

Uclan Business Services Limited

Directors' report and financial statements

For the year ended 31 July 2016

Registered number 2340053

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Uclan Business Services Limited

Directors' report and financial statements

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Uclan Business Services Limited

Directors' report

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

Principal activities

The Company's principal activities are the provision of commercial services to support the University of Central Lancashire, its ultimate parent Company. The range of commercial work undertaken is broad, covering training, consultancy, event organisation and hosting as well as providing other products and services. Sales are primarily to external customers and charges predominantly come from the subcontracting of services.

Business review

Sales have fallen in the financial year to £617,774. The main reasons for the decrease in turnover was due to reduced activity and the phasing out of the internal portable credit sales to students.

Results

The Company's turnover was £617,774 (2015: £1,005,865) of which £300,369 was earned from consultancy (2015: £306,399) and £317,405 from education and training (2015: £699,466). The Company's cost of sales for the year were £480,930 (2015: £726,157) and administrative expenses were £93,153 (2015: £97,549).

Fixed assets

No fixed assets were held during the period.

Investments

The Company owns 100% of Uclan Dental Clinic Limited, a subsidiary created to support the Dental School in professional training along with providing dental services to students, staff and the local community.

Uclan Dental Clinic Limited is reporting a profit for 2015/16, however, having previously reviewed the business plans and cash flow forecasts for the Company, the directors of the Company considered it prudent for the value of the investment in Uclan Dental Clinic Limited to be written down to nil. It is still considered prudent not to make any adjustment to the value of the investment until such time as profitability of the Company is sustained.

Shareholdings

The Company continues to hold issued share capital of 500 £1 ordinary shares. These shares are owned by Centralan Holdings Limited.

Uclan Business Services Limited

Directors and directors' interests

The directors in office during the year were as follows:

S Crean
I Donnelly
A Jones (Chair)
D Kovvuri
J Lonsdale

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Charitable and political contributions

Each year, the Company normally makes provision for payment of its taxable profit to its ultimate parent undertaking, under a deed of covenant. During the year an amount of £59,805 was paid in respect of profits from the previous year (2015: £318,200) and £42,531 was provided in respect of profits in 2015/16.

Services from the University of Central Lancashire

The University provided the following services during the financial years:

	2016	2015
	£	£
Sub-contracted sales	480,930	726,157
Salaries and administration expenses	88,278	88,364
	<u>569,208</u>	<u>814,521</u>

By order of the board



I Fisher
Company Secretary
Adelphi Building
University of Central Lancashire
Preston
PR1 2HE

26 October 2016

Uclan Business Services Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. 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
- 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 Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

Uclan Business Services Limited

Independent auditors' report to the members of Uclan Business Services Limited

We have audited the financial statements of Uclan Business Services Limited for the year ended 31 July 2016 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 July 2016 and of its profit for the year then ended.
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

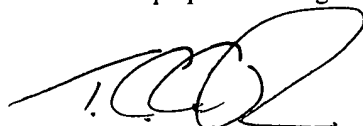
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Timothy Cutler (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One St Peter's Square
Manchester
M2 3AE

31 October 2016

Uclan Business Services Limited

Profit and loss account for the year ended 31 July 2016

Continuing Operations

	<i>Note</i>	2016 £	2015 £
Turnover		617,774	1,005,865
Cost of sales		(480,930)	(726,157)
Gross profit		136,844	279,708
Administrative expenses	5	(93,153)	(97,549)
Operating profit		43,691	182,159
Interest receivable and similar income	2	1,173	2,677
Profit on ordinary activities before taxation		44,864	184,836
Tax on profit on ordinary activities	6	(8,506)	(12,362)
Profit for the financial year		36,358	172,474

Uclan Business Services Limited

Balance sheet


As at 31 July 2016

	Note	2016	2015
		£	£
Fixed Assets			
Investments		-	-
Current assets			
Debtors	7	225,814	300,655
Cash at bank and in hand		287,789	172,572
		<u>513,603</u>	<u>473,227</u>
Creditors:			
amounts falling due within one year	8	(302,334)	(216,848)
Net current assets		<u>211,269</u>	<u>256,379</u>
Net assets		<u><u>211,269</u></u>	<u><u>256,379</u></u>
Capital and reserves			
Share capital	9	500	500
Profit and loss account		210,769	255,879
Shareholders funds		<u><u>211,269</u></u>	<u><u>256,379</u></u>

These financial statements were approved by the board of directors on 26 October 2016 and were signed on its behalf by:



A Jones
Director



I Donnelly
Director

Registered number 2340053

Uclan Business Services Limited

Statement of Changes in Equity for the year ended 31 July 2016

	<i>Share Capital</i>	<i>P&L Account</i>	<i>Total</i>
	£	£	£
Balance at 1 August 2014	500,003	(168,952)	331,051
Total comprehensive income for the year			
Profit for the year	-	172,474	172,474
Transactions recorded directly in equity			
Share capital cancelled	(499,503)	499,503	-
Gift-aid payment	-	(318,200)	(318,200)
Tax credit relating to gift-aid	-	71,054	71,054
Balance at 31 July 2015	500	255,879	256,379
Balance at 1 August 2015	500	255,879	256,379
Total comprehensive income for the year			
Profit for the year	-	36,358	36,358
Transactions recorded directly in equity			
Gift-aid payment	-	(102,336)	(102,336)
Tax credit relating to gift-aid	-	20,868	20,868
Balance at 31 July 2016	500	210,769	211,269

Uclan Business Services Limited

Notes *(forming part of the financial statements)*

1 Accounting policies

Uclan Business Services Limited is a company limited by shares and incorporated and domiciled in the UK.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made measurement and recognition adjustments. An explanation of how the transition to FRS102 has affected the financial position and financial performance of the Company is provided in note 10.

The Company's ultimate parent undertaking, the University of Central Lancashire Higher Education Corporation includes the Company in its consolidated financial statements. The consolidated financial statements of the University of Central Lancashire Higher Education Corporation are available to the public and may be obtained from the University Finance Director, University of Central Lancashire, Adelphi Building, Preston, PR1 2HE. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes.
- Key management personnel compensation

Tangible fixed assets

The Company has no fixed assets.

Turnover

Turnover represents the invoiced amount of completed services provided. In the case of incomplete contracts, turnover represents an assessment of the value of the work done during the financial year.

Cost of sales

The Company employs the University of Central Lancashire to provide services to its clients as well as incurring costs directly. The Company is charged on a full cost recovery basis for any services provided by the University of Central Lancashire.

Uclan Business Services Limited

Notes (continued)

Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

2. Profit for the financial year

	2016	2015
	£	£
<i>Profit for the financial year is stated after charging:</i>		
Auditor's remuneration for audit services	2,526	4,480
Auditor's remuneration for non-audit services	2,349	4,705
<i>after crediting:</i>		
Interest receivable	1,161	2,677

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent.

3. Remuneration of directors

No directors received any emoluments during the year (2015: £Nil). All of the directors are employed by the University of Central Lancashire.

4. Staff numbers

The Company did not directly employ any staff. All staff resources are purchased from the University of Central Lancashire.

5. Administrative expenses

The expense for the year included £Nil of inter-company sub-contracted expenditure (2015: £Nil) and £Nil of inter-company administration recharges (2015: £Nil).

<i>Administrative expenses includes</i>	2016	2015
	£	£
Salaries	47,444	49,069
Office overheads	337	632
Group management charge	40,497	38,663
Auditors remuneration	4,875	9,185
	<u>93,153</u>	<u>97,549</u>

Uclan Business Services Limited

Notes (continued)

6. Tax

	2016 £	2015 £
Current tax on income for the period	8,506	12,362
Deferred tax	-	-
	<u>8,506</u>	<u>12,362</u>
Tax on profit on ordinary activities	<u>8,506</u>	<u>12,362</u>
	<u>44,864</u>	<u>184,836</u>
Profit / (loss) on ordinary activities before tax	<u>44,864</u>	<u>184,836</u>
Tax on profit / (loss) on ordinary activities at standard rate of 20% (2015: 20.67%)	8,973	38,198
Effects of:		
Group relief surrendered / (claimed)	(273)	(25,292)
Movement on deferred tax asset not recognised	(600)	(319)
Adjust deferred tax to average rate	406	(225)
Current tax charge	<u>8,506</u>	<u>12,362</u>

There is a deferred tax asset as at 31 July 2016 of £3,652 (2015: £4,252) which has not been recognised, because it is unlikely to crystallise.

7. Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	69,510	67,998
Prepayments and accrued income	40,384	40,244
Net VAT claim	8,780	64,003
Amounts owed by group undertaking	107,140	128,410
	<u>225,814</u>	<u>300,655</u>

8. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	1,127	1,304
Amounts owed to group undertakings	132,336	124,323
Other creditors including taxation	-	12,362
Accruals and deferred income	168,871	78,859
	<u>302,334</u>	<u>216,848</u>

Uclan Business Services Limited

Notes (continued)

9. Called up share capital

	2016 £	2015 £
<i>Allotted, called up</i>		
Ordinary shares of £1 each	500	500,003
Share capital cancelled	-	(499,503)
	<u>500</u>	<u>500</u>

10. Transition to FRS102

The Company has adopted FRS102 for the year ended 31 July 2016 and has restated the comparative prior year amounts. An explanation of how the transition to FRS102 has affected the Company's financial position and financial performance is set out in the tables below.

	1 August 2014 £	31 July 2015 £
<i>Financial position</i>		
Capital and reserves (as previously stated)	331,051	268,741
Tax charge	-	(12,362)
	<u>-</u>	<u>(12,362)</u>
Total effect of transition to FRS102		
	<u>331,051</u>	<u>256,379</u>

Financial performance

	Year ended 31 July 2015 £
Profit for the year (as previously stated)	255,890
Tax credit relating to gift-aid	(71,054)
Tax charge	(12,362)
	<u>(83,416)</u>
Total effect of transition to FRS102	
	<u>172,474</u>

Uclan Business Services Limited

Notes (*continued*)

11. Ultimate parent company and parent undertaking of larger group of which the Company is a member

The Company is a wholly owned subsidiary undertaking of Centralan Holdings Limited incorporated in England and Wales. The ultimate parent Company is the University of Central Lancashire Higher Education Corporation incorporated in England and Wales. In accordance with section 33.1a of FRS 102, Related Party Disclosures, the Company is exempt from disclosing details of arrangements with other companies in the University of Central Lancashire group.

The largest and smallest group in which the results of the Company are consolidated is that headed by the University of Central Lancashire Higher Education Corporation. The consolidated financial statements of the University may be obtained from:

D Reid
University Finance Director
University of Central Lancashire
Adelphi Building
Preston PR1 2HE