

BRUNEL UNIVERSITY ENTERPRISES LIMITED

DIRECTORS' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2009

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Company No. 4237327

**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2009**

Company Information

DIRECTORS

A. Simon
A Allen
P G Osborn
M Sarhadi
R Eastwood
S Wright
A McConnell
A Belisario

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
One Canada Square
London
E14 5AG

**BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2009**

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BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2009

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The directors present their report and financial statements for the year ending 31 July 2009

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 BUEL taking a shareholding in companies, including spinouts and licencing Brunel or BUEL Intellectual Property (IP) The Science Park management includes services to tenants, marketing, tenant relations and estate management

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

The results for the year ended 31 July 2009 are set out on page 7

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, 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,
- 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

BRUNEL UNIVERSITY ENTERPRISES LIMITED
DIRECTORS' REPORT FOR THE
YEAR ENDED 31 JULY 2009 (Continued)

DIVIDENDS

The directors do not recommend the payment of a dividend

DIRECTORS

The directors who served during the period were as follows

T A C Webb	Resigned 11/02/09
A Allen	Appointed 17/09/08
A Simon	
P G Osborn	
M Sarhadı	
R Eastwood	
A McConnell	
S Wright	Appointed 2/04/09
A Belisario	

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

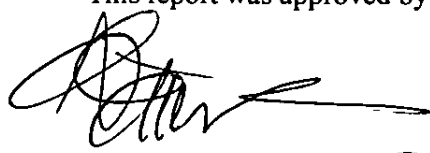
DISCLOSURE OF INFORMATION TO AUDITORS

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 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 13 January 2010



Director



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRUNEL UNIVERSITY ENTERPRISES LIMITED

We have audited the financial statements of Brunel University Enterprises Limited for the year ended 31 July 2009 set out on pages 7 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK General 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 auditors

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 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/UKNP.

Opinion of 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 2009 and of its loss for the year then ended 31 July 2009,
- 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

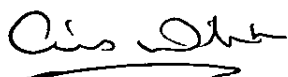
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE
MEMBERS OF BRUNEL UNIVERSITY ENTERPRISES LIMITED (Continued)**

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
One Canada Square
London
E14 5AG**

9th February 2010

BRUNEL UNIVERSITY ENTERPRISES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2009

		Year to 31 July 2009	Year to 31 July 2008
		£	£
Turnover		297,725	402,194
Cost of sales		(199,623)	(237,203)
Gross profit		<u>98,102</u>	<u>164,991</u>
Miscellaneous income		1,850	1,681
Administration expenses		(184,510)	(93,517)
Operating Profit	Note 2	<u>(84,558)</u>	<u>73,155</u>
Interest payable		(6,452)	(14,103)
Interest receivable	Note 5	2,448	1,213
Gift Aid payments	Note 6	0	(60,265)
(Loss)/Profit on ordinary activities before taxation		<u>(88,562)</u>	<u>0</u>
Tax on (Loss)/Profit on ordinary activities	Note 7	0	0
(Loss)/Profit on ordinary activities after taxation		<u>(88,562)</u>	<u>0</u>
Retained (Loss)/Profit for the year		<u><u>(88,562)</u></u>	<u><u>0</u></u>

All results are from continuing operations

In the year, there was no difference between the loss on ordinary activities after taxation and the retained loss 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 was presented

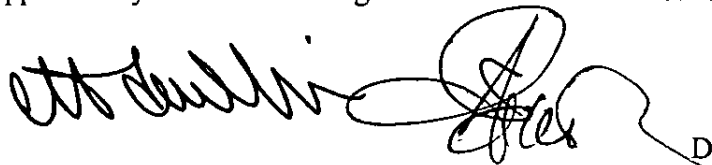
The notes on pages 10 to 12 form part of these financial statements.

BRUNEL UNIVERSITY ENTERPRISES LIMITED
BALANCE SHEET
AT 31 JULY 2009

		As at 31 July 2009	As at 31 July 2008
		£	£
FIXED ASSET INVESTMENTS	Note 8		
Participating interests		<u>97,158</u>	<u>97,257</u>
		97,158	97,257
CURRENT ASSETS			
Debtors:	Note 9		
due within one year		68,329	98,488
due after one year		<u>291,588</u>	<u>304,921</u>
		359,917	403,409
Cash at bank and in hand		<u>52,877</u>	<u>22,972</u>
		412,794	426,381
Creditors (amounts falling due within one year)	Note 10	528,140	453,265
NET CURRENT (LIABILITIES)/ASSETS		<u>(115,346)</u>	<u>(26,884)</u>
NET ASSETS		<u>(18,188)</u>	<u>70,373</u>
CAPITAL AND RESERVES			
Called-up share capital	Note 11	1	1
Profit and loss account		<u>(18,189)</u>	<u>70,372</u>
		(18,188)	70,373
EQUITY SHAREHOLDER'S FUNDS		<u>(18,188)</u>	<u>70,373</u>

The notes on pages 10 to 12 form part of these financial statements

The financial statements were approved by the board and signed on its behalf on 13 January 2010


Director

BRUNEL UNIVERSITY ENTERPRISES LIMITED
RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
FOR THE YEAR ENDED 31 JULY 2009

	As at 31 July 2009	As at 31 July 2008
	£	£
(Loss)/Profit for the financial year	(88,562)	0
Net (reduction in)/addition to shareholder's funds	(88,562)	0
Opening shareholder's funds	70,373	70,373
Closing shareholder's funds	<u>(18,189)</u>	<u>70,373</u>

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2009

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.

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.

2. OPERATING (LOSS)/PROFIT

	2008-09	2007-08
Operating (loss)/profit is stated after charging		
Operating lease rentals (other)	£77,400	£77,400
Auditors' remuneration	£2,500	£2,500

3. DIRECTORS' EMOLUMENTS

Directors' emoluments of £Nil were paid or payable by the company during the year (2008 - £Nil).

4. EMPLOYEE INFORMATION

There was one person employed, 0.6 equivalent, during the period (2 persons, 1.2 equivalent - 2008) 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.

	2008-09	2007-08
Salaries and wages	£120,231	£111,113
Social security costs	£7,976	£9,733
Pension costs	£15,356	£13,253
	<u>£143,562</u>	<u>£134,099</u>

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2009

5. INTEREST RECEIVABLE

	2008-09	2007-08
Bank interest receivable	<u>£2,448</u>	<u>£1,213</u>

6. GIFT AID

No Gift Aid was made during 2008/9 (2008 - £60,265) to Brunel University, an Exempt Charity

7. TAXATION

No liability to Corporation Tax is expected to crystallise in respect of the results for this accounting period (2008 - Nil)

8. INVESTMENTS

	Participating interests £
At 1 August	97,259
Additions in year	-
Disposals in year	(100)
At 31 July	<u>97,159</u>

Participating interests:	Number of shares held	Nominal value	Cost (£)	% 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%
Dynamic Extractions Limited	224	20p	£35,000	24.9%
FlexnLok Limited	375	10p	£38	37.5%
ForceSenSys Ltd	3000	£1	£7,081	30%
ForceSenSys Ltd - Preference shares	500	1p	£25,000	13.886%
Lifelab Innovations Limited	20,000	£1	£20,000	25.2%
Performance Brunel Ltd	13	£1	£13	43.33%
Polymus Limited *	15	£1	£10,000	10%
			<u>£97,159</u>	

* Dormant from incorporation to 31 July 2009

9. DEBTORS

	2009 £	2008 £
Debtors due within one year:		
Debtors	68,329	95,128
Amounts owed by parent/group undertakings		
Brunel University	-	3,360
	<u>£68,329</u>	<u>£98,488</u>
Debtors due after one year:		
Loan to Prof B Jones	2,364	2,364
Loan to Cascade Fund Limited Partnership	100,000	100,000
Loan to Lifelab Innovations	-	13,333
Loan to Park Fund	100,000	100,000
Loan to Dynamic Extractions Limited	39,224	39,224
Loan to ForceSenSys Limited	50,000	40,000
Loan to Ability Products Limited	-	10,000
	<u>£291,588</u>	<u>£304,921</u>

BRUNEL UNIVERSITY ENTERPRISES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2009

10. CREDITORS. amounts falling due within one year

	2009	2008
	£	£
Creditors including taxation	11,676	12,706
Accruals and deferred income	113,964	104,756
Amounts owing to parent undertaking Brunel University	402,500	335,803
	<u>£528,140</u>	<u>£453,265</u>

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

11. CALLED-UP SHARE CAPITAL

	2009	2008
	£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

12. RELATED PARTY TRANSACTIONS

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.

13. 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.

14. CAPITAL COMMITMENTS

The company had no capital expenditure commitments at 31 July 2009 (2008 - Nil)

15. CONTINGENT LIABILITIES

In the opinion of the directors, the company had no material contingent liabilities at 31 July 2009 (2008 - Nil)

16. FINANCIAL COMMITMENTS

At 31 July 2009, the company had annual commitments under non-cancellable operating leases for the rent of land and buildings expiring as follows:

	2009	2008
	£000	£000
Within one year	-	-
Within two to five years	-	-
After five years	77,400	77,400
	<u>77,400</u>	<u>77,400</u>