities have been transferred from the University of Brighton Trading Company Limited to the University of Brighton. Accordingly, the directors consider that the company is no longer a going concern and the financial statements have therefore been prepared on a basis other than that of a going concern.

BUSINESS REVIEW

The company did not trade during the year. The directors plan to make the company dormant.

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS AND THEIR INTERESTS

The following directors held office during the year:

Professor Debra Humphris
Professor Tara Dean
Professor Andrew Lloyd

DISCLOSURE OF INFORMATION TO AUDITOR


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 auditor is unaware; and each director has taken all the steps that 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 auditor is aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemption proved by section 415A of the Companies Act 2006.

ANNUAL GENERAL MEETING AND AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the audit appointment was transferred during the year to BDO. Under section 487 (2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to the members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



University of Brighton Trading Company
Mithras House
Lewes Road
Brighton
East Sussex
BN2 4AT

18 January 2021

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF
THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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 Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and the Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so. As explained in note 1 of the financial statements, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

Opinion

We have audited the financial statements of University of Brighton Trading Company Limited ("the Company") for the year ended 31 July 2020 which comprise the Income Statement, Statement of Changes in Equity, Statement of Financial Position, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its result for the year then ended;
- 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – financial statements prepared on a basis other than going concern

We draw attention to note 1 to the financial statements which explains that the directors consider that company is no longer a going concern and the financial statements have therefore been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

We have nothing to report in respect of the following matters in relation to which 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;
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities for the report and financial statements, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

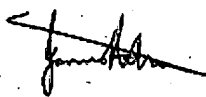
UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED (continued)

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



James Aston (Senior Statutory Auditor)
For and on behalf of
BDO LLP, statutory auditor
Gatwick

Date: 22 January 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

INCOME STATEMENT

Year ended 31 July 2020

	Note	2020 £	2019 £
TURNOVER	2	-	582,042
Cost of sales		(-)	(408,813)
		<hr/>	<hr/>
Gross profit		-	173,229
Administrative expenses		(-)	(98,889)
		<hr/>	<hr/>
OPERATING PROFIT	2, 3	-	74,340
Interest receivable and similar income	4	-	2,368
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	76,708
Tax on profit on ordinary activities	6	(-)	(14,405)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	62,303

The company did not trade during the year ending 31 July 2020.

Notes from pages 11 to 14 form part of the financial statements.

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

	2020 £	2019 £
Total Opening Shareholders' funds	106,390	105,495
Profit for the Year after tax	-	62,303
Tax charge mitigated by payment under deed of covenant	-	14,405
Less: Payment under Deed of Covenant to University	(-)	(75,812)
Profit for the Year	-	895
Total Closing Shareholders' funds	<u>106,390</u>	<u>106,390</u>

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

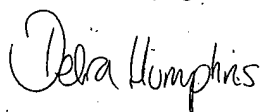
STATEMENT OF FINANCIAL POSITION

As at 31 July 2020

	Note	2020	2019
		£	£
FIXED ASSETS			
Investments	7	-	194
CURRENT ASSETS			
Stocks - goods for resale		-	19,792
Debtors	8	106,390	103,721
Cash at bank and in hand		-	250,566
		<u>106,390</u>	<u>374,079</u>
CREDITORS: amounts falling due within one year	9	(-)	(267,883)
NET CURRENT ASSETS		<u>106,390</u>	<u>106,196</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>106,390</u>	<u>106,390</u>
NET ASSETS		<u><u>106,390</u></u>	<u><u>106,390</u></u>
Share capital	10	100,000	100,000
Profit & loss Account	11	6,390	6,390
TOTAL SHAREHOLDERS' FUNDS		<u><u>106,390</u></u>	<u><u>106,390</u></u>

The financial statements were approved by the Board of Directors on 18 January 2021.

Notes from pages 11 to 14 form part of the financial statements.



Director

18 January 2021

Company Registration No. 2753431

NOTES TO THE ACCOUNTS
Year ended 31 July 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Section 1A of the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The University of Brighton is a private company registered in the UK and limited by shares.

The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Cash flow

Under FRS 102 section 1.12(b) 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.

Turnover

Turnover represents the invoiced value, excluding value added tax, of services supplied.

Stocks

Goods for resale are stated at the lower of cost and net realisable value.

Going Concern

In previous years, the financial statements have been prepared on a going concern basis. However, the directors took the decision that from the 13 November 2018 the company would not enter into any new contracts and should become dormant once current trading activity had ceased. In 2019-20, the remaining assets and liabilities have been transferred from the University of Brighton Trading Company Limited to the University of Brighton. Accordingly, the directors consider that the company is no longer a going concern and the financial statements have therefore been prepared on a basis other than that of a going concern.

Investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Tax

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date, and any adjustments to tax payable in respect of previous years.

Deferred taxation would normally be recognised in respect of all timing differences that have originated, but not reversed, at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred. However, deferred tax assets and liabilities are not recognised as the company has a policy to eliminate taxable profits by deed of covenants and therefore no asset or liability is likely to arise.

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

NOTES TO THE ACCOUNTS Year ended 31 July 2020

2. ANALYSIS OF TURNOVER AND OPERATING PROFIT

	2020 Turnover £	2020 Operating profit £	2019 Turnover £	2019 Operating profit £
Class of business:				
Non award bearing courses	-	-	-	-
Consultancy	-	-	282,033	8,809
Research	-	-	39,175	(6,108)
Trading activities	-	-	53,566	12,840
Catering and conferences	-	-	207,268	58,799
	<u>-</u>	<u>-</u>	<u>582,042</u>	<u>74,340</u>

All turnover arises in the United Kingdom.

3. AUDIT FEE AND DIRECTORS RENUMERATION

The auditors of the company are also auditors of the parent undertaking. The audit fee of £4,300 exclusive of VAT (2019; £5,135) and Corporation Tax services of £2,850 exclusive of VAT (2019: £5,000) in respect of their financial statements have been borne by the parent undertaking. No charge for services is therefore included in the Operating Profit.

The company had no employees, other than the directors, during the year (no change from 2018-19). All services are performed by employees of the parent undertaking, the University of Brighton. The directors received no emoluments in respect of their services to the company in the current or prior year.

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020 £	2019 £
Bank deposit and short-term interest	-	2,368

5. DEED OF COVENANT

The company covenants all of its profits to the University of Brighton. In the year ended 31 July 2020 an amount of £NIL (31 July 2019; £75,812) was due to be paid to the University of Brighton under deed of covenant.

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

NOTES TO THE ACCOUNTS Year ended 31 July 2020

6. TAX ON ORDINARY ACTIVITIES

The University of Brighton Trading Company Limited distributes its profits to the University of Brighton by way of a deed of covenant.

	2020 £	2019 £
Profit / (Loss) on ordinary activities before taxes	-	76,708
Profit on ordinary activities before tax at 19.00% (2019: 19.00%)		14,575
Effects of:		
Depreciation in excess of capital allowances	-	-
Expenses not deductible for tax purposes		8
Deferred Tax	(-)	(178)
Deed of covenant	-	-
Current tax charge for the period		14,405
Tax charge relating to previous period	-	-
Tax impact of Deed of Covenant	(-)	(14,405)
Recognised in Profit & Loss account		14,405
Recognised in Statement of Change in Equity	(-)	(14,405)
Recognised in Statement of Change in Equity		14,405

7. INVESTMENTS HELD AS FIXED ASSETS

Ownership of all investments previously held by the company have been transferred to the University of Brighton.

8. DEBTORS

	2020 £	2019 £
Due within one year:		
Amounts owed by parent undertaking	106,390	-
Trade debtors	-	42,033
Prepayments and accrued income	-	61,688
TOTAL	106,390	103,721

UNIVERSITY OF BRIGHTON TRADING COMPANY LIMITED

NOTES TO THE ACCOUNTS Year ended 31 July 2020

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Amounts owed to parent undertaking	-	187,575
Other taxation	-	16,460
Accruals and deferred income	-	63,848
TOTAL	-	267,883

10. CALLED UP SHARE CAPITAL

	2020 £	2019 £
Called up, allotted and fully paid 100,000 ordinary shares of £1 each	100,000	100,000

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	2020 £	2019 £
Profit for the year	-	895
Retained profit brought forward	6,390	5,495
Retained profit carried forward	6,390	6,390

12. RELATED PARTY TRANSACTIONS

As the University of Brighton owns 100% of the issued share capital of the company, advantage has been taken of the provisions contained in FRS 102 33.1a which allows non-disclosure of transactions or balances with entities which form part of the group of related parties.

13. ULTIMATE PARENT COMPANY

The Company is a subsidiary undertaking of the University of Brighton which is the ultimate parent. The consolidated financial statements of the group are available to the public and may be obtained from:

University of Brighton
Mithras House
Lewes Road
Brighton
BN2 4AT