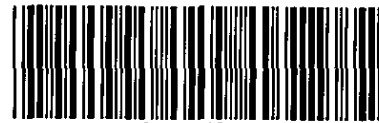


Abertay Student Centre Limited

**Directors' report and accounts
for the year to 31 July 2010**

Company Number SC286144

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Abertay Student Centre Limited

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Abertay Student Centre Limited

Company information

Directors

Prof NG Terry
JJ Nicholson
NR Hawkins
SD Grimmond
S Stewart
DO Currie
IW Todd
A Szomor (appointed 1 July 2010)

Secretary

W Grant

Auditors

Henderson Loggie
Chartered Accountants
Royal Exchange
Panmure Street
Dundee
DD1 1DZ

Registered office

Kydd Building
Bell Street
Dundee
DD1 1HG

Solicitors

Thorntons Law LLP
Whitehall House
30 Yeaman Shore
Dundee
DD1 4BJ

Abertay Student Centre Limited

Directors' report

The directors present their report and the accounts for the year to 31 July 2010.

Principal activities and business review

The company's principal activity during the year was providing a student centre to the students of the University of Abertay Dundee.

The operation of the University of Abertay's Student Centre for the year produced a deficit of £549,063 bringing the total deficit to date to £3,209,276.

On 31 July 2010 the trade and assets of the company were transferred to the parent company, University of Abertay Dundee. The University of Abertay Dundee will continue to provide a Student Centre.

Directors

The directors at the date of this report are as stated on page 1, in addition the following served during the year:

R MacGillivray (resigned 25 November 2009)

I Todd (resigned 30 June 2010)

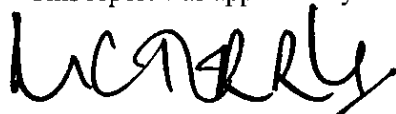
S Robb (appointed 2 February 2010 and resigned 30 June 2010)

The company is a wholly owned subsidiary of the University of Abertay Dundee.

Auditors

So far as each director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware. Each director has taken the appropriate steps as a director to make themselves aware of such information and to establish that the auditors are aware of it.

This report was approved by the board on 15 December 2010 and signed on its behalf by:



Prof NG Terry
Director

Abertay Student Centre Limited

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts 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 period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

Abertay Student Centre Limited

Independent auditor's report to the board of directors of Abertay Student Centre Limited

We have audited the accounts of Abertay Student Centre Limited for the year ended 31 July 2010 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's board of directors, 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 board of directors 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 3, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit the accounts 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

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatements, 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 accounts.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 July 2010 and of the company's 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the accounts are prepared is consistent with the accounts.

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 company accounts 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.



David D Smith (Senior Statutory Auditor)

For and on behalf of

Henderson Loggie, Statutory Auditor

Dundee

15 December 2010

Abertay Student Centre Limited

Profit and loss account for the year to 31 July 2010

	Note	2010 £	2009 £
Turnover	1	1,151,003	1,041,183
Cost of sales		(1,000,699)	(845,988)
Gross profit		150,304	195,195
Administrative costs		540,242	576,805
Impairment loss	5	-	696,070
Operating loss	2	(389,938)	(1,077,680)
Interest paid	8	(160,000)	(160,000)
Interest received		875	9,229
Loss on ordinary activities before taxation		(549,063)	(1,228,451)
Taxation	4	-	-
Loss on ordinary activities after taxation		(549,063)	(1,228,451)

There are no recognised gains or losses other than those included in the profit and loss account.

The notes on pages 7 to 11 form part of these accounts.

Abertay Student Centre Limited

Balance sheet at 31 July 2010

	Note	£	2010 £	£	2009 £
Fixed assets	5		-		3,150,000
Current assets					
Stock		-		16,989	
Debtors	6	-		29,395	
Cash		-		327,479	
				<u>373,863</u>	
Creditors					
Amounts falling due within one year	7	(3,209,276)		(2,184,076)	
Net current liabilities			(3,209,276)		(1,810,213)
			<u>(3,209,276)</u>		<u>1,339,787</u>
Creditors					
Amounts falling due after more than one year	8		-		(4,000,000)
Net liabilities			<u>(3,209,276)</u>		<u>(2,660,213)</u>
Capital and reserves					
Called up equity share capital	10		1		1
Profit and loss account	9		(3,209,277)		(2,660,214)
Shareholder's funds/(deficit)	11		<u>(3,209,276)</u>		<u>(2,660,213)</u>

The accounts were approved by the board on 15 December 2010 and signed on its behalf by:



Prof NG Terry
Director

The notes on pages 7 to 11 form part of these accounts.

Abertay Student Centre Limited

Notes to the accounts

1 Accounting policies

Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the company's operations, as described in the Directors' Report, which has now transferred to the University of Abertay Dundee as at close of business on 31 July 2010.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (revised 1996) from including a cash flow statement in the accounts on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

Turnover comprises the value of goods and services supplied by the company, net of value added tax and was derived wholly from funding activities within the United Kingdom.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less estimated residual values over the expected useful lives of the assets concerned as follows:

Freehold property	2%	straight line method
Equipment	25%	straight line method
Fixtures and fittings	25%	straight line method

The carrying values of property, equipment and fixtures and fittings are reviewed for impairment when events or changes in circumstances indicate these values may not be recoverable. If there is an indication that impairment does exist, the carrying values are compared to the estimated recoverable amounts of the assets concerned. The recoverable amount is the greater of an asset's value in use and its fair value less the cost of selling it. Value in use is based on current estimated rental values. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and written down through the profit and loss account to its recoverable amount.

Stock

Stock is valued at the lower of cost or net realisable value.

Abertay Student Centre Limited

Notes to the accounts (continued)

1 Accounting policies (continued)

Pensions

The company pays pension contributions to the University of Abertay Dundee, for those employees who are members of the University of Abertay Dundee Superannuation Scheme. Particulars of the actuarial valuation of the pension scheme are contained in the University of Abertay Dundee's accounts.

Taxation

The tax expense represents the sum of the corporation tax and deferred tax charge for the year.

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases, as used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss accounts, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Related party transactions

The company has taken advantage of the exemption in Financial Reporting Statement No. 8 from disclosing transactions with other group companies.

2 Operating loss

	2010	2009
	£	£
Operating loss is stated after charging/(crediting):		
Auditor's remuneration		
- as auditors	4,250	4,000
- non audit services	300	100
Depreciation	123,883	115,707
Impairment loss	-	696,070
Gain on disposal	(50,928)	(254)
	=====	=====

Abertay Student Centre Limited

Notes to the accounts (continued)

3	Staff costs	2010 £	2009 £
	Wages and salaries	574,327	492,974
	Social security costs	29,436	25,945
	Other pension costs	37,461	30,458
		<u>641,224</u>	<u>549,377</u>
		Number	Number
	Shop	6	5
	Catering	20	17
	PR and entertainment	17	19
	Administrative	4	6
	Cleaning	5	8
	Bar and security	45	60
		<u>97</u>	<u>115</u>
4	Taxation	£	£
	Corporation tax		
	Current year	-	-
		<u>-</u>	<u>-</u>
	Factors affecting tax charge for year		
	Loss on ordinary activities before tax	(549,063)	(1,228,451)
		<u>(549,063)</u>	<u>(1,228,451)</u>
	Tax thereon at 21% (2009 - 21%)	(115,303)	(257,975)
	Effects of:		
	Expenses adjustments	(33,600)	(29,400)
	Depreciation in excess of capital allowances	15,320	146,093
	Losses available to carry forward	133,583	141,282
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

Abertay Student Centre Limited

Notes to the accounts (continued)

5	Fixed assets			Bar & catering equipment	
		Freehold property	Office equipment	equipment	Total
		£	£	£	£
	Cost or valuation				
	At 1 August 2009	4,048,387	155,570	39,045	4,243,002
	Additions	-	63,987	8,968	72,955
	Disposals	(4,048,387)	(219,557)	(48,013)	(4,315,957)
		<hr/>	<hr/>	<hr/>	<hr/>
	At 31 July 2010	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
	Depreciation				
	At 1 August 2009	1,017,190	51,796	24,016	1,093,002
	Charge for year	65,896	51,581	6,406	123,883
	Disposals	(1,083,086)	(103,377)	(30,422)	(1,216,885)
		<hr/>	<hr/>	<hr/>	<hr/>
	At 31 July 2010	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
	Net book value				
	At 31 July 2010	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		<hr/>	<hr/>	<hr/>	<hr/>
	At 31 July 2009	3,031,197	103,774	15,029	3,150,000
		<hr/>	<hr/>	<hr/>	<hr/>
		<hr/>	<hr/>	<hr/>	<hr/>
6	Debtors			2010	2009
				£	£
	Trade debtors			-	4,942
	Other debtors			-	24,453
				<hr/>	<hr/>
				-	29,395
				<hr/>	<hr/>
				<hr/>	<hr/>
7	Creditors				
	Amounts falling due within one year :				
	Trade creditors			-	17,521
	Other taxes and social security costs			-	2,374
	Amounts owed to holding company			3,209,276	1,986,991
	Other creditors			-	177,190
				<hr/>	<hr/>
				3,209,276	2,184,076
				<hr/>	<hr/>
				<hr/>	<hr/>

Abertay Student Centre Limited

Notes to the accounts (continued)

8	Creditors	2010 £	2009 £
	Amounts falling due outwith one year :		
	University of Abertay Dundee - loan (secured)	-	4,000,000
		<u> </u>	<u> </u>

The loan has been reduced by the consideration paid by the University of Abertay Dundee for the trade and assets of Abertay Student Centre Limited on 31 July 2010 and is now included in creditors - amounts following due within one year. During the year interest of £160,000 (2009 - £160,000) was charged on this loan.

9	Profit and loss account	2010 £	2009 £
	As at 1 August 2009	(2,660,214)	(1,431,763)
	Loss for year	(549,063)	(1,228,451)
		<u> </u>	<u> </u>
	As at 31 July 2010	(3,209,277)	(2,660,214)
		<u> </u>	<u> </u>

10	Share capital		
	Allotted, called up and fully paid		
	Ordinary shares of £1 each	1	1
		<u> </u>	<u> </u>

11	Shareholder's funds / (deficit)	£
	Shareholders funds/(deficit) at 1 August 2009	(2,660,213)
	Loss for year	(549,063)
		<u> </u>
	Shareholder's funds/(deficit) at 31 July 2010	(3,209,276)
		<u> </u>

12 Ultimate holding company

The ultimate holding company is the University of Abertay Dundee.

Abertay Student Centre Limited

Detailed profit and loss account for the year to 31 July 2010

	Note	£	2010 £	£	2009 £
Income					
Bar loss	1	(25,634)		(6,156)	
Shop profit	2	58,880		58,789	
Catering loss	3	(39,206)		(25,769)	
Events income		12,246		16,486	
Pool & gaming machines		16,021		23,712	
Management charges		64,000		61,200	
Rental income		40,000		36,300	
Contribution by hospitality		9,000		9,000	
Binding income		3,542		3,635	
Other income		11,455		17,998	
Gross profit			150,304		195,195
Administration					
PR & entertainment costs		94,710		111,974	
Electric and gas		77,448		68,046	
General and water rates		76,199		69,512	
Cleaning		43,597		41,489	
Maintenance and repairs		31,902		31,161	
Insurance		11,737		12,299	
Wages		99,550		94,748	
Photocopying and stationery		6,483		3,671	
Audit, legal and other professional fees		4,975		9,199	
Training		7,389		5,656	
Travelling and entertainment		1,624		1,126	
Sundry expenses		11,673		12,471	
Depreciation		123,883		115,707	
Bad debts		-		-	
Gain on disposal of fixed assets		(50,928)		(254)	
			540,242		576,805
Impairment loss			-		696,070
Operating loss			(389,938)		(1,077,680)
Interest paid			(160,000)		(160,000)
Interest received			875		9,229
Retained loss for the financial year			(549,063)		(1,228,451)

Abertay Student Centre Limited

Notes to the detailed and profit and loss account

1 Bar income and expenditure account

	2010 £	2009 £
Sales	337,993	397,433
Opening stock	7,542	7,043
Purchases	125,046	144,868
Closing stock	132,588 (8,484)	151,911 (7,542)
Cost of sales	124,104	144,369
Gross profit	213,889	253,064
Expenses		
Wages and employer's national insurance contributions	219,986	241,497
Other direct expenses	19,537	17,723
Net loss	(25,634)	(6,156)

2 Shop income and expenditure account

Sales	413,553	290,383
Opening stock	4,683	3,092
Purchases	269,012	180,093
Closing stock	273,695 (15,489)	183,185 (4,683)
Cost of sales	258,206	178,502
Gross profit	155,347	111,881
Expenses		
Wages and employer's national insurance contributions	89,970	51,962
Other direct expenses	6,497	1,130
Net profit	58,880	58,789

Abertay Student Centre Limited

Notes to the detailed and profit and loss account

3 Catering income and expenditure account

	2010 £	2009 £
Sales	243,193	185,036
Opening stock	2,676	3,756
Purchases	104,394	80,126
Closing stock	107,070 (3,124)	83,882 (2,676)
Cost of sales	103,946	81,206
Gross profit	139,247	103,830
Expenses		
Wages and employer's national insurance contributions	157,982	113,594
Other direct expenses	20,471	16,005
Net loss	(39,206)	(25,769)