

**BRUNEL UNIVERSITY ENTERPRISES
LIMITED**

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2011**



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COMPANIES HOUSE

Company Information

DIRECTORS

P Thomas
M Sarhad
J E Robinson

REGISTERED OFFICE

Brunel Enterprise Centre
Brunel University
Uxbridge
Middlesex
UB8 3PH

COMPANY NUMBER

4237327

BANKERS

HSBC Bank plc
PO Box 41
High Street
Uxbridge
Middlesex
UB8 1BY

AUDITORS

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

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**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2011**

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The directors present their report and financial statements for the year ending 31 July 2011

The results for the year ended 31 July 2011 are set out on page 9

The main activities of the company are to add value to its parent Brunel University by pursuing activities principally through the commercial exploitation of assets, tangible and intangible, held by and generated within the University and through the management and administration of the Brunel Science Park

Commercialisation can include Brunel University Enterprises Limited (BUEL) taking a shareholding in companies, including spinouts and licensing Brunel or BUEL intellectual property (IP) The Science Park management includes services to tenants, marketing, tenant relations and estate management including administering the car parking facilities from February 2011.

The Directors have reviewed the investment assets held during the year and consider that the investments in Park and Cascade have become impaired and should be reflected in the financial statements at a reduced value ForceSensys Limited, a company previously fully impaired has been struck off Companies House on October 4 2011

Turnover increased in 2011 partially from an additional income stream from car parking of £92k, renting additional office space and rent review increases over 2010 Additionally, cash was received to cover dilapidation costs incurred in previous periods of £42k Otherwise cost streams were fairly flat This has resulted in a modest profit being posted

GOING CONCERN

The Directors have reviewed the financial position of the company and have considered the budget for the year ahead in their assessment of adopting the going concern basis for the preparation of the financial statements Moreover, assurances have been provided by the company's ultimate parent, Brunel University regarding timing of any repayment of the amounts owed to the University The Directors therefore, have made an assessment that the company will be able to manage its working capital and existing resources to enable it to meet its liabilities as they fall due

Based on these factors, the Directors have prepared the financial statements on the going concern basis

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, the directors 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 for that period In preparing these financial statements, the directors are required to

- Select suitable accounting policies and then apply them consistently,

**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2011**

- 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 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.

DIVIDENDS

The directors do not recommend the payment of a dividend (2010 Nil)

DIRECTORS

The directors who served during the period were as follows

J E Robinson	
A Allen	Resigned 25/07/11
A Simon	Resigned 25/07/11
P G Osborn	Resigned 25/07/11
M Sarhadi	
P Thomas	Appointed 25/07/11
A McConnell	Resigned 25/07/11
S Wright	Resigned 21/07/11
A Belisario	Resigned 25/07/11

None of the directors had any beneficial interests in the issued ordinary share capital

AUDITORS

In accordance with section 487 of the Companies Act 2006, a resolution proposing that KPMG LLP be reappointed as auditors of the company will be put to the Annual General Meeting

**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2011**

DISCLOSURE OF INFORMATION TO AUDITORS

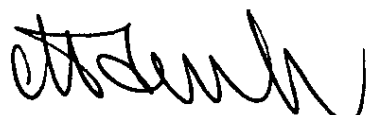
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps he/she ought to have taken as a director to make himself/herself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

OWNERSHIP

The company is wholly owned by Brunel University, a Charter Corporation governed by the laws of England

This report was approved by the board and signed on its behalf on November 7 2011

Director



MANSOOR SARHADI

**BRUNEL UNIVERSITY ENTERPRISES LIMITED
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2011**

We have audited the financial statements of Brunel University Enterprises Limited for the year ended 31 July 2011 set out on pages 8 to 15. 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 5, 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 website 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 2011 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

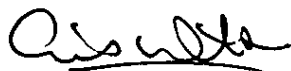
Opinion on other matter prescribed by the Companies Act 2006

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



Chris Wilson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E14 5GL

10 November 2011

BRUNEL UNIVERSITY ENTERPRISES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2011

		Year to 31 July 2011	Year to 31 July 2010
		£	£
Turnover		454,140	305,385
Cost of sales		(159,692)	(189,952)
Gross profit		294,448	115,433
Miscellaneous income		2,025	1,435
Administration expenses		(271,779)	(271,301)
Operating Profit /(Loss)	Note 2	24,694	(154,433)
Interest payable		(3,155)	(3,131)
Interest receivable	Note 5	202	668
Profit / (Loss) on ordinary activities before taxation		21,741	(156,896)
Taxation	Note 6	0	0
Profit/(Loss) on ordinary activities after taxation		21,741	(156,896)
Retained Profit /(Loss) for the year		21,741	(156,896)

All results are from continuing operations

In the year, there was no difference between the profit on ordinary activities after taxation and the retained profit for the year stated above and their historical cost equivalents

In the year, the company had no recognised gains or losses other than the loss above and therefore no separate statement of total recognised gains and losses were presented

The notes on pages 12 to 15 form part of these financial statements

BRUNEL UNIVERSITY ENTERPRISES LIMITED
BALANCE SHEET
AT 31 JULY 2011

		As at 31 July 2011	As at 31 July 2010
		£	£
FIXED ASSET INVESTMENTS	Note 7		
Participating interests		<u>79,263</u>	<u>79,308</u>
		79,263	79,308
CURRENT ASSETS			
Debtors	Note 8		
due within one year		55,113	25,093
due after one year		<u>141,588</u>	<u>241,588</u>
		196,701	266,681
Cash at bank and in hand		<u>29,797</u>	<u>43,386</u>
		226,498	310,067
Creditors (amounts falling due within one year)	Note 9	459,106	564,461
NET CURRENT LIABILITIES		<u>(232,608)</u>	<u>(254,394)</u>
NET LIABILITIES		<u>(153,345)</u>	<u>(175,086)</u>
CAPITAL AND RESERVES			
Called-up share capital	Note 10	1	1
Profit and loss account		<u>(153,346)</u>	<u>(175,087)</u>
		(153,345)	(175,086)
EQUITY SHAREHOLDER'S FUNDS		<u>(153,345)</u>	<u>(175,086)</u>

The notes on pages 12 to 15 form part of these financial statements.

The financial statements were approved by the board and signed on its behalf on November 7 2011

Director


MANSOOR SARHADI

BRUNEL UNIVERSITY ENTERPRISES LIMITED
RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
FOR THE YEAR ENDED 31 JULY 2011

	As at 31 July 2011	As at 31 July 2010
	£	£
Profit / (Loss) for the financial year	21,741	(156,896)
Net increase / (reduction) in shareholder's funds	21,741	(156,896)
Opening shareholder's funds	(175,086)	(18,190)
Closing shareholder's funds	<u>(153,345)</u>	<u>(175,086)</u>

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable UK accounting standards

The directors have reviewed the financial position of the company and have considered the budget for the year ahead in their assessment of adopting the going concern basis for the preparation of the financial statements. Moreover, assurances have been provided by the company's ultimate parent, Brunel University regarding timing of any repayment of the amounts owed to the University. The Directors therefore, have made an assessment that the company will be able to manage its working capital and existing resources to enable it to meet its liabilities as fall due.

Based on these factors, the Directors have prepared the financial statements on a going concern basis.

Turnover

Turnover, which is stated net of Value Added Tax, represents amounts invoiced to Science Park tenants for rent and service charges. Turnover arises entirely within the United Kingdom.

Recognition of Income

Income from pay and display car parks is recognised on a cash received basis. Income from Brunel staff car parking permits is recognised on a receivable basis from permits issued. Rental income from tenants of the Science Park is recognised on a receivable basis.

Operating leases

All leases are operating leases, and the annual rentals are charged to operating profit on a straight line basis over the lease term.

Lease of premises

The premises occupied by BUEL have been leased from Brunel University for the period until 31 July 2031. The premises may be sub-let, but only for specific uses that are set out in the Lease.

Deferred taxation

Deferred tax is provided in full on an undiscounted basis, on all timing differences which result in an obligation at the balance sheet date, to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in financial statements.

Cash flow statement and consolidation

The company has taken advantage of the exemption in Financial Reporting Standard 1 from producing a cash flow statement on the grounds that its results, which are publicly available, are consolidated into those of its ultimate parent undertaking, Brunel University.

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011

Investments

Fixed Asset Investments are carried at historical cost less any provision for impairment of their value

2. OPERATING PROFIT / (LOSS)

	2009-10	2009-10
Operating profit / (loss) is stated after charging		
Operating lease rentals (other)	£44,000	£77,400
Auditors' remuneration	<u>£2,350</u>	<u>£2,380</u>

3. DIRECTORS' EMOLUMENTS

Directors' emoluments of £Nil were paid or payable by the company during the year (2010 - £Nil)

4. EMPLOYEE INFORMATION

There was one person employed, 0.6 equivalent, during the period (1 person, 0.6 equivalent - 2010) and three were seconded from Brunel University. The employee of BUEL received a non-pensionable salary and the employees of Brunel University are members of two University pension schemes, the Universities' Superannuation Scheme and the London Pensions Fund Authority scheme. Brunel University contributes to these defined benefit schemes for the three seconded employees, and these contributions are included in the staff costs in the University's accounts. The seconded employee salary costs are fully reimbursed to Brunel University, and are included in Cost of Sales. One of the employees has joined a defined contribution stakeholder pension scheme, to which the company makes a contribution.

	2010-11	2009-10
Salaries and wages	£123,172	£120,850
Social security costs	£11,218	£10,901
Pension costs	<u>£18,282</u>	<u>£17,257</u>
	<u>£152,672</u>	<u>£149,007</u>

5. INTEREST RECEIVABLE

	2010-11	2009-10
Bank interest receivable	<u>£202</u>	<u>£668</u>

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011

6. TAXATION

No liability to Corporation Tax is expected to crystallise in respect of the results for this accounting period (2010 – Nil)

7. INVESTMENTS

	Participating interests £
At 1 August	79,308
Additions	-
Impairments in year	(45)
At 31 July	<u>79,263</u>

Participating interests:	Number of shares held	Nominal value	Cost (£)	Value	% of issued share capital
Ability Products Limited	5	£1	£5	-	33.33%
BioRegional MiniMills (UK) Limited	2	£1	£2	-	0.5%
Cascade Fund Management Limited	20	£1	£20	£20	20%
Dynamic Extractions Limited	163,260	£0.001	£59,230	£59,230	11.9%
FlexnLok Limited	375	10p	£38	-	37.5%
ForceSenSysLtd	3,000	£1	£7,081	-	30%
ForceSenSys Ltd - Preference shares	500	1p	£25,000	-	13.886%
Lifelab Innovations Limited	27	£1	£20,000	£20,000	25.2%
Performance Brunel Ltd	13	£1	£13	£13	43.33%
Polymus Limited	15	£1	£10,000	-	10%
			<u>£121,389</u>	<u>£79,263</u>	

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011

8. DEBTORS

	2011	2010
	£	£
Debtors due within one year:		
Debtors	55,113	25,093
	<u>£55,113</u>	<u>£25,093</u>
Debtors due after one year:		
Loan to Prof B Jones	2,364	2,364
Loan to Cascade Fund Limited Partnership	35,000	100,000
Loan to Park Fund	65,000	100,000
Loan to Dynamic Extractions Limited	39,224	39,224
	<u>£141,588</u>	<u>£241,588</u>

9. CREDITORS: amounts falling due within one year

	2011	2010
	£	£
Creditors including taxation	9,040	16,150
Accruals and deferred income	153,776	130,216
Amounts owing to parent undertaking Brunel University	296,290	418,095
	<u>£459,106</u>	<u>£564,461</u>

The amounts owed to group undertakings are unsecured, interest-free, and have no fixed date for repayment

10. CALLED-UP SHARE CAPITAL

	2011	2010
	£1,000	£1,000
Authorised 1000 Ordinary shares of £1 each		
Allotted, issued and fully paid 1 Ordinary shares of £1 each	<u>£1</u>	<u>£1</u>

1 ordinary share of £1 each was issued at par on 19 June 2001

11. RELATED PARTY TRANSACTIONS

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011

The company has had material transactions with its ultimate parent, Brunel University. These transactions are eliminated in the Consolidated Financial Statements of Brunel University which are publicly available. Accordingly, the company has availed itself of the dispensation in FRS 8 not to disclose such items in these financial statements.

12. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking and controlling party is Brunel University, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Brunel University's consolidated financial statements can be obtained from its administrative headquarters, Cleveland Road, Uxbridge, Middlesex, UB8 3PH.

13. CAPITAL COMMITMENTS

The company had no capital expenditure commitments at 31 July 2011 (2010 - Nil).

14. CONTINGENT LIABILITIES

In the opinion of the directors, the company had no material contingent liabilities at 31 July 2011 (2010 - Nil).

15. FINANCIAL COMMITMENTS

At 31 July 2011 the company had annual commitments under non-cancellable operating leases for the rent of land and buildings expiring as follows:

	2011	2010
	£000	£000
Within one year	-	-
Within two to five years	-	-
After five years	<u>44,000</u>	<u>77,400</u>
	<u>44,000</u>	<u>77,400</u>

BRUNEL UNIVERSITY ENTERPRISES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2011

	2011	2010
Turnover	454,140	305,385
Cost of Sales	<u>(159,692)</u>	<u>(189,952)</u>
Gross Profit/(Loss)	294,448	115,433
Miscellaneous income	2,025	1,435
Administration expenses	(271,779)	(271,301)
Income from shares in Group undertakings	<u>0</u>	<u>0</u>
Operating (Loss)/Profit	24,694	(154,433)
Interest payable	(3,155)	(3,131)
Interest receivable	<u>202</u>	<u>668</u>
Result on ordinary activities before taxation	21,741	(156,896)
Gift Aid	0	0
Tax on profit on ordinary activities	<u>0</u>	<u>0</u>
(Loss)/Profit on ordinary activities after taxation	21,741	(156,896)
Dividends	<u>0</u>	<u>0</u>
Retained (Loss)/Profit for the year	<u>21,741</u>	<u>(156,896)</u>