

Falmouth Enterprises Limited

**Directors' Report and Financial Statements
for the year ended 31 July 2015**

Company registration number 2517317

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COMPANIES HOUSE

Falmouth Enterprises Limited

Directors

Professor A Carlisle
Mr R Holmes
Mr C Pomfret (appointed 1 September 2015)
Professor G Smith
Mr J Williams (resigned 1 September 2015)

Secretary

Mr R Holmes

Auditors

KPMG LLP
Plym House
3 Longbridge Road
Plymouth
PL6 8LT

Registered number

2517317

Registered Office

Falmouth Campus
Woodlane
Falmouth
TR11 4RH

Bankers

Barclays Bank plc
3rd Floor
Windsor Court
3 Windsor Place
Cardiff
CF10 3BX

Falmouth Enterprises Limited
Financial Statements
For the year ended 31 July 2015

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**Falmouth Enterprises Limited
Report of the Directors
For the year ended 31 July 2015**

The Directors submit their report and the financial statements for the year ended 31 July 2015.

Principal Activity

The principal activity of the Company during the year was the provision of services to businesses carried out on behalf of Falmouth University (Falmouth).

Review

Falmouth Enterprises Limited provides commercial services to external parties using the facilities and staff of the University's Academic Departments. Falmouth's plan is to broaden the scope of the group's commercial work, including agency work for students in Illustration, Photography, Product Design and Business. In addition to direct expenses, Falmouth Enterprises Limited incurs charges from Falmouth for the running costs of the Academic Departments and for professional services it provides to the Company.

Results and Dividends

The trading profit for the year and appropriations thereof are set out in the Profit and Loss Account on page 5.

Directors

The Directors who served during the year and their interests in the share capital of the Company were as follows:

Professor A Carlisle
R Holmes
Professor G Smith
J Williams (resigned 1 September 2015)

None of the directors held any share capital in the company during the year.

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 aware, there is no relevant audit information of which the Company's auditors are unaware; and the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Reappointment of Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.



BY ORDER OF THE BOARD
R Holmes
Secretary
20 November 2015

**Falmouth Enterprises Limited
Statement of Directors' Responsibilities
For the year to 31 July 2015**

Statement of Directors' Responsibilities

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).

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 judgments 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.

BY ORDER OF THE BOARD



R Holmes

Secretary

20 November 2015

**Falmouth Enterprises Limited
Independent Auditor's Report
For the year ended 31 July 2015**

We have audited the financial statements of Falmouth Enterprises Limited for the year ended 31 July 2015 set out on pages 5 - 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 auditor

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 (APB'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 APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

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 2015 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.



Emma Holiday (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Plym House
Plymouth
PL6 8LT

25th November 2015

Falmouth Enterprises Limited
Profit and Loss account
For the year ended 31 July 2015

	Note	<u>Year to</u> <u>31/7/15</u> £	<u>Year to</u> <u>31/7/14</u> £
Turnover	2	56,512	58,753
Cost of Sales		(21,494)	(42,485)
Gross Profit		<u>35,018</u>	<u>16,268</u>
Other Operating Expenses		(5,253)	(5,285)
Profit on Ordinary Activities Before Taxation	3	<u>29,765</u>	<u>10,983</u>
Taxation	4	-	-
Profit on Ordinary Activities after Taxation, being profit for the year		<u><u>29,765</u></u>	<u><u>10,983</u></u>
Gift Aid payable to Falmouth University		(29,765)	(10,929)
Retained Profit for the Year after Gift Aid payment		<u><u>-</u></u>	<u><u>54</u></u>

A statement of retained reserves is set out in note 9 to these financial statements.

All of the above relate to continuing activities.

There were no recognised gains or losses other than the profit for the year as shown above.

The notes on pages 7 to 9 form an integral part of the financial statements.

Falmouth Enterprises Limited
Balance sheet
as at 31 July 2015

	Note	2015 £	2014 £
Current Assets			
Debtors	6	3,374	19,231
Cash at Bank and in Hand		30,976	28,331
		<u>34,350</u>	<u>47,562</u>
Creditors - Amounts falling due within one year	7	(33,350)	(46,562)
Net Current Assets		<u>1,000</u>	<u>1,000</u>
Net Assets		<u><u>1,000</u></u>	<u><u>1,000</u></u>
Capital and Reserves			
Called Up Share Capital	8	1,000	1,000
Profit and Loss Account	9	-	-
Shareholders' Funds		<u><u>1,000</u></u>	<u><u>1,000</u></u>

The financial statements on pages 5 to 9 were approved by the Board of Directors on 20 November 2015


Chris Pomfret
Director
20 November 2015

Registered number 2517317

The notes on pages 7 to 9 form an integral part of the financial statements.

**Falmouth Enterprises Limited
Notes to the Financial Statements
For the year ended 31 July 2015**

1. Principal accounting policies

Accounting convention

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards.

Basis of accounting and preparing the Financial Statements

The Company has taken advantage of the exemption under FRS 8 not to disclose transactions with the parent since it is 100% owned.

The Company has also taken advantage of the exemption from presenting a cashflow statement afforded by FRS 1 because it is a wholly owned subsidiary of Falmouth University which prepares consolidated accounts which are publicly available.

The Board of Directors has reviewed the Company's accounting policies and considers them to be appropriate for the Company.

Going concern

The Company has sufficient financial resources together with continued funding. As a consequence the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales-related taxes and is recognised on delivery of the service or goods to the customer.

Equipment

Equipment with a value over £5,000 is capitalised. Items with a value below £5,000 are expensed on acquisition. Capitalised equipment is stated at cost and depreciated over its expected useful life of 4 years.

Where the equipment is acquired with the aid of specific grants it is capitalised and depreciated as above with the related grant being credited to a Deferred Capital Grant account and released to the Profit and Loss Account over the expected useful economic life of the related equipment.

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 in respect of all timing difference 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 19.

Gift aid payment presented within shareholders' funds

The ICAEW issued on 31 October 2014 new guidance in relation to the payment of gift aid by subsidiaries. As a result, for the year ended 31 March 2015 and subsequent years gift aid payment is only recognised as a liability at the year end to the extent that it has been paid prior to the year end, there is a deed of covenant prior to the year end or a Companies Act s288 written resolution has been approved by the shareholder in the year to pay the taxable profit for the year to its parent by a certain payment date.

Falmouth Enterprises Limited
Notes to the Financial Statements
For the year ended 31 July 2015

2. Turnover

Turnover represents the value of goods and services supplied within the UK during the period, excluding VAT.

3. Profit on ordinary activities before taxation

This is stated after charging/(crediting):

	31/7/15	31/7/14
	£	£
Auditors' Remuneration	1,243	1,160
	<hr/>	<hr/>

4. Taxation

Analysis of charge in year

	31/7/15	31/7/14
	£	£
UK Corporation tax		
Current tax on income for the year	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2014: lower) than the standard rate of corporation tax in the UK of 20% (2014:20%). The differences are explained below.

	31/7/15	31/7/14
	£	£
Current tax reconciliation		
Profit on ordinary activities before tax	29,765	10,983
	<hr/>	<hr/>
Current tax at 20% (2014:20%)	5,953	2,196
Effects of:		
Gift aid payment expected to be made	(5,953)	(2,196)
	<hr/>	<hr/>
Total current tax charge (see above)	-	-
	<hr/>	<hr/>

Reductions in the main UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. The smaller profits rate, at which the entity is charged tax, has remained at 20% throughout the period. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax rate accordingly.

There is no provided or unprovided deferred taxation.

5. Staff costs

There were no employees during the year (2014: nil). The Directors did not receive any remuneration from the Company.

Falmouth Enterprises Limited
Notes to the Financial Statements
For the year ended 31 July 2015

6. Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Trade Debtors	3,054	19,231
Prepayments and Accrued Income	320	-
	<u>3,374</u>	<u>19,231</u>

7. Creditors - Amounts falling due within one year

	2015 £	2014 £
Amounts Owed to Group Undertakings	29,932	23,579
Trade Creditors	277	559
HM Revenue and Customs	1,578	2,883
Accruals and Deferred Income	1,563	19,541
	<u>33,350</u>	<u>46,562</u>

8. Called up share capital

	2015 £	2014 £
Authorised		
Ordinary £1 Shares	<u>1,000</u>	<u>1,000</u>
Allotted, Issued and Fully Paid		
Ordinary £1 Shares	<u>1,000</u>	<u>1,000</u>

9. Profit and loss account

	2015 £	2014 £
Retained reserves brought forward	-	(54)
Profit for the year after tax	29,765	10,983
Gift Aid payable	(29,765)	(10,929)
Retained reserves carried forward	<u>-</u>	<u>-</u>

10. Reconciliation of movements in shareholders' funds

	2015 £	2014 £
Profit for the year after tax	29,765	10,983
Gift Aid Payable	(29,765)	(10,929)
Opening shareholders' funds	1,000	946
Closing shareholders' funds	<u>1,000</u>	<u>1,000</u>

11. Parent company

Falmouth Enterprises Limited is a wholly owned subsidiary of Falmouth University, the ultimate controlling party, whose accounts are available for inspection at Falmouth Campus, Woodlane, Falmouth, Cornwall, TR11 4RH.

Falmouth Enterprises Limited
Profit and Loss account
For the year ended 31 July 2015

This page does not form part of the audited statutory accounts

	£	Year to 31/7/15 £	£	Year to 31/7/14 £
Sales				
Project and Consultancy Income		56,496		58,747
Interest Receivable		16		6
		<u>56,512</u>		<u>58,753</u>
Cost of Sales				
Facilities Management		<u>(21,494)</u>		<u>(42,485)</u>
Gross Profit		35,018		16,268
Overheads				
Management Charge	1,821		1,821	
Audit Fee	1,243		565	
Administration Costs and Professional Fees	2,189		2,899	
		<u>(5,253)</u>		<u>(5,285)</u>
Gift Aid payable to Falmouth University		<u>(29,765)</u>		<u>(10,929)</u>
Net Profit/(Loss) for the year		<u><u>-</u></u>		<u><u>54</u></u>