

REGISTERED NUMBER: 2369724



**LEEDS METROPOLITAN UNIVERSITY
ENTERPRISES LIMITED**

**FINANCIAL STATEMENTS
For the year ended 31 July 2004**

LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

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REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the company for the year ended 31 July 2004.

Principal Activities and Business Review

The main areas of activity of the company, which is a company limited by guarantee, are the undertaking of consultancy work, the organisation of conferences and the provision of conference facilities. The directors are satisfied with the progress of the company during the period and with its prospects for the future. There have been no significant changes to the business since the balance sheet date.

Results and Payment Under Gift Aid

The results of the period provided a profit of £110,712, which was paid to the ultimate holding corporation under gift aid.

Directors

The directors of the company who served during the year were:

Stephen Willis

Leslie Wagner (resigned 31 August 2003)

Simon Lee (appointed 1 September 2003)

Clinton Lloyd Cameron (resigned 31 August 2003)

Peter John Thompson (Chair)

Yvonne Ann Rose (appointed 1 September 2003)

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently in the year as explained on page 6 under 'Statement of Accounting Policies'. The directors also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 July 2004 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable the directors to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

Auditors

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

BY ORDER OF THE BOARD

Secretary



Date

14/12/04.

LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

We have audited the financial statements which comprise the Profit and Loss Account, the Balance Sheet, and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the Statement of Accounting Policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Report of the Directors.

Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

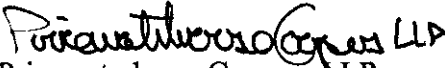
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEEDS
METROPOLITAN UNIVERSITY ENTERPRISES LIMITED (CONTINUED)**

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 July 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Leeds

Date 14/12/04

LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

STATEMENT OF ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the historical cost basis.

Basis of Preparation

The financial statements have been prepared on the going concern basis, which assumes the continuing financial support of the ultimate parent, Leeds Metropolitan University Higher Education Corporation. The parent corporation has confirmed that this support will be available.

Gift Aid

The company transfers all of its taxable profit for the year to its ultimate holding corporation via Gift Aid.

Taxation

There is no corporation tax charge because the company's taxable profit is reduced by the payment under gift aid to nil.

Deferred Tax

Deferred taxation results from timing differences between profits computed for taxation purposes and profits stated in the financial statements.

No corporation tax is currently payable by the company as a Gift Aid payment is made to the parent organisation based on the taxable element of its activities. As the continuation of this Gift Aid payment in future years cannot be known at the present time, there may be an obligation to pay more tax in the future as a result of the reversal of these timing differences. Full provision for potential deferred has been made where it is deemed material to the accounts.

Cash

Cash at Bank and in Hand includes cash in hand and deposits repayable within 24 hours without penalty at the Balance Sheet date. Cash at Bank is the balance shown on the bank statements. Cheques/BACS issued or received before 31 July, but not cleared by the bank, are included in creditors and debtors respectively.

LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2004**

	Notes	2004 £	2003 £
Turnover	1	2,553,815	2,183,411
Operating charges		(2,443,103)	(1,747,406)
Operating profit	3	<u>110,712</u>	<u>436,005</u>
Profit on ordinary activities before interest and taxation		110,712	436,005
Payment under Gift Aid		(110,712)	(436,005)
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Profit for the financial year		<u>-</u>	<u>-</u>

The company has no recognised gains and losses other than those included in the profit above and therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit for the year stated above and the historical cost equivalent.

All items included in the Profit and Loss Account relate to continuing operations.

LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

BALANCE SHEET

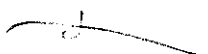
	Notes	As At 31 July 2004 £	As At 31 July 2003 £
Current Assets			
Debtors	4	416,389	239,901
Creditors: amounts falling due within one year	5	<u>(416,389)</u>	<u>(239,901)</u>
Net current assets		=	=
Total assets less current liabilities		=	=
Net Assets		=	=
Capital and reserves			
Profit and loss account		=	=
Total Shareholders' funds		=	=

The financial statements on pages 6 to 10 were approved by the Board of Directors on ~~14~~ 14 December 2004 and were signed on its behalf by:

Director



Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2004**1. Turnover**

The Company's turnover, which excludes value added tax, arises from consultancy work, the organisation of conferences and the provision of conference facilities. The analysis of turnover by geographical market has not been given.

2. Directors and Employees**Employees**

No persons were employed by the Company during the year. The Company made use of certain staff of its ultimate holding corporation to which payment was made for performance of the Company's activities.

Directors' Emoluments

The directors received no remuneration from the Company during the year.

3. Operating Profit

	2004	2003
	£	£
Operating Profit is stated after charging		
Auditors' remuneration (for audit)	746	588
Management Charge	<u>106,227</u>	<u>103,535</u>

4. Debtors: amounts falling due within one year

	<u>2004</u>	<u>2003</u>
	£	£
Trade debtors	193,882	106,618
Prepayments and accrued income	<u>222,507</u>	<u>133,283</u>
	<u>416,389</u>	<u>239,901</u>

5. Creditors: amounts falling due within one year

	<u>2004</u>	<u>2003</u>
	£	£
Amount owing to Ultimate Parent Corporation	51,168	175,793
Trade Creditors	264,734	35,682
Accruals and deferred income	24,044	9,904
Receipts in advance	<u>76,443</u>	<u>18,522</u>
	<u>416,389</u>	<u>239,901</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2004
(CONTINUED)

6. Ultimate Parent Corporation

The company is limited by guarantee. The Governing Body of Leeds Metropolitan University Higher Education Corporation controls the admission to membership of the company and the appointment and removal of the company's directors. As such Leeds Metropolitan University Higher Education Corporation is considered to be the ultimate parent corporation for the purposes of these financial statements. Copies of the financial statements of the ultimate parent corporation may be obtained from the Secretary, Leeds Metropolitan University, Calverley Street, Leeds LS1 3HE.

7. Cash Flow Statement

As a wholly owned subsidiary, the company has taken advantage of the exemption in Financial Reporting Standard number 1 from the requirement to publish a Cash Flow Statement.

8. Related Party Transactions

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption under Financial Reporting Standard number 8 "Related Party Transactions", as the consolidated accounts of Leeds Metropolitan University in which the company is included are available at the above address.