

SOUTH FIELDS ENTERPRISES LIMITED

Company Registration No. 2786587

Annual Report and Financial Statements

Year ended 31 July 2004



SOUTH FIELDS ENTERPRISES LIMITED

REPORT AND FINANCIAL STATEMENTS 2004

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SOUTH FIELDS ENTERPRISES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

K M Whittaker
M L Davis

SECRETARY

D Grocock

REGISTERED OFFICE

Freemen's Park Campus
Aylestone Road
Leicester
LE2 7LW

BANKERS

Barclays Bank plc
P O Box 18
Old Market Square
Nottingham
NG1 6PZ

SOLICITORS

Eversheds
1 Royal Standard Place
Nottingham
NG1 6PZ

AUDITORS

Baker Tilly
Chartered Accountants
Park House
Station Square
Coventry
CV1 2NS

SOUTH FIELDS ENTERPRISES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 July 2004.

ACTIVITIES

The principal activities of the company are National Printing Skills Centre and commercial catering.

REVIEW OF DEVELOPMENTS

During the year the company made a profit of £15,765 (2003: loss of £123,385).

DIVIDENDS AND TRANSFERS TO RESERVES

There were no dividends paid or proposed during the year. The retained profit of £15,765 (2003: loss of £123,385) has been transferred to reserves.

DIRECTORS AND THEIR INTERESTS

The directors who served the company during the year were as follows:

C Birch (resigned 31 July 2004)

M L Davis

S M Bruccianni (resigned 24 September 2003)

K M Whittaker (appointed 1 August 2004)

The directors do not have any interests in the shares of the company.

SOUTH FIELDS ENTERPRISES LIMITED

DIRECTORS' REPORT (Continued)

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of the profit or loss of the company for that year. 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;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Freemen's Park Campus
Aylestone Road
Leicester
LE2 7LW

On behalf of the Board of Directors

K M Whittaker
Director

 2005
19 January 2005

SOUTH FIELDS ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH FIELDS ENTERPRISES LIMITED

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 Auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 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 with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of 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.

SOUTH FIELDS ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH FIELDS ENTERPRISES LIMITED (Continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly

**Baker Tilly
Chartered Accountants and
Registered Auditors
Coventry**

24 January... 2005

SOUTH FIELDS ENTERPRISES LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 July 2004

	<i>Notes</i>	Year ended 31 July 2004 £	Year ended 31 July 2003 £
Turnover	2	230,311	596,644
Cost of sales		(158,383)	(197,549)
Gross profit		<u>71,928</u>	<u>399,095</u>
 Administrative expenses		 <u>(56,163)</u>	 <u>(522,480)</u>
 Profit/(loss) on ordinary activities before taxation	 3	 15,765	 (123,385)
 Tax on profit/(loss) on ordinary activities	 4	 <u>-</u>	 <u>-</u>
Profit/(loss) on ordinary activities after taxation	 10	 <u>15,765</u>	 <u>(123,385)</u>

The above results are derived from continuing activities.

There are no recognised gains or losses for the current or prior year except as stated in the profit and loss account above.

SOUTH FIELDS ENTERPRISES LIMITED

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS for the year ended 31 July 2004

	Year ended 31 July 2004 £	Year ended 31 July 2003 £
Profit/(loss) for the financial year and net addition/(reduction) to shareholder's funds	15,765	(123,385)
Opening shareholder's (deficit)/funds	(103,911)	19,474
Closing shareholder's deficit	<u>(88,146)</u>	<u>(103,911)</u>

SOUTH FIELDS ENTERPRISES LIMITED

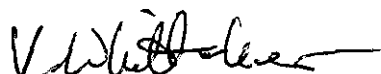
BALANCE SHEET As at 31 July 2004

	Notes	2004 £	2003 £
Fixed assets			
Tangible assets	5	102,592	137,780
Current assets			
Stocks	6	662	504
Debtors	7	18,737	68,524
Cash at bank and in hand		34,423	35,682
		53,822	104,710
Creditors: Amounts falling due within one year	8	(244,560)	(346,401)
Net current liabilities		(190,738)	(241,691)
Net liabilities		(88,146)	(103,911)
Capital and reserves			
Share capital	9	100	100
Profit and loss account	10	(88,246)	(104,011)
Total equity shareholder's deficit		(88,146)	(103,911)

These financial statements were approved by the Board of Directors on 19 January 2005

Signed on behalf of the Board of Directors

K M Whittaker
Director



SOUTH FIELDS ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2004

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting Convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Building improvements	-	between 5 and 14 years
Plant and equipment	-	5 years
Computer equipment	-	3 years

During the year the company revised the life of its computers from 5 to 3 years to take account of the company's computer replacement programme. The effect of this revision was to increase the depreciation charge for the year by £360.

Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is the purchase price of materials.

Going Concern

During the year the directors have varied the lease agreements relating to property partially occupied by the company. This has generated savings and service charge costs which have assisted in returning the company to profitability. The financial statements have accordingly been prepared on a going concern basis.

2. TURNOVER

Turnover represented amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

SOUTH FIELDS ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 July 2004

3. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	Year ended 31 July 2004	Year ended 31 July 2003
	£	£
Profit/(loss) on ordinary activities before taxation is after charging:		
Depreciation	35,860	58,184
Auditors' remuneration	2,500	2,650

Directors' remuneration is included in Leicester College's financial statements. The directors of the company are also directors, governors or employees of that college. It is not practicable to allocate their remuneration between their services to the college and their services to the company.

4. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

There is no tax charge for the year.

5. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant and Equipment £	Total £
Cost or valuation			
At 1 August 2003	44,277	992,341	1,036,618
Additions	-	672	672
At 31 July 2004	44,277	993,013	1,037,290
Accumulated depreciation			
At 1 August 2003	16,516	882,322	898,838
Charge for the year	6,190	29,670	35,860
At 31 July 2004	22,706	911,992	934,698
Net book value			
At 31 July 2004	21,571	81,021	102,592
At 31 July 2003	27,761	110,019	137,780

Tangible fixed assets include plant and equipment at a valuation of £775,761. These assets were donated to the company and therefore have a historical cost of nil. The net book value of these assets at the year end is £Nil (2003: Nil).

The transitional rules set out in FRS 15 'Tangible Fixed Assets' have been applied on implementing FRS 15. Accordingly the book values at implementation have been retained.

SOUTH FIELDS ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2004

6. STOCKS

	2004 £	2003 £
Raw materials and consumables	662	504

7. DEBTORS

	2004 £	2003 £
Due within one year:		
Trade debtors	15,234	51,584
Other debtors	3,503	16,940
	<u>18,737</u>	<u>68,524</u>

8. CREDITORS: Amounts falling due within one year

	2004 £	2003 £
Trade creditors	16,786	18,097
Owed to parent corporation	220,408	323,304
Other taxation and social security	1,187	-
Other creditors	6,179	5,000
	<u>244,560</u>	<u>346,401</u>

9. SHARE CAPITAL

	2004 £	2003 £
Authorised:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Issued, allotted and fully paid	<u>100</u>	<u>100</u>

SOUTH FIELDS ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2004

10. STATEMENT OF MOVEMENTS ON RESERVES

	Year ended 31 July 2004 £	Year ended 31 July 2003 £
At 1 August	(104,011)	19,374
Profit/(loss) for the year	15,765	(123,385)
At 31 July	<u>(88,246)</u>	<u>(104,011)</u>

11. ULTIMATE PARENT CORPORATION AND CONTROLLING PARTY

South Fields Enterprises Limited is a wholly owned subsidiary of Leicester College and included in that college's consolidated financial statements. Consolidated financial statements are available from Leicester College, Freeman's Park Campus, Aylestone Road, Leicester, LE2 7LW, the college and subsidiary company's principal place of business.

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions not to disclose any transactions with its parent undertaking conferred by Financial Reporting Standard No.8 on the grounds that the company's results are included in the consolidated financial statements of the parent undertaking.

13. CASH FLOW STATEMENT

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1(Revised) not to prepare a cash flow statement on the grounds that the company's results are included in the consolidated financial statements of the parent undertaking.