

Brigham Young University Limited
(A limited company and registered charity)

Annual report and financial statements
Year ended 31 December 2013

Company number: 01496990

Charity number: 280605



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Brigham Young University Limited
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Year ended 31 December 2013

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Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2013

The trustees are pleased to present their report together with the audited financial statements of Brigham Young University Limited ("The Charity") for the year ended 31st December 2013.

Legal and Administrative Details

Company number	01496990
Charity number	280605
Registered office	751 Warwick Road, Solihull, West Midlands, B91 3DQ
Principal office	27 Palace Court, London, W2 4LP
Bankers	HSBC 155 Brompton Road, London, SW3 1XD
Solicitors	Devonshires 30 Finsbury Circus, London EC2M 7DT

Directors and trustees

The directors of The Charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

The trustees serving during the year, subsequent to the year end and up to the date of signing the report were as follows:

Timothy Lynn Elliot	appointed 2 January 2013
Robert John Mulligan	resigned 22 September 2014
Rainer Herbert Gottlieb Wiborny	resigned 22 September 2014
Jeffrey Ringer	appointed 23 September 2014
Alan Phillips	appointed 23 September 2014

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2013

Structure, Governance and Management

Governing Document

Brigham Young University Limited is a limited company and a registered charity. The Charity is governed by its Memorandum and Articles of Association which were last amended on 4 July 2012.

Appointment of trustees

As set out in the Articles of Association, new or additional directors (trustees) are, with the prior written consent of the shareholder, Brigham Young University, appointed by (a) ordinary resolution, or (b) by a decision of the directors providing the appointment does not cause the number of trustees to exceed three.

The shareholder may also determine the rotation and time in which trustees are to retire. Currently no term is fixed to the term served. The shareholder may, from time to time, vary the minimum or maximum number of directors.

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law; the content of the Memorandum and Articles of Association, the committee and decision making processes; the business plan and recent financial performance of The Charity. During the induction day they meet key employees and other trustees. Trustees are updated and advised on legal issues by Devonshires Solicitors.

Organisation

The board of trustees administers The Charity. The board meets formally at least once a year to review past achievements and approve future plans and budgets. Unanimous decisions can be taken without the need for a meeting under Para. 15 of the Articles.

The trustees monitor progress throughout the year and other trustees meetings are held as and when required.

Related parties

The Charity's parent company is Brigham Young University, a corporation incorporated in the state of Utah, United States of America. Brigham Young University (the University), located in Provo, Utah, is a non-profit corporation affiliated with The Church of Jesus Christ of Latter-day Saints (the Church).

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2013

Structure, Governance and Management (continued)

Employees

The Charity has the policy of ensuring that its employees are those that are able to meet the necessary requirements of their position and are up to date on any developments required for their position. This is achieved in a variety of ways:

- Applications for new positions in The Charity are invited from anyone with the relevant qualifications, the key emphasis is on their ability to meet the requirements of the position although the application form does request the applicant to mention if they have any illnesses or medical condition which the employer would need to be aware of in order to make reasonable adjustments should they be successful.
- The Charity utilises regular staff meetings during the year which help to ensure that the employees' input is received regarding any decisions which affect their interests. In addition there are websites and e-mail facilities available to enable more effective communication and training. This helps to ensure that employees receive systematic updates on matters concerning them as employees and ensures their involvement in relation to the financial and economic factors that affect the performance of The Charity.
- In addition to the above points, The Charity is mindful of the need to cater for those with disabilities. Where any employees become incapacitated during their employment they are entitled to receive long term disability benefits from The Charity. Where an employee becomes disabled but not incapacitated the employer will make any reasonable adjustments necessary. On training and career development issues, there is no distinction made between disabled and non-disabled employees. The same opportunities are available to all staff, irrespective of disability. The key emphasis is on technical ability of each employee.

Principal risks and uncertainties

The main risk The Charity faces is that it primarily relies on donations from its parent company to finance its charitable activities. However, the parent company has guaranteed its future financial support, where necessary, to ensure that The Charity has sufficient reserves to meet the costs of its charitable activities.

Financial risk and management

The following statements summarise The Charity's identified forms of financial risk and management policies:

- Price risk – Salary costs are communicated to staff during the formal annual review of salaries. Prices of materials purchased are subject to contracts with suppliers, based on current market prices.
- Liquidity risk – The Charity has no long-term borrowings. Assurances of continuing financial support have been received from its parent company
- Interest rate cash flow risk – The Charity is able to place surplus funds on short term deposit with the its bankers.

The trustees have a risk management strategy which encompasses:

- an annual review of the risks The Charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the strategy; and
- the implementation of procedures designed to minimise any potential impact on The Charity should those risks materialise.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2013

Objectives and Activities

The objective of The Charity is:

- To promote and further the educational and other charitable work of Brigham Young University in the United Kingdom or elsewhere

To achieve this objective The Charity continues to operate the Study Abroad Program from the premises at 27 and 29 Palace Court, London, W2 4LP. The Charity's premises continued to be managed on a day-to-day basis by Alvaro and Thais Magalhaes during 2013.

Due to its educational work, The Charity is registered with the Department of Education and Skills. It is also a member of the AASAP-UK (American Association of Study Abroad Providers).

Each semester, different Brigham Young University ("BYU") students travel to London. A number of single discipline and interdisciplinary programs of study are offered, including courses in English, sociology, ancient scripture, history, language, literature, art and theatre. Students who complete these courses successfully are awarded credits which are counted towards their degree at BYU.

Any BYU student is able to apply to attend one of the study abroad programs provided they are willing to live the University's honour code. In addition, students from other universities who meet BYU's academic standards and who are willing to live by BYU's code of conduct are welcome to apply for, and if accepted participate in BYU's study abroad programs. Typically, 8 to 10 per cent of the participants are from Universities other than BYU. Because the program tends to be oversubscribed, students are then selected on the basis of their academic merit and strengths they may bring to the program.

The Charity is committed to providing access to students across the socio-economic spectrum, and admittance to the program is determined without regard to the financial position of the applicant. Both BYU and The Charity are committed to providing quality education to the best and brightest, regardless of their financial or class background. Many BYU students are recipients of Pell Grants - U.S. federal grants that are awarded to U.S. students based on their family's financial situation. A high percentage of Pell Grant recipients have family income of under \$40,000. BYU itself, in addition to federal government grants, offers a wide range of financial aid, grants and scholarships to students. These grants and awards, which are means tested, enable students from less wealthy families to attend the university.

Around 30% of BYU students receive some form of financial aid and the financial aid from BYU can be used for the study abroad program. The proportion of students receiving financial aid mirrors the proportion of BYU students and admissions to the study abroad program, as to the university, is on a needs-blind basis. Further, study abroad grants are available to BYU students on a "needs basis" to help them cover the additional cost of studying abroad in order to enable students from a wide range of financial backgrounds to participate in the study abroad program regardless of the students' financial circumstances.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2013

Objectives and Activities (continued)

The Charity is an equal opportunities organisation and is committed to a working and studying environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex or disability. The Charity makes reasonable adjustments to meet the needs of staff and students who are or become disabled.

Students and faculty live at the two impressive Victorian town-houses (one a former embassy) on Palace Court in west-central London.

Public Benefit

The trustees have read and given due regard to the guidance on public benefit published by The Charity Commission in exercising their powers and duties.

Achievements and Performance

Education

The Charity is established for the advancement of education for the public benefit. This object is achieved by the provision of lectures, classes, seminars, educational field trips and cultural activities to the visiting students and lectures and educational events for the local community.

The Charity's programs provide an educational environment that is designed to promote the academic and cultural development of its students. It is administered from the BYU campus by the Office of International Study Programs (ISP). In 2013, ISP sent a total of 395 students on programs to the United Kingdom, of which 84 attended programs based at The Charity's premises. For students enrolled on the programs at these premises, the Charity receives enrolment fees from BYU.

The following table enumerates the programs which operated under the auspices of The Charity in 2013:

<u>Program name and semester/term</u>	<u>Enrolment</u>
Cambridge Honours Study Abroad – Summer 2013	25
English Language – Summer 2013	13
London Theatre Study Abroad – Spring 2013	32
Internships (Throughout year)	2
London General Education Study Abroad – Winter 2013*	40
London General Education Study Abroad – Spring 2013*	44
London General Education Study Abroad – Summer 2013	30
London General Education Study Abroad – Fall 2013	42
British Literature and Landscape	22
International Accounting	25
European Business	28
Global Marketing Study Abroad	31
Scotland and Ireland	18
Oxford Seminar Direct Enrolment	43
Total	<u>395</u>

* These programs are based at 27 Palace Court, London

Achievements and Performance (continued)

Educational conferences sponsored in 2013

In addition to educational programs for students, BYU sponsored 7 academic conferences or events for the broader academic community. These were done as part of BYU's broader academic mission and The Charity contributed approximately £50,000 in funding and in-kind services to these conferences.

- 18-19 June 2013 - Conference on International Protection of Religious Freedom, Emerging Issues at Harris-Manchester College, Oxford University, 30 participants
Co-sponsors: Oxford Society for Law and Religion; Becket Institute, Oxford; Centre for Christianity and Culture; Regent's Park College, Oxford; Brunel Law and Religion Research Group; Balliol Interdisciplinary Institute; Bristol Centre for Law and Religion; and FORB Focus House of St. Gregory and Macrina, and the International Centre for Law and Religion Studies, Brigham Young University.
- 17-21 June 2013 - Oxford Journal of Law and Religion Summer Academy, at Harris-Manchester and Regent's Park Colleges, Oxford University, 40 participants
Co-sponsors: Oxford Society for Law and Religion; Becket Institute, Oxford; Centre for Christianity and Culture; Regent's Park College, Oxford; Brunel Law and Religion Research Group; Balliol Interdisciplinary Institute; Bristol Centre for Law and Religion; FORB Focus; and the International Centre for Law and Religion Studies, Brigham Young University.
- 28 June - 1 July 2013 - Conference on the Soul, at Oxford University, 200 participants
Co-sponsored with St. Anne's College, Oxford, and Nottingham University
Web site: <http://www.nottingham.ac.uk/theology/research/conferences/the-soul-conference>
- 1 August 2013 - Lord Martin Rees, Lecture on science and religion at Cambridge University, 180 participants
Co-sponsored by Pembroke and King's College
- 5 August 2013 - Otium et Negotium in Vesuvius' Shadow: A Colloquium on the Latest Research Trends on the Economy and Culture of Roman Villas (archaeology and papyrology), at the British Academy, 60 participants
Sole sponsor
Web site: <http://hccl.byu.edu/macfarlane/LondonColloquium/index.htm>
- 6-7 September 2013 - Conference on business leadership in conjunction with the announcement of the Kim B. Clark Fellowship at the Said School of Business, Oxford, 260 attendees
Co-sponsors: Said Business School (Oxford), Brigham Young University Wheatley Institution
- 10-11 December 2013 - "European Great Men and Mormonism," held at Heythrop College, University of London, and the LDS Hyde Park Chapel, 40 attendees
Co-sponsor: European Mormon Studies Association

Other developments in 2013

Other developments in 2013 included:

- A £1.4 million project to remodel the Charity's premises in Palace Court commenced in September 2013.
- Finalisation of a partnership with the Wordsworth Trust in Grasmere, England which will allow for training at Dove Cottage, short courses and future conferences.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2013

Financial Review

The Charity was funded in 2013 almost entirely by contributions from BYU. Each year the trustees carry out a detailed review of The Charity. They review the previous year's achievements and review and approve the budgets for next year.

Charitable expenditure increased in 2013 primarily as a result of costs incidental to the remodelling project and also from the depreciation charge on the assets transferred from the parent company. Net income for the year increased from the prior year because of funding sent from the parent company to cover the remodelling capital costs for 2013 and for next year.

Investment powers and policy

Under the Memorandum and Articles of Association, The Charity has the power to invest in any way the trustees deem to be in the best interests of The Charity. There were no investments during the year.

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that The Charity ought to have ready access to. Reserves are needed to bridge any funding gap between spending and receiving resources. The reserves policy is reviewed on an annual basis. The actual reserves at 31 December 2013 were £1,916,735. A designated reserve was created for the value of land and buildings donated by BYU in the USA and does not represent income available for other purposes or projects.

2014 Plans

Education

In 2014, BYU programs and The Charity will be operating the following programs in the United Kingdom:

Program name and semester/term	Enrolment estimates
Cambridge Honours Study Abroad – Summer 2014	20
English Language – Summer 2014	20
London Theatre Study Abroad – Spring 2014	25
Internships (throughout year)	6
London General Education Study Abroad – Winter 2014	40
London General Education Study Abroad – Spring 2014*	40
London General Education Study Abroad – Summer 2014*	40
London General Education Study Abroad – Fall 2014*	40
International Accounting Study Abroad	15
European Business Study Abroad	25
Global Business Study Abroad	25
Oxford Seminar Direct Enrolment Spring 2014	30
Art History Study Abroad in Europe	30
Channel Islands Field Study	5
London Film Study Abroad	25
Recreation Management Study Abroad	25
Total	411

* These programs are based at 27 Palace Court, London

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2013

Sponsored educational conferences

In addition to educational programs for students, BYU and The Charity plan to sponsor academic conferences or events for the broader academic community as follows:

- 15-16 January 2014 - Religion, Democracy, and Law, at London Metropolitan University, 100 participants
Co-sponsors: International Centre for Law and Religion Studies, Brigham Young University; International Political Science Association; European Consortium for Political Research; Centre for the Study of Religion, Conflict and Cooperation, London Metropolitan University
Web site: <http://www.londonmet.ac.uk/faculties/faculty-of-social-sciences-and-humanities/research/csrcc/religion-democracy-and-law-international-conference-january-2014/conference-sponsors/>
- 5 June 2014 - Arabic Philosophy, at School of Oriental and African Studies (SOAS), London, estimated 40 participants
Co-sponsors: Brigham Young University Limited; Brigham Young University Maxwell Institute; SOAS
- 9 - 20 June 2014 - Mormon Theology Seminar, estimated 20 participants in the seminar; 100 participants at the one-day of public presentations
Co-sponsors: Mormon Theology Seminar; Brigham Young University Maxwell Institute
- 23-28 June 2014 - Law and Religion, at St. Hughes College, Oxford, estimated 40 participants
Co-sponsors: International Centre for Law and Religion Studies, Brigham Young University; Centre for Christianity and Culture, Regents Park College, Oxford
- September 2014 - Grand Reopening of The Charity's London premises, estimated 60 participants
- October 2014 - Martia Cartabia Lecture on Freedom of Religion (exact title to be determined), venue as yet to be determined
Co-sponsors: Brigham Young University Wheatley Institution
- November 2014 - Annual Meetings of the European Mormon Studies Association, at The Charity's London premises, estimated 40 participants
- September - November 2014 - Three public lectures: "Mormons and Muslims," "Mormons and Anglicans," and "Mormons and Catholics", at Hyde Park LDS Chapel, South Kensington, estimated 150 participants for each.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2013

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of The Charity for the purposes of Company Law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company Law the trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

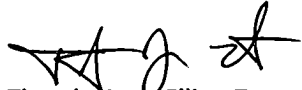
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy, at any time, the financial position of the charitable company and enables them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

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

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

On behalf of the trustees



Timothy Lynn Elliot, Trustee

Date:

23/09/14

Company number: 01496990

Independent auditor's report to the members of Brigham Young University Limited

We have audited the financial statements of Brigham Young University Limited for the year ended 31 December 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the accounting policies 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 charitable 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 charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 (APB'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/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2013 and of its incoming resources and application of resources, including its income and expenditure, 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Brigham Young University Limited

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Trustees' Annual Report.

Grant Thornton UK LLP

Kathryn Godfree

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Birmingham

Date: *24 September 2014*

Brigham Young University Limited
Statement of financial activities (including income & expenditure account)
for the year ended 31 December 2013

	Note			Year ended 31 December 2013	Year ended 31 December 2012 restated
		Unrestricted funds £	Designated funds £	Total funds £	Total Funds £
Incoming resources					
Incoming resources from generated funds					
Voluntary income:					
Donation of tangible fixed assets from Brigham Young University	1	-	-	-	303,373
Other donations from Brigham Young University	1	1,676,122	-	1,676,122	149,706
Investment income:					
Interest receivable	1	638	-	638	68
Incoming resources from charitable activities					
Enrolment fees	1	200,500	-	200,500	358,597
Total incoming resources		1,877,260	-	1,877,260	811,744
Resources expended					
Charitable activities	2	463,313	69,124	532,437	386,769
Governance costs	3	4,200	-	4,200	400
Total resources expended		467,513	69,124	536,637	387,169
Net income/(expenditure) for the year	4	1,409,747	(69,124)	1,340,623	424,575
Total funds brought forward		272,739	303,373	576,112	151,537
Total funds carried forward		1,682,486	234,249	1,916,735	576,112

None of the charity's activities discontinued during the above two financial years.

The statement of financial activities includes all gains and losses recognised in the years.

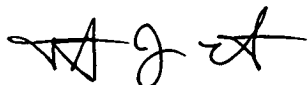
The notes on pages 16 to 21 form part of these financial statements.

Brigham Young University Limited
Balance Sheet
as at 31 December 2013

	Note	Year ended 31 December 2013 £	Year ended 31 December 2012 restated £
Fixed assets			
Tangible assets	7	<u>1,011,335</u>	<u>303,373</u>
Current assets			
Debtors	8	5,520	-
Cash at bank and in hand		<u>1,146,670</u>	<u>273,239</u>
		<u>1,152,190</u>	<u>273,239</u>
Creditors falling due within one year			
Amounts falling due within one year	9	<u>(234,315)</u>	<u>(400)</u>
Net current assets		917,875	272,839
Creditors falling due in more than one year			
Amounts falling due in more than one year	10	<u>(12,375)</u>	<u>-</u>
Total assets less current liabilities		<u>1,916,835</u>	<u>576,212</u>
The Funds of The Charity			
Called up share capital	11	100	100
Unrestricted income funds		1,682,486	272,739
Designated funds		<u>234,249</u>	<u>303,373</u>
Total charity funds	12	<u>1,916,835</u>	<u>576,212</u>

The accounting policies and notes on pages 16 to 21 form part of these accounts.

The financial statements on pages 12 to 21 were approved by the board of trustees and were signed on its behalf by:



Timothy Lynn Elliot, Trustee
Date: 23/09/14
Company number: 01496990

Brigham Young University Limited
Accounting policies
for the year ended 31 December 2013

The financial statements of Brigham Young University Limited ("The Charity") are prepared in accordance with applicable accounting standards in the United Kingdom and in accordance with the Statement of Recommended Practice (SORP), Accounting and Reporting for Charities 2005. A summary of the significant accounting policies which have been applied consistently, are:

Basis of accounting

The financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006. The parent company has guaranteed its future financial support, where necessary, to ensure that The Charity has sufficient reserves to meet the costs of its charitable activities.

FRS 18

The trustees have reviewed the accounting policies and confirmed that they are the most applicable.

Cash flow statement

The Charity has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 on the grounds that it qualifies as a small company under the Companies Act 2006.

Incoming resources

Donations are received from Brigham Young University to provide funds for The Charity's charitable activities and to ensure that The Charity has adequate reserves. These donations are received as cash and are separately disclosed in the statement of financial activities and income and expenditure account.

Resources expended

Resources expended comprise expenditure on charitable activities and governance costs. Costs are either specifically identified or apportioned on an appropriate basis between charitable activities and governance costs of The Charity.

Charitable activities expenditure comprises the direct costs related to the achievement of the charitable objectives and an analysis of these costs are provided in note 2.

Governance costs are those costs that relate to activities which provide the governance infrastructure which allows The Charity to operate and to generate the information required for public accountability.

Expenditure is recognised on an accruals basis.

Liabilities

Future liabilities are recognised when The Charity has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

Brigham Young University Limited
Accounting policies (continued)
for the year ended 31 December 2013

Tangible fixed assets and depreciation

Individual fixed assets costing £6,000 or more are capitalised at cost. Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write down each asset to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	50 years
Building improvements	25 years
Furnishings and equipment	10 years

Pension Contributions

The Charity is party to a defined benefit scheme operated by The Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans (see note 17). The fund is valued every three years by a professionally qualified independent actuary, with rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of contributions made during the year or accrued at the year-end (i.e. on a defined contribution basis), as required by Financial Reporting Standard 17 "Retirement Benefits" in circumstances where The Charity cannot identify with any degree of accuracy its share of the scheme assets and liabilities. The Charity provides no other past retirement benefits to its employees.

Full details of the plan are provided in the financial statements of The Church of Jesus Christ of Latter-day Saints (Great Britain).

Fund accounting

Funds held by The Charity are:

Unrestricted funds - which can be used in accordance with the charitable objectives at the discretion of the directors.

Designated funds - set aside by the directors out of unrestricted funds and are not available for other purposes or projects.

Brigham Young University Limited
Notes to the financial statements
for the year ended 31 December 2013

1. Incoming resources

As described in more detail in note 19, in December 2012 the parent company, Brigham Young University ("BYU"), donated The Charity's London property comprising 27 and 29 Palace Court to the ownership of The Charity. The addition of the land, buildings, building improvements and furnishings comprising 27 and 29 Palace Court has been adjusted for in these financial statements by a prior year adjustment. The value of this gift was £303,373 which is included in the restated income for 2012. Donations of £1,676,122 were also received from the parent company in 2013 (2012: £149,706).

Interest income £638 (2012: £68) was derived from funds held in the bank accounts.

Enrolment fees of £200,500 (2012: £358,597) were received from BYU in relation to program funding for the students attending programs at The Charity's premises.

2. Charitable activities

	2013 £	2012 £
Program costs	151,660	113,942
Staff costs	111,883	95,416
Depreciation	69,124	-
Food and kitchen supplies	36,080	46,230
Maintenance & repairs	23,202	37,334
Council tax and insurance	21,430	17,880
Utilities	16,888	45,307
Motor vehicle and travel	13,162	495
General office costs	9,604	16,067
Telephone	8,788	7,357
Professional fees	68,971	-
Other expenditure	1,645	6,741
	<u>532,437</u>	<u>386,769</u>

All of the above charitable costs constitute support costs and entirely relate to the provision of educational facilities.

3. Governance costs

Audit fee	4,200	-
Accountancy fee	-	400
	<u>4,200</u>	<u>400</u>

Certain management and administrative costs, have been borne by The Church of Jesus Christ of Latter-day Saints (Great Britain) and by The Church of Jesus Christ of Latter-day Saints in Germany.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2013

4. Net income for the year

	2013	2012
	£	£
Net income for the year is stated after charging:		
Operating leases	8,541	-
Depreciation	69,124	-
Auditors remuneration	4,200	-
	<u> </u>	<u> </u>

5. Employees

	2013	2012
	£	£
Staff costs incurred during the year		
Wages and salaries	90,000	88,267
Social security costs	5,383	7,149
Other pension costs	16,500	-
	<u> </u>	<u> </u>
	<u>111,883</u>	<u>95,416</u>

The average weekly number of persons (excluding directors)
employed by The Charity during the year was:

Office administration and cleaning	<u>6</u>	<u>5</u>
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Trustees' remuneration

None of the trustees received any remuneration or reimbursements from The Charity during the year (2012: none).

6. Taxation

The company is a registered charity and as such is entitled to certain tax exemptions on income and profits carried on in furtherance of The Charity's primary objectives, if the profits and surpluses are applied solely for charitable purposes.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2013

7. Tangible fixed assets

	Assets in the course of construction £	Land and buildings £	Furnishings £	Total £
Cost				
1 January 2013 (restated)	-	1,830,683	151,826	1,982,509
Additions	777,086	-	-	777,086
31 December 2013	777,086	1,830,683	151,826	2,759,595
Depreciation				
1 January 2013 (restated)	-	1,535,008	144,128	1,679,136
Charge for the year	-	66,431	2,693	69,124
31 December 2013	-	1,601,439	146,821	1,748,260
Net book value				
31 December 2013	777,086	229,244	5,005	1,011,335
31 December 2012 (restated)	-	295,675	7,698	303,373

In December 2012 the parent company, Brigham Young University, gifted the London properties comprising 27 and 29 Palace Court to the ownership of The Charity. The addition of the land, buildings, building improvements and furnishings comprising 27 and 29 Palace Court has been adjusted for in these financial statements by a prior year adjustment. Please refer to note 19.

Assets in the course of construction comprise the project to remodel the 27 and 29 Palace Court which was commenced in September 2013 and was completed in May 2014.

The value of land at 31 December 2013 was £117,647 (2012 restated: £117,647). Land is not depreciated.

8. Debtors

	2013 £	2012 £
Prepayments	5,520	-

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2013

9. Creditors: Amounts falling due within one year

	2013	2012
	£	£
Accruals	<u>234,315</u>	<u>400</u>

10. Creditors: Amounts falling due in more than one year

	2013	2012
	£	£
Accruals	<u>12,375</u>	<u>-</u>

11. Called up share capital

	2013	2012
	£	£
Authorised 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and issued 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

12. Reconciliation of movement in shareholders' funds

	2013	2012
	£	as restated £
Surplus for the financial year	1,340,623	121,202
Prior year adjustment (note 19)	<u>-</u>	<u>303,373</u>
Total gains and losses recognised	1,340,623	424,575
Opening shareholders' funds	<u>576,212</u>	<u>151,637</u>
Closing shareholders' funds	<u>1,916,835</u>	<u>576,212</u>

13. Related party transactions

The parent company is Brigham Young University, a corporation incorporated in the state of Utah, United States of America.

Prior to the transfer in ownership, the London property was provided rent-free by the parent company.

Other related party transactions are detailed in notes 1 and 3 to the financial statements.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2013

14. Ultimate holding company

The Charity is owned by Brigham Young University, a corporation incorporated in the state of Utah, United States of America. Brigham Young University is a non-profit corporation affiliated with The Church of Jesus Christ of Latter-day Saints.

15. Commitments under operating leases

At 31 December 2013 The Charity had annual commitments under a non-cancellable operating lease which relates to the lease of a motor vehicle as set out below:

	2013	2012
	£	£
Leases expiring:		
In less than one year	-	-
In one to two years	-	-
In two to five years	<u>9,015</u>	<u>-</u>

16. Capital commitments

	2013	2012
	£	£
Capital expenditure authorised by the trustees and contracted for	<u>878,904</u>	<u>-</u>

17. Pension and other post employment commitments

The Charity participates in a pension scheme operated by The Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans. The scheme is of the defined benefit type and is funded by contributions from the participating companies and their employees at rates determined by independent actuaries in the light of regular valuations. Such contributions are held in trustee-administered funds completely independent of group finances. Full disclosure of the valuation is shown in the accounts of The Church of Jesus Christ of Latter-day Saints (Great Britain).

The Charity has accounted for the scheme as if it was a defined contribution scheme because it is not feasible to split the assets and liabilities of the scheme between all the companies whose employees are members. Contributions to the scheme for the year were £16,500 (2012: £0).

18. Future finance

Brigham Young University has confirmed that it will continue to provide funds to support The Charity's future activities.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2013

19. Prior year adjustment

In December 2012 the parent company, Brigham Young University, gifted the London properties comprising the 27 and 29 Palace Court to the ownership of the Charity. The addition of the land, buildings, building improvements and furnishings comprising 27 and 29 Palace Court has been adjusted for in these financial statements by a prior year adjustment, as the transfer took place on 11 December 2012. As the assets were previously presented in the financial statements of Brigham Young University, they have been transferred at book value into the financial statements of The Charity and the income for these has been included in a separate designated reserve. The impact of the prior year adjustment is an increase to fixed assets of £303,373, an increase to voluntary income of £303,373 and the creation of a designated reserve of £303,373.