

**REGISTERED NUMBER: 2369724**

**LEEDS METROPOLITAN UNIVERSITY  
ENTERPRISES LIMITED**

**FINANCIAL STATEMENTS  
For the year ended 31 July 2006**

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# 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 2006.

### **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. There have been no significant changes to the business since the balance sheet date.

### **Results of the year**

The results of the year provided a loss of £321,924.

### **Directors**

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

Stephen Willis  
Simon Lee  
Peter John Thompson (Chair)  
Yvonne Ann Rose

### **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 judgments and estimates have been made in preparing the financial statements for the year ended 31 July 2006 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.

The directors and their families had no beneficial interest in the company at 31st July 2006. No director had, during or at the end of the year, a material interest in any contract which was significant to the company's business.

# LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

## REPORT OF THE DIRECTORS (continued)

So far as the directors are aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### 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

16 November 2006

# **LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED**

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

We have audited the financial statements of Leeds Metropolitan University Enterprises Limited for the year ended 31 July 2006 which comprise the statement of accounting policies, the profit and loss account, the balance sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). 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 report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

### **Opinion**

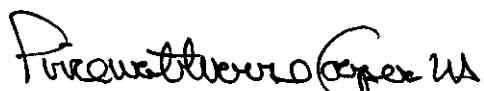
In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 July 2006 and of its loss for the year then ended;

**LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED**

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

- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**Leeds**

23/11/06

# **LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED**

## **STATEMENT OF ACCOUNTING POLICIES**

### **Basis of Accounting**

The financial statements are prepared on the historical cost basis in accordance with the Companies Act 1985 and applicable accounting standards.

### **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**

When profits arise, 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.

### **Changes in Accounting Policies**

The company has adopted FRS 21 'Events after the Balance Sheet Date' and FRS 25 'Financial Instruments: Disclosure and Presentation' in these financial statements. The adoption of these standards represents a change in accounting policy, although the impact is not considered material.

# LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2006

	Notes	2006 £	2005 £
Turnover	1	1,899,844	2,055,915
Operating charges		(2,221,768)	(2,376,826)
Operating (loss)	3	(321,924)	(320,911)
(Loss) on ordinary activities before interest and taxation		(321,924)	(320,911)
Payment under Gift Aid		—	—
Loss on ordinary activities before taxation		(321,924)	(320,911)
Tax on profit on ordinary activities		—	—
Loss for the financial year		(321,924)	(320,911)

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

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

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

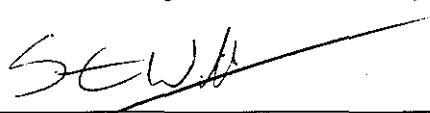


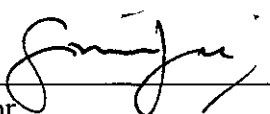
# LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED

## BALANCE SHEET

	Notes	As at 31 July 2006 £	As at 31 July 2005 £
<b>Current Assets</b>			
Debtors	4	271,668	159,868
<b>Creditors: amounts falling due within one year</b>	5	(914,503)	(480,779)
<b>Net current assets</b>		(642,835)	(320,911)
<b>Total assets less current liabilities</b>		(642,835)	(320,911)
<b>Net Liabilities</b>		(642,835)	(320,911)
<b>Capital and reserves</b>			
Profit and loss account		(642,835)	(320,911)
<b>Total Shareholders' funds</b>		(642,835)	(320,911)

The financial statements on pages 7 to 10 were approved by the Board of Directors on 16 November 2006 and were signed on its behalf by:

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2006****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 Loss**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Operating Loss is stated after charging		
Auditors' remuneration (for audit)	787	767
Management Charge	<u>112,212</u>	<u>109,626</u>

**4. Debtors**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Trade debtors	227,862	153,507
Prepayments	<u>43,806</u>	<u>6,361</u>
	<u>271,668</u>	<u>159,868</u>

**5. Creditors: amounts falling due within one year**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Amount owing to Ultimate Parent Corporation	517,641	189,186
Trade Creditors	328,902	175,643
Accruals and deferred income	<u>67,960</u>	<u>115,950</u>
	<u>914,503</u>	<u>480,779</u>

## **LEEDS METROPOLITAN UNIVERSITY ENTERPRISES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2006** **(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 Registrar and Secretary, Leeds Metropolitan University, Room 102, The Grange, Beckett Park Site, Headingley Campus, Leeds LS6 3QS.

#### **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.