

FRA Enterprises Ltd
Annual report for the period ended 31 July 2011

Registered no 6793904

FRA Enterprises Limited (Limited by guarantee)



Annual report for the period ended 31 July 2011

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FRA ENTERPRISES LIMITED

Directors' report for the period ended 31 July 2011

The directors have pleasure in presenting their report and the audited financial statements for the period ended 31 July 2011

Principal activities

The principal activities of FRA Enterprises Ltd, which is a company limited by guarantee, are to conduct trading activities with the intention of generating profits that can be donated as gift aid to the parent organisation, Fashion Retail Academy and not be subject to corporation tax

Review of business

The Profit and Loss account for the year is set out on page 5

The company trades under the name of FRA Enterprises Ltd

FRA Enterprises Ltd conducts a range of trading activities. In 2010/11, this focused mainly on the renting of rooms and the lecture theatre at 15 Gresse Street, the provision of catering, IT and security to clients, and the teaching of short courses

FRA Enterprises Ltd generated an operating surplus in 2010/11 of £5,433 (2009/10 £22,912) with total income generated of £76,593 (2009/10 £61,366). A Gift Aid payment was made to the Fashion Retail Academy, based on the taxable element of the company's activities

The intention is to increase trading activity steadily between 2009 and 2013 thereby increasing the profits donated to the Fashion Retail Academy

The target for trading income was set at £55,000 for 2010/11 (2009/10 £138,000). This target was exceeded through meeting the targets for short courses and from a significant let of facilities over the summer period

Directors

The directors of the company who served during 2010/11 were as follows

Kim Morton (Chair, Fashion Retail Academy)

Karen Dennison (Head, Fashion Retail Academy)

Company Secretary

Stephen Cain (Director of Finance and Resources, Fashion Retail Academy)

Directors' interests

The directors and their families had no beneficial interest in the company at 31 July 2011

No director had, during or at the end of the year, a material interest in any contract that was significant to the company's business

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Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 July 2011 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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.

So far as the directors are aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the board


Company Secretary
16 December 2011

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FASHION RETAIL ACADEMY ENTERPRISES LIMITED

We have audited the financial statements of Fashion Retail Academy Enterprises Limited for the year ended 31st July 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31st July 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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.

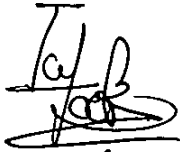
Matters on which we are required to report by exception

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

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- 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, 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' exemption in preparing the Directors' Report



Ian Looker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds

22/12/11

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Profit and Loss Account for the period ended 31 July 2011

	Note	2011 £	2010 £
TURNOVER			
Continuing operations		76,593	61,366
Operating costs		(68,506)	(35,887)
GROSS PROFIT		8,087	18,940
Administrative expenses		(2,654)	(2,567)
OPERATING PROFIT/ (LOSS) - continuing operations	2	5,433	22,912
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		5,433	22,912
Gift aid payment to parent company	11	(5,433)	(22,912)
Tax on profit on ordinary activities		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	9	(0)	(0)

There are no recognised gains or losses other than the profit for the year

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Balance Sheet for the period ended 31 July 2011

	Note	2011 £	2010 £
CURRENT ASSETS			
Debtors due within one year	5	18,624	7,663
Cash at bank and in hand		98,311	40,210
		116,935	47,873
CREDITORS. Amounts falling due within one year	6	(116,935)	(47,873)
NET CURRENT ASSETS		0	0
TOTAL ASSETS LESS CURRENT LIABILITIES		0	0
CAPITAL AND RESERVES			
Profit and loss account	7	0	0
		0	0

The financial statements have been prepared in accordance with the special provisions relating to smaller companies within the relevant sections of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities

The financial statements were approved by the board of directors on 7 December 2011 and were signed on its behalf by

Director

R. Denisca

Company Secretary

[Signature]

Registered no 6793904

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Notes to the Financial Statements for the period ended 31 July 2011

1. Accounting Policies

Basis of Accounting

The company is a wholly controlled subsidiary of the Fashion Retail Academy and is included in the consolidated accounts of the Fashion Retail Academy

The financial statements are prepared in accordance with the historical cost convention. The accounts have been prepared on the going concern basis, as the directors believe that this is appropriate.

Turnover

Turnover represents the amounts derived from the provision of goods and services to customers during the period. Revenue is recognised in the appropriate period in which the activity took place.

Cash Flow Statement

The company is a wholly controlled subsidiary of the Fashion Retail Academy and is included in the consolidated accounts of the Fashion Retail Academy.

2. Operating Profit

	2011	2010
	£	£
Operating profit is stated after charging		
Auditors remuneration	1,112	1,400
	<u>1,112</u>	<u>1,400</u>

3. Remuneration Of Directors

The directors are the Chair, Principal and Director of Finance and Resources of the Fashion Retail Academy (the parent undertaking) and they receive no remuneration from FRA Enterprises Ltd.

4. Employees

The Company has no employees.

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Notes to the Financial Statements for the period ended 31 July 2011

5. Debtors

	2011	2010
	£	£
Amounts owed by Parent	0	0
Other debtors	18,624	7,663
	18,624	7,663

6. Creditors: amounts falling due within one year

	2011	2010
	£	£
Trade creditors	685	148
Amounts owed to Parent	58,153	19,617
Amount owed to Parent as Gift Aid	5,433	22,912
Other creditors	52,663	5,196
	116,935	47,873

7. Profit and Loss Account

	2011	2010
	£	£
31 July 2010	0	0
Retained profit	(0)	(0)
31 July 2011	0	0

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Notes to the Financial Statements for the period ended 31 July 2011

8. Reconciliation of Movements in Shareholders' Funds

	2011 £	2010 £
Profit on ordinary activities after taxation	(0)	(0)
Opening shareholders' funds	0	0
Closing shareholders' funds	<u>0</u>	<u>0</u>

9. Parent Undertaking

The company is a wholly owned subsidiary of the Fashion Retail Academy, which is the controlling party

The immediate parent undertaking is Fashion Retail Academy

The ultimate parent undertaking and controlling party is Fashion Retail Academy a company incorporated in England

Fashion Retail Academy is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 July 2011. The consolidated financial statements of Fashion Retail Academy available from 15 Gresse Street, London W1T 1QL

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10. Related Party Disclosures

The only related party to FRA Enterprises Ltd is the Fashion Retail Academy who is the immediate and ultimate parent of the company

Transactions between the two organisations comprise charges levied by the Fashion Retail Academy for the use of premises, facilities and staff of £58,153 (2009/10 £19,617) and gift aid computed annually by FRA Enterprises on the basis of its net profit for the year of £5,433 (2009/10 £22,912)

At the year end, FRA Enterprises owed £62,586 in total to Fashion Retail Academy

11. Corporation Tax

	2011 £	2010 £
Profit on ordinary activities before taxation	5,433	22,912
Gift Aid to Fashion Retail Academy	(5,433)	(22,912)
Corporation Tax at 20%	0	0
Retained profit on ordinary activities after taxation	<u>0</u>	<u>0</u>

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12. Tax on profit on ordinary activities

	2011 £	2010 £
UK Corporation Tax on profit for the period	0	0
Tax Reconciliation	2011 £	2010 £
Taxable Profit/(Loss) on ordinary activities before tax	5,433	22,912
Gift Aid to Fashion Retail Academy	(5,433)	(22,912)
Tax at 20 67%	0	0
Unrelieved losses and other deductions	0	0
Current tax charge for the year	0	0

The small company rate of Corporation Tax in the UK changed from 21% to 20% with effect from 1 April 2011. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 20 67% and will be taxed at 20% in the future.