

# Bath Spa U Limited

Annual Report and Financial Statements

For the Year Ended

31 July 2022



# Bath Spa U Limited

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# Bath Spa U Limited

## DIRECTORS' REPORT

### Introduction

The directors present their annual report together with the audited financial statements of the company and group for the year ended 31 July 2022. The company is a wholly owned subsidiary of Bath Spa University and is registered in the United Kingdom.

### Principal activities

The principal activity of the company in the year under review was the supply of staffing to Bath Spa University.

### Results for the financial year

For the year ended 31 July 2022 the company made a deficit of £4,782 (2021: deficit of £8,967). No dividends were paid (2021: £nil).

### Review of business

The directors consider that the trading performance during the year was as expected.

### Directors

The following directors held office during the year, and up to the date of this report, unless otherwise stated:

Professor Neil Sammells	Resigned 17 August 2022
Paul J Fox	Resigned 17 August 2022
Professor Georgina Andrews	Appointed 17 August 2022
Joanna Stocks	Appointed 17 August 2022

### Small Company Exemptions

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

### Registered Office

The company's registered office address is Newton Park, Newton St Loe, Bath, BA2 9BN.

# Bath Spa U Limited

## STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 year. In preparing these financial statements, the directors are required to:

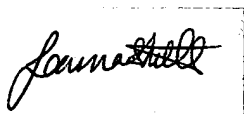
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate 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.

The directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- The directors have taken all the 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 company's auditor is aware of that information.

By order of the board,



*Joanna Stocks*

*Director*

Date: 6 December 2022

# Bath Spa U Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BATH SPA U LIMITED

### Opinion

We have audited the financial statements of Bath Spa U Limited (the 'company') for the year ended 31 July 2022, which comprise the statement of comprehensive income and expenditure, the balance sheet, 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 July 2022 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.

### 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.

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

# Bath Spa U Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BATH SPA U LIMITED

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

### **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

### **Matter on which we are required to report under the Companies Act 2006**

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 directors' report.

# Bath Spa U Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BATH SPA U LIMITED

### Matters on which we are required to report by exception

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; 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

# Bath Spa U Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BATH SPA U LIMITED

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006;
- We understood how the company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes, through our legal and professional expenses review and through inquiries of solicitors who served during the period;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
  - ☐ identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
  - ☐ challenging assumptions and judgements made by management in its significant accounting policies
  - ☐ identifying and testing journal entries, with a focus on manual postings, journals that directly impacted on the surplus reported in the statement of financial activities and journal entries posted in the closing and accounts preparation period
  - ☐ identifying and testing related party transactions
  - ☐ inspecting the board and other committee minutes
  - ☐ assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.



# Bath Spa U Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BATH SPA U LIMITED

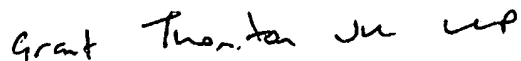
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.
  - ☐ understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - ☐ understanding of the legal and regulatory requirements specific to the company.
- The team communications in respect of potential non-compliance with relevant laws and regulations, including the potential for fraud in revenue through manipulation of income and management override of controls; and
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - ☐ the company's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - ☐ the company's control environment, including: the policies and procedures implemented by the company to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations.
  - ☐ the policies and procedures implemented by the company to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations
  - ☐ the adequacy of procedures for authorisation of transactions and review of management accounts
  - ☐ procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

# Bath Spa U Limited

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BATH SPA U LIMITED

### 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.



William Devitt

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Birmingham Office

Date: 20 December 2022

# Bath Spa U Limited

## STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE for the year ended 31 July 2022

	Note	2022 £	2021 £
<b>Income from continuing operations</b>		488,771	499,266
<b>Expenditure</b>			
Staff costs	3	(485,365)	(499,266)
Other operating expenses		(11,126)	(8,967)
<b>Total expenditure</b>		(496,491)	(508,233)
<b>(Deficit) before tax</b>	2	(7,720)	(8,967)
Taxation		-	-
<b>Total comprehensive (expenditure) for the year</b>	8	(7,720)	(8,967)

The notes on pages 11 to 14 form part of the financial statements.

# Bath Spa U Limited

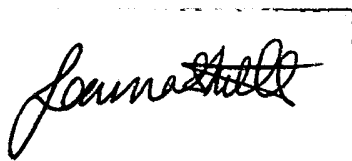
## BALANCE SHEET

at 31 July 2022

	Note	2022 £	2021 £
<b>Current Assets</b>			
Debtors	4	2,938	6,543
Cash at bank and in hand		2,422	5,364
		<u>5,360</u>	<u>11,907</u>
<b>Creditors: amounts falling due within one year</b>	5	(76,279)	(75,106)
<b>Net current liabilities</b>		<u>(70,919)</u>	<u>(63,199)</u>
<b>Net liabilities</b>		<u>(70,919)</u>	<u>(63,199)</u>
<b>Capital and reserves</b>			
Called up share capital	6	450,001	450,001
Profit and loss account	7	(520,920)	(513,200)
<b>Equity shareholders' funds</b>	8	<u>(70,919)</u>	<u>(63,199)</u>

The Financial Statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The notes on pages 11 to 14 form part of the financial statements.

These financial statements were approved and authorised for issue by the directors on 6 December 2022 and were signed on their behalf by:



Director – Joanna Stocks

# Bath Spa U Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 July 2022

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#### 1. Accounting policies

##### **Basis of preparation**

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

##### **Financial Reporting Standard 102 – Reduced Disclosure Exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS102:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned [FRS 102 para 33.1A].

##### **Going concern**

The company has access to further funding if required and the directors therefore consider that there is a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

##### **Taxation**

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

##### **Investments**

Investments in subsidiaries are carried at cost less impairment in the company's accounts.

# Bath Spa U Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 July 2022

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#### 1. Accounting policies (cont.)

##### **Accounting for joint operations, jointly controlled assets and jointly controlled operations**

The University accounts for its share of joint ventures using the equity method.

The University accounts for its share of transactions from joint operations and jointly controlled assets in the Statement of Comprehensive Income.

##### **Cash and cash equivalents**

Cash includes cash at bank and in hand repayable on demand.

##### **Accounting for retirement benefits**

Retirement benefits to employees are provided by a defined contribution pension scheme.

Employers' pension contributions to the scheme are charged to the income and expenditure account in the year to which the salaries on which they are payable relate.

##### **Employment benefits**

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the company.

#### 2. Loss on ordinary activities before taxation

	2022 £	2021 £
<i>Loss on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration:		
- external audit	3,300	3,180
- non-audit fees	2,938	3,120
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# Bath Spa U Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 July 2022

#### 3. Staff costs

	2022 £	2021 £
Wages and salaries	419,626	441,186
Social security costs	35,067	39,271
Pension costs – defined contribution scheme	30,672	18,809
	<hr/>	<hr/>
	485,365	499,266

#### Average staff numbers by major category (full-time equivalent):

	2022 No.	2021 No.
Support staff – manual workers	20	20
	<hr/>	<hr/>
	20	20

#### 4. Debtors

	2022 £	2021 £
Other debtors	2,938	1,020
Amounts due to parent undertaking	-	2,714
Prepayments and deferred income	-	2,809
	<hr/>	<hr/>
	2,938	6,543

#### 5. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts due to parent undertaking	40,929	-
Accruals and deferred income	6,238	6,300
Other creditors	29,112	68,806
	<hr/>	<hr/>
	76,279	75,106

# Bath Spa U Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 July 2022

#### 6. Called up share capital

	2022 £	2021 £
<b>Authorised</b>		
450,001 ordinary shares of £1	450,001	450,001
<b>Allotted, called up and fully paid</b>		
450,001 ordinary shares of £1	450,001	450,001

#### 7. Reserves

	Profit and loss account 2022 £	Profit and loss account 2021 £
At 1 August	(513,200)	(504,233)
Total comprehensive (expenditure) for the year	(7,720)	(8,967)
At 31 July	(520,920)	(513,200)

#### 8. Reconciliation of movement in shareholders' funds

	2022 £	2021 £
Opening shareholders' funds	(63,199)	(54,232)
Total comprehensive (expenditure) for the year	(7,720)	(8,967)
Closing shareholders' funds	(70,919)	(63,199)

#### 9. Ultimate parent undertaking

The company is a subsidiary undertaking of Bath Spa University which is incorporated under the Education Reform Act 1988. The University is the ultimate parent undertaking.