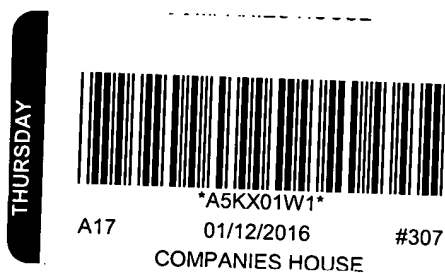


Company registration number: 02763292

Exemplas Holdings Limited
A private company limited by shares

Financial statements 31 July 2016

together with directors' and auditor's reports



Contents

	Page
Company information	2
Directors' report	3 - 4
Independent auditor's report	5
Profit and loss account	6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 18

Company information

Directors

Mr J Heywood (Chairman)
Ms P M Billingham
Mrs S C Grant
Mr D C Moule
Mrs J A Newlan MBE
Mr A M Puddefoot

Secretary

Mrs S C Grant

Registered Office

BioPark
Broadwater Road
Welwyn Garden City
Hertfordshire
AL7 3AX

Auditor

Grant Thornton UK LLP
Grant Thornton House
Melton Street
London
NW1 2EP

Bankers

Barclays Bank plc
Corporate Banking Centre
PO Box 729
1 Capability Green
Luton
LU1 3US

Directors' report

For the year ended 31 July 2016

Financial statements

The directors present their annual report and financial statements for the year to 31 July 2016.

Principal activities

The company did not trade in the year.

The Company results shown in this report reflect the directors' decision to provide for intercompany balances totalling £2,101k from a subsidiary company Metropolitan Enterprises Limited that ceased trading in the year and will therefore not be able to repay the debt.

Dividends

The directors do not propose a dividend for the year ended 31 July 2016 (2015:£nil).

Going concern

University of Hertfordshire, the parent undertaking, has agreed to provide funds in order to ensure that the company can settle its liabilities as they fall due. As a result, the directors have considered it to be appropriate for the accounts to be prepared on a going concern basis.

Results

Directors and their interests

The directors of the company who served during the year were as follows:

Mr J Heywood (Chairman) (appointed 01.10.15)
Ms J Barnes (resigned 26.02.16)
Ms P Billingham
Mrs S C Grant (appointed 14.01.16)
Mr G Hodge (resigned 30.09.15)
Mr D C Moule
Ms J A Newlan
Mr A Puddefoot

None of the directors who held office at 31 July 2016 had an interest in the shares of the company nor any rights to subscribe for shares.

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Generally Accounting Standards and applicable laws). 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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' report (continued)
For the year ended 31 July 2016

Statement of directors' responsibilities (continued)

The directors of the company who held office at the date of approval of this directors' report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

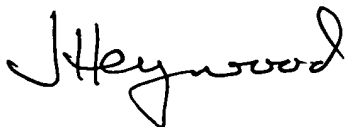
Auditor

The auditor, Grant Thornton UK LLP, will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

Approval

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The report was approved by the Board on 3 November 2016 and signed on its behalf.



Mr J Heywood
Chairman

Independent auditor's report to the members of Exemplas Holdings Limited

We have audited the financial statements of Exemplas Holdings Limited for the year ended 31 July 2016 which comprise the balance sheet, the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 pages 3 and 4, 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 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 website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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.



Richard Shaw
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 16 November 2016

Profit and loss account
For the year ended 31 July 2016

	Notes	2016 £	2015 £
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		74,746	(98,327)
Impairment of investment	2	(99)	(1,266,062)
Write off of intercompany balances	4	(2,100,455)	3,485,858
Operating (loss)/profit		(2,025,808)	2,121,469
Interest receivable and similar income		115,083	91,327
Interest payable		(20,015)	-
(Loss)/profit on ordinary activities before taxation	2	(1,930,740)	2,212,796
Taxation	5	(3,211)	24,372
(Loss)/profit on ordinary activities after taxation		(1,933,951)	2,237,168

All amounts are from continuing operations.

All recognised gains and losses in the period have been taken to the profit and loss account.

The notes set out on pages 10 to 18 form an integral part of these accounts.

Statement of comprehensive income
For the year ended 31 July 2016

	Notes	2016 £	2015 £
Profit for the financial year after taxation		(1,933,951)	2,237,168
Actuarial loss relating to pension scheme	11	(168,000)	(96,000)
Movement on deferred tax relating to pension liability		-	12,800
Other comprehensive income		<u>(168,000)</u>	<u>(83,200)</u>
Total comprehensive income for the year		<u>(2,101,951)</u>	<u>2,153,968</u>

Company registration number: 02763292

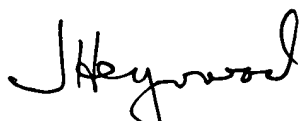
Balance sheet at 31 July 2016

	Notes	2016 £	2015 £
Fixed assets			
Investments	6	<u>31</u>	<u>130</u>
		31	130
Current assets			
Debtors	7	3,494,587	9,377,563
Cash at bank and in hand		<u>376,620</u>	<u>1,234,209</u>
		3,871,207	10,611,772
Creditors: amounts falling due within one year	8	<u>(3,344,596)</u>	<u>(7,989,309)</u>
Net current assets		526,611	2,622,463
Total assets less current liabilities		<u>526,642</u>	<u>2,622,593</u>
Pension asset	11	-	6,000
Net assets		<u>526,642</u>	<u>2,628,593</u>
Capital and reserves			
Called up share capital	9	100	100
Reserves		<u>526,542</u>	<u>2,628,493</u>
Shareholders' funds		<u>526,642</u>	<u>2,628,593</u>

The notes set out on pages 10 to 18 form an integral part of these accounts.

The Financial Statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

The financial statements on pages 6 to 18 were authorised and approved by the Board on 3 November 2016 and signed on its behalf by:



Mr J Heywood
Chairman



Mr D C Moule
CEO

**Statement of changes in equity
For the year ended 31 July 2016**

	Notes	Called-up share capital £	Profit and loss account £	Total £
At 1 August 2014		100	474,525	474,625
Restatement FRS 102	14	-	-	-
At 1 August 2014 Restated		<u>100</u>	<u>474,525</u>	<u>474,625</u>
Profit for the year		-	2,237,168	2,237,168
Other comprehensive income	14	-	(83,200)	(83,200)
At 31 July 2015		<u>100</u>	<u>2,628,493</u>	<u>2,628,593</u>
Loss for the year		-	(1,933,951)	(1,933,951)
Other comprehensive income		-	(168,000)	(168,000)
At 31 July 2016		<u>100</u>	<u>526,542</u>	<u>526,642</u>

Notes to the financial statements

31 July 2016

1. Statement of accounting policies

The principal accounting policies are summarised below.

Basis of accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for investment properties as specified in the accounting policies below.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 14 for an explanation of the transition.

Going concern

University of Hertfordshire, the parent company has agreed to provide funds in order to ensure that the company can settle its liabilities as they fall due. As a result, the directors have considered it to be appropriate for the accounts to be prepared on a going concern basis.

Taxation

Corporation tax is provided at amounts expected to be paid or received using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is 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 at the balance sheet date.

Timing differences are differences between the taxable profits and the results as stated in the financial statements. Deferred tax is measured at the average tax rates expected to apply in the periods in which the timing differences are expected to reverse based on rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is measured on a non-discounted basis.

Fixed asset investments

Fixed asset investments are stated at current valuation less any provision for impairment.

Pension costs

Staff employed by the company are members of a Group-administered (defined contribution) personal pension scheme. The costs of providing retirement and related benefits for the group administered personal pension plan are charged to the Income and Expenditure account over the periods during which the members are employed.

Employment benefits

Short term employment benefits such as holiday pay and compensated absences are recognised as an expense in the year in which the employees render service to the company. Any unused benefits are accrued and measured as the additional amount payable as a result of the unused entitlement.

Notes to the financial statements (continued)
31 July 2016

2. (Loss)/profit on ordinary activities before taxation

(Loss)/profit on ordinary activities before taxation is stated after charging:

	2016 £	2015 £
Impairment of investments	99	1,266,062
	<hr/>	<hr/>

3. Directors and employees

Exemplas Holdings Limited employs 218 employees, with a total cost of £6,966,100. This includes six directors with a total cost of £454,583. As these employees work on activities related to the subsidiary companies, the cost of their employment is recognised within the financial statements of the relevant company. To recognise the transfer of cost from Exemplas Holdings to the subsidiary companies, an intercompany receivable is recognised in the Exemplas Holdings financial statements.

One employee, whose costs are reflected in Exemplas Limited, is in the multi-employer defined benefit scheme. The costs associated with this pension are recognised in the financial statements of Exemplas Limited.

4. Write off of intercompany balances

During the year the following Intercompany balances were provided for (2015 written off)

	2016 £	2015 £
Metropolitan Enterprises Limited	(2,100,455)	-
Hertfordshire Business Centre Services Limited	-	2,886,460
London Brokerage Limited	-	1,582,535
Training Skills Academy Group limited	-	(894,486)
Polyfield Services Limited	-	154,528
Sales Skills Academy Limited	-	(221,544)
Film Link Limited	-	(21,635)
	<hr/>	<hr/>
Total	(2,100,455)	3,485,858

Notes to the financial statements (continued)
31 July 2016

5. Taxation

	2016	2015
	£	£
United Kingdom corporation tax		
Current tax on income for the year	-	(25,565)
Adjustment in respect of previous years	-	-
	<u>-</u>	<u>-</u>
Total current tax credit	-	(25,565)
Deferred Tax:		
Origination and reversal of timing differences	2,890	941
Effect of change in rate on opening balances	321	-
Adjustment in respect of prior years	-	252
	<u>3,211</u>	<u>1,193</u>
Total deferred tax	3,211	1,193
	<u>3,211</u>	<u>(24,372)</u>
Tax charge/(credit) on ordinary activities	3,211	(24,372)
Current tax reconciliation		
	2,016	2,015
	£	£
Profit / (loss) on ordinary activities before taxation	<u>(1,930,720)</u>	<u>2,212,796</u>
Theoretical tax at UK corporation tax rate of 20% (2015: 20.67%)	(386,144)	457,385
Effects of:		
Income not taxable	420,111	(458,738)
Other timing differences	4,411	-
Group relief surrendered / (claimed)	(28,367)	25,565
Payment / (receipt) of group relief	-	(25,565)
Amounts credited directly to equity or otherwise transferred	(33,600)	(21,286)
Defined benefit scheme timing difference	-	19,553
Effect of pension pooling	26,800	-
Effect of pension surplus	-	(21,286)
	<u>3,211</u>	<u>(24,372)</u>
Tax charge/(credit)	<u>3,211</u>	<u>(24,372)</u>

6. Fixed asset investments

	2016
	£
At 1 August 2015	130
Additions	-
Impairment	(99)
	<u>31</u>
Net book value as at 31 July 2016	31
	<u>130</u>
Net book value as at 31 July 2015	130

Notes to the financial statements (continued)
31 July 2016

6. Fixed asset investments (continued)

At 31 July 2016, the company held the following investments:

Company	% Shareholding £1 Ordinary shares	Holding	Nature of Business
Exemplas Limited	100%	£2	Provision of services to business
Bio Park Hertfordshire Limited	100%	£2	Provision of facilities management
Metropolitan Enterprises Limited	100%	£0	Provision of services to business (company ceased trading during the year)
Exemplas Trade Services Limited	100%	£2	Provision of services to business
Enterprise Growth Solutions Limited	50%	£25	Provision of services to business

The following relates to the company share of investment in its joint venture Enterprise Growth Solutions Limited:

	2016 £	2015 £
Turnover	1,898,433	1,383,661
Profit before tax	150,381	148,745
Taxation	-	-
Profit after tax	150,381	148,375
Fixed assets	-	-
Current assets	842,261	600,681
Creditors: amounts falling due within one year	(327,955)	(196,383)
Creditors: amounts falling due after one year	(37,280)	(37,280)

Exemplas Holdings purchases shares in a number of companies on behalf of Exemplas Limited. The holding of these investments constitutes less than 20% of the share capital of these companies. The value of these investments at 31 July 2016 was £757,746. As this investment relates wholly to the business of Exemplas Limited the investment is recognised within the financial statements of Exemplas Limited. To recognise the transfer of the investment from Exemplas Holdings to the subsidiary companies, an intercompany receivable is recognised in the Exemplas Holdings financial statements.

Notes to the financial statements (continued)
31 July 2016

7. Debtors

	2016	2015
	£	£
Trade debtors	23,889	13,407
Amounts due from group undertakings	2,700,000	9,147,838
Amounts owed by related party	-	136,261
Other debtors	720,000	33,915
Deferred tax (note 10)	-	3,211
Prepayments and accrued income	50,698	42,931
	<u>3,494,587</u>	<u>9,377,563</u>

Amounts due from group undertakings includes two loans to BioPark Hertfordshire Limited for £1,600,000 and £1,100,000 respectively.

Other Debtors relates to a loan to A1 Networks Limited (formerly Biopark Interactive Limited) £200,000 due within 1 year and £520,000 due in more than one year.

8. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	42,148	74,687
Amount owed to group undertakings	2,737,557	7,526,190
Other creditors	64,485	65,444
Other taxation and social security	322,896	176,966
Accruals and deferred income	177,510	146,022
	<u>3,344,596</u>	<u>7,989,309</u>

9. Called up share capital

	2016	2015
	£	£
Authorised, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Notes to the financial statements (continued)
31 July 2016

10. Deferred tax liability

	2016 £	2015 £
Other timing differences	<u>-</u>	<u>(8,396)</u>
At 1 August	3,211	(8,396)
(Credited)/charged to the profit and loss account	(3,211)	11,607
At 31 July	<u>-</u>	<u>3,211</u>
	2,016 £	2,015 £
Deferred tax on pension scheme	<u>-</u>	<u>(1,200)</u>

11. Pension schemes

The company was an admitted body of the Local Government Pension Scheme, a multi-employer defined benefit scheme administered by Hertfordshire Council, until 31 March 2016. On that date the assets and liabilities were pooled with the assets and liabilities of the University of Hertfordshire.

A full actuarial valuation was carried out at 31 March 2010 and updated by a qualified actuary to 31 March 2016 when the assets were transferred.

For the year ended 31 July 2016, the company contributed to the scheme at a rate of 25% of pensionable salaries.

The major assumptions used by the actuary were (in nominal terms):

	2016 % p.a.	2015 % p.a.
Expected return on assets	2.6	5.8
Salary increases	1.9	2.1
Pension increases	1.84	2.1
Discount rate	2.6	3.8

Notes to the financial statements (continued)

31 July 2016

11. Pension schemes (continued)

Life expectancy from age 65 (years)

Current pensioners	Males	22.1 years
	Females	25.1 years
Future pensioners (currently aged 45)	Males	23.2 years
	Females	26.1 years

Life expectancy is based on the PMA92/PFA92 year of birth tables, projected to calendar year 2046 for non-pensioners and 2027 for current pensioners.

	2016 £	2015 £
Net pension asset as at 31 July		
Present value of scheme liabilities	-	(4,140,000)
Fair value of scheme assets (bid value)	-	5,229,000
Net asset	<u>-</u>	<u>1,089,000</u>

	2016 £	2015 £
The amounts recognised in the profit and loss statement		
Current service cost	6,000	9,000
Total operating charge	<u>6,000</u>	<u>9,000</u>
Interest on obligation	104,000	162,000
Expected return on scheme assets	(132,000)	(208,000)
Other finance income	<u>(28,000)</u>	<u>(46,000)</u>
Effect of cap on pension surplus	-	37,000
Total charged to other finance income	<u>(28,000)</u>	<u>(9,000)</u>
Net pension asset pooled at 31 March 2016	134,000	-
Total charged to profit and loss account	<u>112,000</u>	<u>-</u>

Analysis of other comprehensive income

Actual return less expected return on pension scheme assets	(168,000)	209,000
Experience gains and losses arising on the scheme liabilities	-	17,000
Change in assumptions underlying present value of the scheme	-	(256,000)
Effect of cap on pension surplus	-	(66,000)
Total other comprehensive income	<u>(168,000)</u>	<u>(96,000)</u>

Reconciliation of opening and closing balances of the fair value of scheme assets

	2016 £	2015 £
Fair value of scheme assets at beginning of the year	5,229,000	4,879,000
Expected return on scheme assets	132,000	208,000
Actuarial gains/(losses)	(168,000)	209,000
Contributions by employer	6,000	9,000
Contributions by scheme participants	2,000	2,000
Estimated benefits paid	(39,000)	(78,000)
Effect of pooling of pension scheme assets at 31 March 2016	<u>(5,162,000)</u>	<u>-</u>
Fair value of scheme assets at end of year	<u>-</u>	<u>5,229,000</u>

Notes to the financial statements (continued)

31 July 2016

11. Pension schemes (continued)

Reconciliation of opening and closing balances of the fair value of scheme assets

	2016	2015
	£	£
Fair value of scheme assets at beginning of the year	5,229,000	4,879,000
Expected return on scheme assets	132,000	208,000
Actuarial gains/(losses)	(168,000)	209,000
Contributions by employer	6,000	9,000
Contributions by scheme participants	2,000	2,000
Estimated benefits paid	(39,000)	(78,000)
Effect of pooling of pension scheme assets at 31 March 2016	(5,162,000)	-
Fair value of scheme assets at end of year	-	5,229,000

Reconciliation of opening and closing surplus

	2016	2015
	£	£
Surplus in scheme at beginning of year	6,000	93,000
Movement in period:		
Current service cost	(6,000)	(9,000)
Employer contributions	6,000	9,000
Other finance income	28,000	46,000
Actuarial (loss)/gain	(168,000)	(30,000)
Effect of pooling of pension scheme assets and liabilities at 31 March 2016	134,000	109,000
Effect of cap on pension surplus	-	(103,000)
Surplus in scheme at the end of the period	-	6,000

12. General information

Exemplas Holdings Limited is a limited company incorporated in England and has its registered office and principal place of business at BioPark, Broadwater Road, Welwyn Garden City, Hertfordshire, AL7 3AX.

The directors regard the University of Hertfordshire as the company's ultimate parent undertaking. Copies of the consolidated group accounts of the University of Hertfordshire are available from the University of Hertfordshire, College Lane, Hatfield, Hertfordshire AL10 9AB.

Notes to the financial statements (continued)

31 July 2016

13. Related party transactions

The company has taken advantage of the FRS 102 which exempts wholly owned subsidiary undertakings from disclosing transactions with entities that are part of the group or investees of the group qualifying as related parties.

During the period income of £NIL (2015: £nil) was received from Enterprise Growth Solutions Limited.

Debtor balances at year end

	2016	2015
	£	£
Enterprise Growth Solutions Limited	-	136,261

14. Transition to FRS 102

The Company has adopted FRS 102 for the year ended 31 July 2016 and has restated the comparative prior year amounts.

Explanations

Pension adjustment: Under FRS102 the expected return on pension scheme assets is calculated using the discount rate applied to the pension liabilities. Although there is no resulting change to the value of the overall pension asset, there is a reduction in the amount credited to other finance income and a corresponding reduction in the actuarial loss shown in other comprehensive income, previously included in the statement of recognised gains and losses.

There are no adjustments to shareholders' funds at 1 August 2014 nor 31 July 2015.

Reconciliation of profit and loss for the year ended 31 July 2015

	£
Original profit on ordinary activities after taxation	2,244,168
Recalculation of expected return on pension assets	(7,000)
Restated profit on ordinary activities before taxation	2,237,168
Actuarial loss relating to pension scheme	(96,000)
Deferred Tax charge	12,800
Total comprehensive income for the year	2,153,968