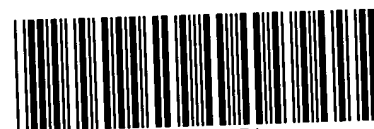


**EDGE HILL
ENTERPRISES LIMITED**

**REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2015**

Registered No. 02550626

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EDGE HILL ENTERPRISES LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015

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EDGE HILL ENTERPRISES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2015

The directors present their report and the audited financial statements of the company for the year ended 31 July 2015.

Principal activities

The profit and loss account for the year is set out on page 6.

The principal activity of the company is the promotion of Edge Hill University and the undertaking of related commercial activities.

Review of business and future developments

The focus of the business is to manage commercial activity provided to both private and public sector bodies and the international activities of Edge Hill University.

The directors consider the level of business and the financial position of the company at 31 July 2015 to be satisfactory. It is expected that this will continue for the foreseeable future.

The taxable profit for the company each year is paid via a deed of covenant to the immediate parent company Edge Hill University. As such there are no distributable reserves remaining and the directors therefore do not recommend the payment of any dividend.

The company made no taxable profit for the year and therefore no liability to Corporation Tax arises.

During the year the University waived an intergroup debt of £51k to enable Edge Hill Enterprises Limited to return to a positive revenue reserves position. This company was previously carrying negative reserves arising out of the covenanting of taxable profits back to the University.

Directors

The directors of the company during the year were as follows:

Dr. John Cater
Mr Bernard Lavery

In accordance with the Articles of Association, Dr John Cater will retire by rotation and, being eligible, offer himself for re-election.

EDGE HILL ENTERPRISES LIMITED

DIRECTORS' REPORT (CONTINUED)

Insurance of directors

The company maintains insurance for the directors of Edge Hill Enterprises Limited in respect of their duties as directors of the company.

Close company provisions

The company is a close company as defined by Section 414 of the Income and Corporation Taxes Act 1988. There has been no change in this respect since the end of the financial period.

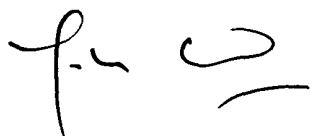
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with Section 487 of the Companies Act 2006, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



Dr John Cater

Director

30 November 2015

Company registration no: 02550626

EDGE HILL ENTERPRISES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 judgements 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.

EDGE HILL ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDGE HILL ENTERPRISES LIMITED

We have audited the financial statements of Edge Hill Enterprises Limited for the year ended 31 July 2015 (set out on pages 6 to 11). 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 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.

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 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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.

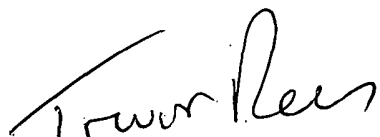
EDGE HILL ENTERPRISES LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
EDGE HILL ENTERPRISES LIMITED**

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.



**Trevor Rees (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE**

30 November 2015

EDGE HILL ENTERPRISES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR END 31 JULY 2015

	NOTE	2015 £000	2014 £000
Turnover	1	654	706
Cost of Sales		(640)	(595)
Gross Profit		14	111
Administrative expense		-	-
Profit on ordinary activities before taxation	2	14	111
Taxation on ordinary activities	5	-	-
Profit for the year		14	111
Payment under Deed of Covenant		(14)	(60)
Retained profit for the year after payment under Deed of Covenant		-	51

The company has no recognised gains and losses other than those reported above, and therefore no statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the period stated above, and their historical cost equivalents.

All income and expenditure relates to continuing operations.

The notes on pages 8 to 11 form an integral part of the financial statements.

EDGE HILL ENTERPRISES LIMITED

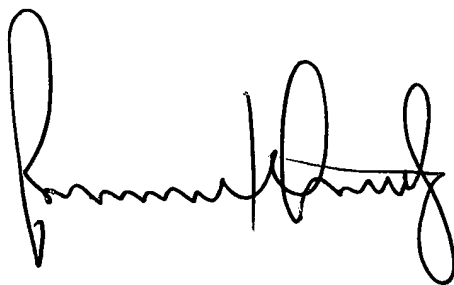
BALANCE SHEET AT 31 JULY 2015

	NOTE	2015 £000	2014 £000
CURRENT ASSETS			
Debtors	6	729	203
Cash in bank		100	97
		<u>829</u>	<u>300</u>
Creditors: amounts falling due within one year	7	(779)	(250)
		<u></u>	<u></u>
NET ASSETS/(LIABILITIES)		<u>50</u>	<u>50</u>
CAPITAL AND RESERVES			
Called-up share capital	8	1	1
Revenue Reserve	8	<u>49</u>	<u>49</u>
Equity Shareholders' Funds	9	<u>50</u>	<u>50</u>

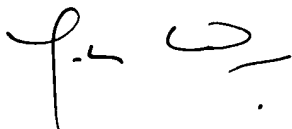
The notes on pages 8 to 11 form an integral part of the financial statements.

The financial statements on pages 6 to 11 were approved by the Board of Directors on 30 November 2015 and were signed on its behalf by:

Bernard Lavery
Director



Dr John Cater
Director



EDGE HILL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015

1. PRINCIPAL ACCOUNTING POLICIES

These financial statements have been prepared in accordance with applicable accounting and financial reporting standards. A summary of the more important accounting policies, which have been applied consistently is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Tangible fixed assets

The company has no tangible fixed assets. Buildings and equipment are rented from Edge Hill University.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied and accrued income for funding of courses.

Cash at Bank

Cash balances are stated as cash book balances.

Pension scheme arrangements

Retirement benefits for employees are provided through Lancashire County Council Superannuation Scheme. Full details of this scheme are included in the Report of Edge Hill University.

The pension charge for the financial year was NIL (2014: NIL).

Cash flow statement

The company is a wholly owned subsidiary of a UK parent corporation which itself produces a consolidated group cash flow statement in accordance with applicable accounting standards. The company has, therefore, taken advantage of the exemption granted by FRS 1: Cash Flow Statements, not to produce its own cash flow statement.

Related Parties Disclosure

The company is a member of a group with an interest exceeding 90% and is included within the consolidated financial statements of Edge Hill University which are publicly available. The company has taken advantage of the exemption permitted by FRS8: Related Party Disclosures, not to disclose transactions with other group companies.

Foreign Currencies

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling when the transaction was entered into. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. Exchange gains or losses are included in the profit on ordinary activities.

EDGE HILL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:

	2015 £000	2014 £000
Auditors remuneration for audit services	1	2
Deed of covenant to Edge Hill University	<u>14</u>	<u>60</u>

Under a Deed of Covenant dated 18 March 1994, Edge Hill Enterprises Limited has agreed to pay to Edge Hill University, until the end of the period ending on or after 31 March 1998 or until the sums payable under the deed cease to be a charge on the income of the company for the purposes of income and corporation tax, such annual sum out of its profits brought into charge for Corporation Tax as shall amount to the distributable profits of the company for each accounting period. The company made a gross deed of covenant payment for the period of £14,245 (2014: 60,153).

Remuneration of the company's auditors for provision of non-audit services was £963 (2014: £7,486).

3. DIRECTORS' EMOLUMENTS

There were no payments to directors for their services during the period.

4. EMPLOYEE INFORMATION

The average monthly number of employees was 0 (2014: NIL).

Staff costs for the above were:

	2015 £000	2014 £000
Wages and salaries	-	-
Social security costs	-	-
Pensions	-	-
	<u>-</u>	<u>-</u>

The above figures represent the cost of staff employed directly by Edge Hill Enterprises Limited. In addition, staff employed by Edge Hill University working full-time or part-time for Edge Hill Enterprises Limited, equivalent to 18.51 full-time staff members, have been charged to Edge Hill Enterprises Limited by Edge Hill University amounting to £667,704 (2014: £532,049).

EDGE HILL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. TAX

There is a nil charge for the year (2014:£NIL). The proof is explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	-	51
Profit on ordinary activities multiplied by standard rate of corporation tax of 20.66%	-	11
Effects of: Allowable Deed of Covenant payable to Edge Hill University	3	13
Taxable income	(135)	(146)
Non-taxable income	-	(11)
Allowable expenditure	132	133
Current tax year charge	-	-

6. DEBTORS

	2015 £000	2014 £000
Trade Debtors	39	124
Amount due from parent institution	685	73
Prepayments	5	6
	<u>729</u>	<u>203</u>

7. CREDITORS: Amount falling due within one year

	2015 £000	2014 £000
Trade creditors	2	2
Amount due to parent institution	752	219
Income tax	2	2
Other creditors	5	5
Accruals and deferred income	18	22
	<u>779</u>	<u>250</u>

EDGE HILL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. CALLED UP SHARE CAPITAL AND EQUITY SHAREHOLDERS FUNDS

	2015 £000	2014 £000
(a) Share Capital		
Authorised		
1,000,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1,000 ordinary share of £1 each	<u>1</u>	<u>1</u>
(b) Revenue Reserve	£000	£000
At 1 August	49	(2)
Retained profit for the year	<u>-</u>	<u>51</u>
At 31 July	<u>49</u>	<u>49</u>

9. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	2015 £000	2014 £000
Opening Shareholders' Funds	50	(1)
Profit for the year	<u>-</u>	<u>51</u>
Closing Shareholders' Funds	<u>50</u>	<u>50</u>

10. ULTIMATE HOLDING INSTITUTION AND CONTROLLING PARTY

The directors regard Edge Hill University, which is a body registered in the United Kingdom under the Education Reform Act 1988, as the ultimate holding institution and controlling party. Copies of the consolidated accounts of the Edge Hill Group may be obtained on request from the Deputy Vice-Chancellor, Edge Hill University, St. Helens Road, Ormskirk L39 4QP