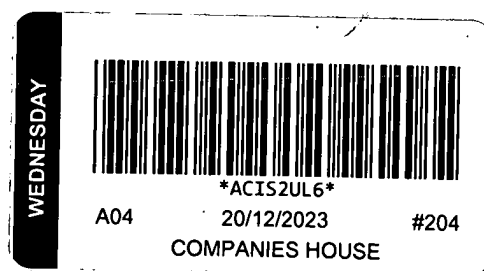


KINGSTON UNIVERSITY ENTERPRISES LIMITED

COMPANY REGISTRATION NO. 02462309

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023



Kingston University Enterprises Limited
Report and financial statements
for the year ended 31 July 2023

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Directors

R Ewing
A L Roberts-Hunt
M J Davies

Registered office

River House, 53-57 High Street, Kingston upon Thames, Surrey, KT1 1LQ

Company number

02462309

Auditor

BDO LLP, 2 City Place, Gatwick, West Sussex, RH6 0PA

Kingston University Enterprises Limited
Directors' report
Year Ended 31 July 2023

The directors present their report, together with the financial statements, for the year ended 31 July 2023.

Principal Activity

The principal activity of the Company is the provision of consultancy services.

Results and Future Developments

There was a profit for the year of £28,867 (2022: profit £51,207). The directors expect that the Company will continue its principal activity for the foreseeable future.

Going concern

The directors have carried out an assessment of the company's ability to continue as a going concern by reviewing forecasts for the period ended 30 November 2024. They considered client contracts already in place, the relative levels of fixed and variable costs and cash flow projections over that forecast period. The majority of the company's costs are directly related to the income generated and usually arise by way of recharge from Kingston University, the company's ultimate controlling party. Based on this review as well as the available cash held at year end the directors have concluded that the company is a going concern and have therefore prepared the financial statements on this basis.

Directors

The directors who served during the year and to the date of this report are:

R Ewing
A L Roberts-Hunt
M Davies

Directors' Interests

No director had a beneficial interest in any group company at any time during the year.

Kingston University Enterprises Limited
Directors' report *(continued)*
Year Ended 31 July 2023

Responsibilities of the Directors

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 the directors 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 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 accounting estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume 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 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.

Disclosure of information to auditor

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditor is unaware; and
- each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information (as defined) and to establish that the company's auditor is aware of that information.

Kingston University Enterprises Limited
Directors' report *(continued)*
Year Ended 31 July 2023

Auditor

BDO LLP have expressed their willingness to continue in office and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

This Directors' Report has been prepared in accordance with the special provisions relating to small companies in accordance with section 415A of the Companies Act 2006.

Approved by the Board of Directors on 22 November 2023 and signed on behalf of the Board by:

A handwritten signature in black ink, appearing to read 'R. Ewing', is positioned above the printed name of the director.

Robert Ewing
Director

Date: 22 November 2023

**Independent auditor's report to the members of
Kingston University Enterprises Limited
Year Ended 31 July 2023**

Opinion on the 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 2023 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Kingston University Enterprises Limited ("the Company") for the year ended 31 July 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

**Independent auditor's report to the members of
Kingston University Enterprises Limited (*continued*)
Year Ended 31 July 2023**

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

**Independent auditor's report to the members of
Kingston University Enterprises Limited (*continued*)
Year Ended 31 July 2023**

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the entity and the sector in which it operates;
- Discussion with management and those charged with governance and the Audit Committee;
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations;
- Direct representation from the Accountable Officer;

we considered the significant laws and regulations to be the applicable accounting framework, health and safety regulations and data protection laws.

The entity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;

**Independent auditor's report to the members of
Kingston University Enterprises Limited (*continued*)
Year Ended 31 July 2023**

Auditor's responsibilities for the audit of the financial statements (*continued*)

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the entity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be Management Override of controls as well as Improper income recognition surrounding the Research and Grant and Other Income streams.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Selecting a sample of deferred revenue balances to verify they are recorded correctly;
- Selecting a sample of research grants and contracts to agree to supporting documentation and verify they income has been recorded correctly inline with the grant;
- Selecting a sample of other income amounts to agree to supporting documentation and verify the income is correct to be recognised.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

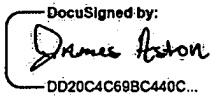
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Independent auditor's report to the members of
Kingston University Enterprises Limited (*continued*)
Year Ended 31 July 2023**

Use of our report

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 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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James Aston MBE (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick

Date 29 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Kingston University Enterprises Limited
Statement of comprehensive income
For the Year Ended 31 July 2023

	Note	2023 £	2022 (as restated) £
Turnover	10	208,264	343,560
Cost of sales	10	<u>(181,419)</u>	<u>(289,853)</u>
Gross profit		26,845	53,707
Administrative expenses		<u>(3,000)</u>	<u>(2,500)</u>
Operating profit	4	<u>23,845</u>	<u>51,207</u>
Other interest receivable and similar income		<u>5,022</u>	<u>-</u>
Total comprehensive income for the year		<u>28,867</u>	<u>51,207</u>

All results are derived from continuing operations.

The notes on pages 13 to 16 form part of the financial statements.

Kingston University Enterprises Limited (Reg no 02462309)
Balance sheet
As at 31 July 2023

		2023	2022 (as restated)
	Note	£	£
CURRENT ASSETS			
Investments	6	2	2
Debtors	7,10	85,568	77,751
Cash at bank and in hand		<u>145,958</u>	<u>105,879</u>
		231,528	183,632
CREDITORS			
Amounts falling due			
Within one year	8,10	<u>(101,229)</u>	<u>(32,425)</u>
NET CURRENT ASSETS		130,299	151,207
NET ASSETS		<u>130,299</u>	<u>151,207</u>
Represented by:			
Called up share capital		100,000	100,000
Profit and loss account		30,299	51,207
EQUITY		<u>130,299</u>	<u>151,207</u>
SHAREHOLDER FUNDS			

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The share capital consists of 100,000 authorised, allotted, called up and fully paid £1 ordinary shares.

These financial statements were approved and authorised for issue by the Board of Directors on 22 November 2023 and signed on behalf of the Board by:

R. Ewing

Robert Ewing
Director

The notes on pages 13 to 16 form part of the financial statements.

Kingston University Enterprises Limited
Statement of changes in equity
As at 31 July 2023

	2023 £ Share Capital	2023 £ Profit & Loss Account	2023 £ Total Equity
As at 1 August	100,000	51,207	151,207
Total comprehensive income for the year	-	28,867	28,867
Qualifying charitable donation	-	(49,775)	(49,775)
	<hr/>	<hr/>	<hr/>
As at 31 July	100,000	30,299	130,299
	<hr/>	<hr/>	<hr/>

	2022 £ Share Capital	2022 £ Profit & Loss Account (as restated)	2022 £ Total Equity (as restated)
As at 1 August	100,000	54,099	154,099
Total comprehensive income for the year (as restated)	-	51,207	51,207
Qualifying charitable donation	-	(54,099)	(54,099)
	<hr/>	<hr/>	<hr/>
As at 31 July	100,000	51,207	151,207
	<hr/>	<hr/>	<hr/>

The notes on pages 13 to 16 form part of the financial statements.

Kingston University Enterprises Limited
Notes to the accounts
As at 31 July 2023

1. ACCOUNTING POLICIES

Kingston University Enterprises Limited is a private company limited by shares incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the operations and its principal activities are set out in the Directors' Report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Company disclosure exemptions

In preparing the separate financial statements of the Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no cash flow statement has been presented for the Company; and
- no disclosure has been given for the aggregate remuneration of the key management personnel.

The following principal accounting policies have been applied:

Turnover

Turnover represents the amount billed and accrued for services rendered excluding VAT. All turnover derives from activities within the EU.

Government revenue grants including research grants are accounted for under the accrual model and are recognised in income over the period in which the company recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors.

Non-government grants (including research grants) are recognised in income where the company is entitled to the income, and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Current taxation

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

The charge for taxation is based on the profit 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, except as otherwise required by FRS 102.

No provision is made for taxation where a qualifying charitable donation has been paid in the year or where it is probable that an amount equal to the taxable profits will be paid within nine months of the period end.

Kingston University Enterprises Limited
Notes to the accounts (continued)
As at 31 July 2023

1. ACCOUNTING POLICIES (continued)

Qualifying charitable donations

The company is a subsidiary of a charitable higher education institution and makes qualifying charitable donations of an amount equal to taxable profits to its parent entity either within the year or within nine months of the year ended in each financial year. As these amounts represent distributions they are presented in the Statement of Changes in Equity. This distribution will be presented in the financial statements of the period in which the distribution is paid.

Financial assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Reserves

The purpose of each reserve within equity is as follows:

- Share capital - the nominal value of allotted, called up and fully paid up ordinary share capital.
- Profit and loss account - cumulative net gains and losses recognised in the statement of comprehensive income, net of dividends paid.

Going concern

The directors have carried out an assessment of the company's ability to continue as a going concern by reviewing forecasts for the period ended 30 November 2023. They considered client contracts already in place, the relative levels of fixed and variable costs and cash flow projections over that forecast period. The majority of the company's costs are directly related to the income generated and usually arise by way of recharge from Kingston University, the company's ultimate controlling party. Based on this review as well as the available cash held at year end the directors have concluded that the company is a going concern and have therefore prepared the financial statements on this basis.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCE OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the directors have made the following judgements:

The estimate for receivables relates to the recoverability of the balances outstanding at the year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable. Where a debtor is not considered to be recoverable an impairment loss is presented within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line.

Kingston University Enterprises Limited
Notes to the accounts (continued)
As at 31 July 2023

3. STAFF AND DIRECTORS

The average number of employees (excluding directors) during the year was nil (2022: nil).

The directors receive remuneration from Kingston University, the parent entity, in respect of their services to Kingston University and the Company. The amount allocated to the Company in respect of these services is nil (2022: nil).

**4. PROFIT ON ORDINARY ACTIVITIES
BEFORE AND AFTER TAXATION**

	2023	2022
	£	£
The profit on ordinary activities before and after taxation is stated after charging:		

Audit fee	3,000	2,500
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5. TAXATION

	2023	2022
	£	£
UK corporation tax:		
Current tax on profits of the year	-	-
	—	—
Taxation on profit on ordinary activities	-	-
	—	—

The Company pays profits to its parent under gift aid, a reconciliation of the tax charge to the profit on ordinary activities before tax is set out below:

	2023	2022 (as restated)
	£	£
Profit on ordinary activities before tax	28,867	51,207
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2022 – 19%)	5,485	9,729
Effects of:		
Probable qualifying charitable donation	(5,485)	(9,729)
	—	—
Total tax charge for period	-	-
	—	—

Kingston University Enterprises Limited
Notes to the accounts (continued)
As at 31 July 2023

6. INVESTMENTS	2023	2022
	£	£
Investments at cost as at 31 July	<u>2</u>	<u>2</u>

The investment of £2 relates to a 14% interest in Bridges Self-Management Limited.

7. DEBTORS	2023	2022
		(as restated)
	£	£
Trade debtors	37,883	58,537
Prepayments and accrued income	<u>47,685</u>	<u>19,214</u>
	<u>85,568</u>	<u>77,751</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
		(as restated)
	£	£
Trade creditors	4,258	1,272
Amounts owed to parent undertaking	74,370	6,963
Accruals and deferred income	<u>22,601</u>	<u>24,190</u>
	<u>101,229</u>	<u>32,425</u>

9. ULTIMATE PARENT UNDERTAKING

Kingston University Enterprises Limited is a wholly owned subsidiary of Kingston University, which was created under the terms of the Further and Higher Education Act 1992. Consolidated financial statements for the University, its ultimate parent undertaking and the only group to include the Company, can be obtained by writing to:

Director of Finance
Kingston University
River House
53-57 High Street
Kingston upon Thames
KT1 1LQ

Kingston University is considered to be the controlling and ultimate controlling party of Kingston University Enterprises Limited.

10. PRIOR PERIOD ADJUSTMENT

Understated income and costs

The prior period accounts have been restated to incorporate the impact of income and costs that were wrongly accrued to a lower amount.

Turnover and debtors have increased by £8,292 from £335,268 and £85,568 respectively. Costs and creditors have increased by £6,860 from £282,993 and £98,079 respectively. Reserves brought forward have increased by £1,432.