

TVU COMMERCIAL LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2005



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COMPANIES HOUSE

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28/04/2006

REGISTERED NUMBER : 02927256

TVU COMMERCIAL LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005

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**TVU COMMERCIAL LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2005**

The directors present their report and financial statements for the year ended 31 July 2005.

Results

The profit and loss account for the year is set out on page 5.

Principal activities and business review

The company provides all the University's commercial activities.

Review of business and future developments

The company expects to maintain its service role for Thames Valley University HEC to whom it covenants all taxable profits.

Dividends

The directors do not recommend the payment of a dividend.

Donations

The balance of the profit for the year has been taken to reserves and the net reserves are covenanted to Thames Valley University HEC.

Directors and their interest

The following directors served during the year ended 31 July 2005:

Mr R S Eley (resigned 03.04.05)

Mr A Ward

AM Dalton (appointed 24.11.04)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

**TVU COMMERCIAL LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JULY 2005**

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. The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit and 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
- 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 its financial statements comply with the Companies Act 1985. 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.

Auditors

A resolution to reappoint the auditors, KPMG LLP, will be proposed at the Annual General Meeting.

By Order of the Board



**Ann-Marie Dalton
Company Secretary**

18 April 2006

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
TVU COMMERCIAL LIMITED
FOR THE YEAR ENDED 31 JULY 2005**

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and accounting policies set out on pages 7 to 8.

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 are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 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.

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,

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
TVU COMMERCIAL LIMITED
FOR THE YEAR ENDED 31 JULY 2005**

Basis of opinion (continued)

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 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor
Arlington Business Park
Theale
Reading
Berkshire
RG7 4SD

27 April 2006

TVU COMMERCIAL LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2005

	Notes	2005 £	2004 £
Turnover- operations		21,581,979	20,874,699
Cost of sales - operations		(21,632,703)	(20,383,534)
		-----	-----
Gross (loss)/profit – operations		(50,724)	491,165
Administrative expenses –			
Payment under deed of covenant	3	(11,028)	(544,787)
		-----	-----
Operating Loss		(61,752)	(53,622)
Interest receivable and similar income	5	86,813	60,924
		-----	-----
Profit on ordinary activities before and after taxation	6	25,061	7,302
		-----	-----
Retained profit on ordinary activities after taxation	7	25,061	7,302
		=====	=====

The company has no recognised gains and losses other than the gains and losses above and therefore no separate 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 year stated above, and their historical cost equivalents.

Results for the year and the previous year as set out above are derived entirely from continuing operations.

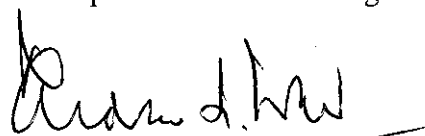
The notes on pages 7 to 11 form part of these financial statements.

TVU COMMERCIAL LIMITED
BALANCE SHEET AS AT 31 JULY 2005

	Notes	2005 £	2004 £
CURRENT ASSETS			
Debtors: amounts falling due within one year	8	784,675	516,052
Cash at bank and in hand		1,779,305	1,394,559
		<u>2,563,980</u>	<u>1,910,611</u>
CREDITORS: amounts falling due within one year	9	(2,615,004)	(1,986,696)
		<u>(51,024)</u>	<u>(76,085)</u>
NET CURRENT LIABILITIES		<u>(51,024)</u>	<u>(76,085)</u>
TOTAL NET LIABILITIES		<u>(51,024)</u>	<u>(76,085)</u>
CAPITAL AND RESERVES			
Share capital	10	2	2
Profit and Loss Account		(51,026)	(76,087)
		<u>(51,024)</u>	<u>(76,085)</u>
EQUITY SHAREHOLDERS' DEFECIT		<u>(51,024)</u>	<u>(76,085)</u>
RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS			
OPENING SHAREHOLDERS' DEFECIT		(76,085)	(83,387)
Profit for the financial year		25,061	7,302
Dividends		-	-
		<u>(51,024)</u>	<u>(76,085)</u>
CLOSING SHAREHOLDERS' DEFECIT		<u>(51,024)</u>	<u>(76,085)</u>

The notes on pages 7 to 11 form part of these financial statements.

The financial statements on pages 5 to 11 were approved by the Board of Directors on 18 April 2006 and were signed on its behalf by:



Andrew Ward
Director

TVU COMMERCIAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005

1 PRINCIPAL ACCOUNTING POLICIES

Basis of Preparation

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

(a) Convention

The financial statements are prepared under the historical cost accounting rules.

The financial statements have been prepared on a going concern basis, despite the balance sheet deficit, because the company is profitable, but covenants profits returned to its ultimate parent, Thames Valley University

(b) Turnover

Turnover represents amounts invoiced by the company in respect of services provided during the period, excluding value added tax.

(c) Statement of Cash Flow

The company is a wholly owned subsidiary of Thames Valley University Higher Education Corporation and the cash flows of the company are included in the Consolidated Cash Flow Statement of Thames Valley University HEC. Consequently, the company is exempt under the terms of Financial Reporting Standard No.1 from preparing a Cash Flow Statement.

(d) Related Party Transactions

As the company is a wholly owned subsidiary of Thames Valley University HEC, the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with entities which form part of the group.

TVU COMMERCIAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005

(e) Taxation

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 taxation 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 19.

2 DIRECTORS' REMUNERATION

Directors are remunerated by Thames Valley University HEC in respect of their duties relating to the University. No amounts are paid in respect of TVU Commercial Limited.

3 DEED OF COVENANT

The company has signed a Deed of Covenant agreeing to pay its taxable profits to Thames Valley University HEC. The amount paid for the year totalled £11,028 (2004: £544,787).

4 EMPLOYEES

Staff required by the company, are contracted through Thames Valley University HEC. A management charge of £581,000 (2004: £468,500) for indirect staffing support was made by the University.

5 INTEREST RECEIVABLE

	2005 £	2004 £
On cash at bank	86,813	60,924
	<u> </u>	<u> </u>

TVU COMMERCIAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005

6 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2005	2004
	£	£
This is stated after charging		
Auditors' remuneration	4,500	4,500
	<u> </u>	<u> </u>

7 TAXATION

Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2004: lower) than the standard rate of corporation tax in the UK (30%, 2004:30%). The differences are explained as follows.

	2005	2004
	£	£
Current tax reconciliation		
Profit on ordinary activities before tax	25,061	7,302
	<u> </u>	<u> </u>
Current tax at 30% (2004: 30%)	7,518	2,191
Effects of:		
Other permanent timing differences	(7,518)	(2,191)
	<u> </u>	<u> </u>
Total current tax charge	-	-
	<u> </u>	<u> </u>

There is no deferred tax since there are no temporary timing differences.

TVU COMMERCIAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £	2004 £
Trade Debtors	110,108	155,536
Thames Valley University	254,318	281,229
Other Debtors	420,249	77,672
Prepayments	-	1,615
	<u>784,675</u>	<u>516,052</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £	2004 £
Trade Creditors	13,338	1,360
Thames Valley University	1,422,788	1,048,634
Other creditors, including taxation and Social Security	913,511	933,281
Accruals and deferred income	265,367	3,421
	<u>2,615,004</u>	<u>1,986,696</u>

10 SHARE CAPITAL

	2005 £	2004 £
Authorised 1,000 ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted and called-up 2 ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

TVU COMMERCIAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005

11 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were neither capital commitments nor contingent liabilities at 31 July 2005

12 RELATED PARTY TRANSACTIONS

The ultimate controlling party is Thames Valley University HEC.
There were no related party transactions requiring disclosure under Financial Reporting Standard 8 – Related Party transactions.

13 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Thames Valley University HEC.

The directors regard Thames Valley University HEC, a statutory corporation registered in England and Wales, as the ultimate and immediate parent company. Copies of the parent's consolidated financial statements may be obtained from Wellington Street, Slough, Berkshire, SL1 1YG.