

University of North London Enterprises Limited
Report and Financial Statements for the Year Ended 31 July 2000

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Company No. 2447470



Report of the Directors

The directors present their report and audited financial statements for the year ended 31 July 2000.

1. Review of Activities

The company is involved in a range of commercial activities previously undertaken by the University of North London. The principal activities of the company during the year were the provision of research, short courses and consultancy services, the operation of a Print Centre and the production of microwave equipment. The IT Learning Exchange expansion programme is continuing as planned. The London Learning programme has incurred a significant amount of start-up costs (£200k) in 1999/2000 but profits of £99k are expected in 2000/01 and £104k in 2001/2002.

The company discontinued the operation of the travel agency and the space occupied by Connect Travel was let to a travel agency specialising in student travel. The resulting income has accrued to University of North London Student Centre Ltd.

The company increased its issued share capital by £250,000 to finance the relocation of the Print Centre to 81a Benwell Road. This was approved at an Extraordinary General Meeting of the company on 2 September 1999. The Print Centre relocated to 81a Benwell Road in July 2000.

Turnover has increased by 17% to £3,146k with the Print Centre activities accounting for 41% of the increase.

The profit on ordinary activities before covenant and taxation amounts to £420,288 in the year to 31 July 2000, some 130% increase on the previous year. The activities of the Print Centre accounted for most of the increase.

The directors consider that satisfactory progress has been made during the year.

The profit and loss account is shown on page 4. Movement in fixed assets is disclosed in note 7. The directors do not recommend the payment of a dividend.

2. Directors

The directors who served during the year were as follows:

Ms M Black
Ms T Evans
Mr G Hajifanis (retired 9.6.2000)
Mr K Harrigan
Mr J Haworth (retired 9.6.2000)
Mr B A Roper
Mr B Smith

Mr B A Roper, as Chief Executive, holds 1 ordinary share as nominee for the University of North London.

None of the directors has any beneficial interest in the shares of the company.

3. Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report. As described below, this includes responsibility for preparing the financial statements, in accordance with the applicable United Kingdom accounting standards. United Kingdom company law requires the directors to prepare financial statements for each financial year which 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 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;
- 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 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 financial statements comply with the Companies Act 1985. 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The maintenance and integrity of the University of North London website is the responsibility of the directors.

4. Donations

Under Deed of Covenant the company made a donation of £420,288 (1999 £183,210) to the University of North London, a charity.

5. Auditors

A resolution to reappoint PricewaterhouseCoopers as auditors to the company will be proposed at the next Annual General Meeting.

by order of the board



J P McParland
Company Secretary
166-220 Holloway Road
London N7 8DB

6 April 2001

Report of the Auditors

We have audited the financial statements set out on pages 4 to 9 which have prepared under the historical cost convention, and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with the applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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.

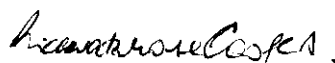
Basis of audit opinion

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 July 2000 and of its profit for the year then ended and have been properly prepared in accordance with the United Kingdom Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
No.1 London Bridge
London SE1 9QL

26th April 2001

Profit and Loss Account for the Year Ended 31 July 2000

1999 £		NOTE	2000 £
2,680,743	TURNOVER	2	3,146,453
1,522,435	COST OF SALES		1,504,034
-----			-----
1,158,308	GROSS PROFIT		1,642,419
1,600	Interest Payable		1,377
980,069	Administrative expenditure		1,224,761
-----			-----
176,639	PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION		416,281
6,571	Other income and interest receivable		4,007
-----			-----
183,210	PROFIT ON ORDINARY ACTIVITIES BEFORE COVENANT AND TAXATION		420,288
183,210	Covenant payable to the University of North London	6	420,288
-----			-----
-	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	-
-	Taxation	6	-
-----			-----
-	PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-
(54)	Retained loss brought forward		(54)
-----			-----
(54)	Retained loss carried forward		(54)
=====			=====

None of the company's activities were acquired or discontinued during the above two financial years, other than as referred to in the director's report.

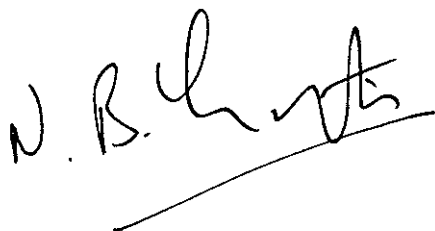
The company has no recognised gains or losses other than those dealt with in the Profit and Loss Account. The notes on pages 6 to 9 form part of the Financial Statements.

Balance Sheet as at 31 July 2000

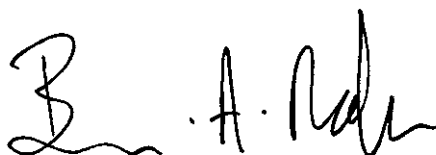
1999 £	1999 £		NOTE	2000 £	2000 £
	462,914	FIXED ASSETS	7		668,634
		CURRENT ASSETS			
35,345		Stocks	8	57,423	
987,604		Debtors	9	1,035,850	
18,100		Cash at bank and in hand		93,200	
-----				-----	
1,041,049				1,186,473	
1,096,905		CREDITORS			
-----		Amounts due within one year	10	1,405,161	
	-----			-----	
	(55,856)	NET CURRENT LIABILITIES			(218,688)
	-----				-----
		CREDITORS			
	207,112	Amounts due after more than one year	11		0
	199,946	NET ASSETS			449,946
	=====				=====
		Represented by:			
		CAPITAL AND RESERVES			
	200,000	Called up share capital	12	450,000	
	(54)	Profit and loss account		(54)	
	-----			-----	
	199,946			449,946	
	=====			=====	

Approved by the Board on 26 October 2000 and signed on their behalf on 6 April 2001 by:

B Smith
Director



B A Roper
Director



The notes on pages 6 to 9 form part of the Financial Statements

Notes to the Financial Statements for the Year Ended 31 July 2000

1. Accounting Policies

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. Where the accounting policies are judged material in stating the financial position of the company, details are disclosed in these notes.

Income from government grants are included in the financial statements in accordance with the accruals concept. The grants is recognised in the Income and Expenditure Account at the same time as the expenditure to which it relates becomes payable. The grants does not have a material effect on the results for the year and the financial position of the company.

All capital items of less than £1,000 has been dealt with through the profit and loss account. Capital items of £1,000 and above have been capitalised and included in fixed assets.

2. Turnover

Turnover, derived wholly within the United Kingdom and representing the invoiced value of goods and services supplied during the year exclusive of value added tax, is drawn from the activities as detailed in the Report of the Directors.

	TURNOVER		GROSS PROFIT	
	1999 £	2000 £	1999 £	2000 £
Print Centre	1,680,575	1,871,760	301,323	545,393
Consultancy and similar activities	976,021	1,233,516	837,477	1,111,789
Entertainment and Travel Services	24,147	41,177	19,508	(14,763)
	-----	-----	-----	-----
	2,680,743	3,146,453	1,158,308	1,642,419
	=====	=====	=====	=====

3. Cashflow Statement

University of North London holds the entire interest in the issued share capital of University of North London Enterprises Limited.

No cash flow statement has been included in the financial statements as the company is a wholly owned subsidiary undertaking of the University of North London whose consolidated financial statements include a consolidated cash flow statement.

4. Related Party Disclosures

The parent company is the University of North London. The company has taken advantage of the exemption from disclosing transactions with its parent company which owns more than 90% of the share capital of the company. There were no other related party transactions in the year.

The University of North London is a Company Limited by Guarantee and not having a share capital. It is registered in the United Kingdom and its Registered Office is:

166-220 Holloway Road
London
N7 8DB.

The University of North London is an Exempt Charity under the Charities Act 1993.

The results of the company are included in the consolidation of the group.

Notes to the Financial Statements for the Year Ended 31 July 2000

5. Profit on Ordinary Activities before Taxation

This is stated after charging:

	1999 £	2000 £
Auditors' remuneration	4,000	4,500
Depreciation	127,321	144,283
	=====	=====

6. Taxation

All profits of University of North London Enterprises Limited are covenanted to University of North London under Deed of Covenant, therefore no liability to taxation arises on the profits for the year. University of North London is a charity.

7. Fixed Assets

	Buildings £	Plant & Equipment £	Computer Equipment £	Total £
Cost				
At 1.8.99	0	638,127	159,055	797,182
Additions	206,397	80,020	63,586	350,003
Disposals	-	-	-	-
	-----	-----	-----	-----
At 31.7.2000	206,397	718,147	222,641	1,147,185
	-----	-----	-----	-----
Depreciation				
At 1.8.99	0	256,627	77,641	334,268
Disposals	-	-	-	-
Charge for the year	4,129	92,304	47,850	144,283
	-----	-----	-----	-----
At 31.7.2000	4,129	348,931	125,491	478,551
	-----	-----	-----	-----
Net Book Value				
At 31.7.2000	202,268	369,216	97,150	668,634
	=====	=====	=====	=====
At 31.7.99	0	381,500	81,414	462,914
	=====	=====	=====	=====

Depreciation has been provided so as to write down fixed assets over their estimated useful lives.

Depreciation has been charged on a reducing balance basis at the rates of 33% per annum for computers and 20% per annum for plant and equipment. Depreciation has been provided for on buildings on a straight-line basis over 50 years.

Notes to The Financial Statements for the Year Ended 31 July 2000

8. Stocks

Stocks are stated at the lower of cost and net realisable value and comprise:

	1999 £	2000 £
Work in progress	724	4,353
Finished goods and goods purchased for resale	34,621	53,070
	-----	-----
	35,345	57,423
	=====	=====

9. Debtors

	1999 £	2000 £
Trade debtors	333,697	435,217
Prepayments and accrued income	92,137	23,449
Amounts owed by group undertakings	566,029	604,539
Provision for doubtful debts	(4,259)	(27,355)
	-----	-----
	987,604	1,035,850
	=====	=====

10. Creditors

Amounts due within one year

	1999 £	2000 £
Bank overdraft	224,684	216,295
Trade creditors	2,247	71,630
Due to group undertakings	650,810	876,811
VAT	6,139	12,420
Accruals and deferred income	213,025	228,005
	-----	-----
	1,096,905	1,405,161
	=====	=====

11. Creditors

Amounts due after more than one year

	1999 £	2000 £
Finance Lease	207,112	0

Notes to the Financial Statements for the Year Ended 31 July 2000

12. Called Up Share Capital

	1999	2000
Authorised, issued and fully paid:		
Ordinary Shares of £1 each	£200,000	£450,000
	=====	=====

The company issued 250,000 £1 ordinary shares during the year. The shares were purchased and fully paid by the University of North London. The consideration received by the company was £250,000.

All shares carry equal voting rights, and have a value of £1 on winding-up.

13. Employee Information

There were no staff directly employed by the University of North London Enterprises Limited during the year. Staff are employed by the parent company (University of North London) and costs recharged to the University of North London Enterprises Limited.

No director received any remuneration for services as a director, or has any financial interest in any contract of the company.

14. Capital Commitments

At 31 July 2000, there were no capital items authorised and contracted for.

15. Committed Expenditure as at 31 July 2000

At 31 July 2000, there was no committed expenditure.

16. Reconciliation of Movements in Shareholder's Funds

	1999 £	2000 £
Shares issued in the year	-	250,000
Shareholder's Funds at 1st August	199,946	199,946
	-----	-----
Shareholder's funds at 31st July	199,946	449,946
	=====	=====

The proceeds from the shares issued in the year have been credited direct to the shareholders funds.

17. Prior Year Adjustments

There was no prior year adjustment.

18. Post Balance Sheet Events

There was no post balance sheet event.

19. Year 2000 Compliance

The directors have assessed the risks and uncertainties associated with the Year 2000 problem and have taken all reasonable steps to ensure that all equipment is Year 2000 compliant, and that there are no further risks or costs.