

**BRIDGEND COLLEGE ENTERPRISES
LIMITED**

Report and Financial Statements

31 July 2002

**Deloitte & Touche
Cardiff**



BRIDGEND COLLEGE ENTERPRISES LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

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BRIDGEND COLLEGE ENTERPRISES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J E Chapman
R Hampton
E D Williams

SECRETARY

E D Williams

REGISTERED OFFICE

Cowbridge Road
Bridgend
CF31 3DF

BANKERS

Barclays Bank Plc
Windsor Court
3 Windsor Place
Cardiff
CF10 3BT

SOLICITORS

Morgan Cole
PO Box 45
Princess House
Princess Way
Swansea
SA1 3LJ

AUDITORS

Deloitte & Touche
Cardiff

BRIDGEND COLLEGE ENTERPRISES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 July 2002.

ACTIVITIES

The principal activity of the company is the provision of training and other educational activities.

REVIEW OF DEVELOPMENTS

The directors are satisfied with the result in the year and are optimistic about the company's future prospects.

RESULTS

The results for the year are set out in detail on page 5. The directors do not recommend the payment of a dividend (2001 - £Nil). A donation was paid to Bridgend College of £331,615 (2001 - £186,642)

DIRECTORS AND THEIR INTERESTS

The present membership of the Board is set out on page 1. R Hampton served throughout the year.

A Beynon and G Pryce Hurley resigned as directors on 1 September 2002.

G Pryce Hurley resigned as secretary on 1 September 2002.

E D Williams and J E Chapman were appointed as directors on 1 September 2002.

E D Williams was appointed as secretary on 1 September 2002.

None of the directors held any interests, as defined by the Companies Act 1985, in the £1 ordinary shares of the company.

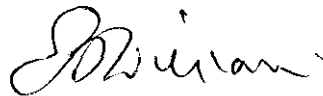
Bridgend College, the parent company, holds 2 £1 ordinary shares.

AUDITORS

Deloitte & Touche will cease to undertake the audit of the parent undertaking after 31 July 2002 and will therefore not be subject to a resolution for reappointment at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

E D Williams
Secretary



Date.....28/1/03.....

BRIDGEND COLLEGE ENTERPRISES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. 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; 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 proper accounting records which 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 1985*. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGEND COLLEGE ENTERPRISES LIMITED

We have audited the financial statements of Bridgend College Enterprises Limited for the year ended 31 July 2002 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

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 auditors' 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 described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

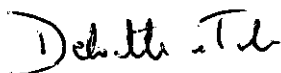
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the company as at 31 July 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and Registered Auditors
Cardiff

Date. 3 March 2003

BRIDGEND COLLEGE ENTERPRISES LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 July 2002

	Note	2002 £	2001 £
TURNOVER: continuing operations	2	1,033,306	759,158
Administrative expenses		<u>(705,634)</u>	<u>(576,907)</u>
OPERATING PROFIT: continuing operations	4	327,672	182,251
Interest receivable		2,452	3,275
Donations	5	<u>(331,615)</u>	<u>(186,642)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(1,491)</u>	<u>(1,116)</u>
Tax on loss on ordinary activities	6	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		<u><u>(1,491)</u></u>	<u><u>(1,116)</u></u>

There have been no recognised gains or losses attributable to the shareholders other than the loss for the current and preceding financial year and, accordingly, no Statement of Total Recognised Gains and Losses is shown.

BRIDGEND COLLEGE ENTERPRISES LIMITED

BALANCE SHEET

31 July 2002

	Note	2002 £	2001 £
FIXED ASSETS	6	8,222	2,264
CURRENT ASSETS			
Debtors	7	260,242	170,606
Cash at bank		208,853	109,163
		<u>469,095</u>	<u>279,769</u>
CREDITORS: amounts falling due within one year	8	<u>(482,024)</u>	<u>(285,249)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(4,707)	(3,216)
CREDITORS: amounts falling due after more than one year		<u>-</u>	<u>-</u>
		<u>(4,707)</u>	<u>(3,216)</u>
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Profit and loss account	10	<u>(4,709)</u>	<u>(3,218)</u>
TOTAL EQUITY SHAREHOLDERS' DEFICIT	11	<u>(4,707)</u>	<u>(3,216)</u>

These financial statements were approved by the Board of Directors on 28/01/03

Signed on behalf of the Board of Directors



Director

NOTES TO THE ACCOUNTS

Year ended 31 July 2002

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.

Deferred taxation

Deferred taxation is provided in full on timing differences that 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 taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

Tangible fixed assets

Equipment costing less than £350 per individual item is written off to the profit and loss account in the period of acquisition. All other equipment is capitalised at cost and depreciated on a straight line basis over its useful economic life as follows:

Furniture and fittings	5 years
Computer equipment	3 years

2. TURNOVER

Turnover represents 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.

The turnover, which arises in the United Kingdom, is attributable to the company's principal activity.

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors received no emoluments in the current or previous year.

There are no other employees.

BRIDGEND COLLEGE ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 July 2002

4. OPERATING PROFIT

	2002 £	2001 £
Operating profit is after charging:		
Auditors' remuneration	1,845	1,800
Depreciation	1,915	93
	<u> </u>	<u> </u>

5. DONATIONS

	2002 £	2001 £
Donation to Bridgend College	331,615	186,642
	<u> </u>	<u> </u>

6. TAX ON LOSS ON ORDINARY ACTIVITIES

There is no tax charge for the current year due to the donation to Bridgend College.

The tax assessed for the year is different to that resulting from applying a standard rate of corporation tax in the United Kingdom : 30%. The differences are explained below:

	2002 £	2001 £
Loss on ordinary activities before tax	(1,491)	(1,116)
Tax at 30% thereon	447	335
Expenses not deductible for tax purposes	(381)	(210)
Capital allowances in excess of depreciation	167	(125)
Adjustment to amount of prior year donation	(233)	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

BRIDGEND COLLEGE ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 July 2002

7. TANGIBLE FIXED ASSETS

	Furniture, fittings & equipment £
Cost	
1 August 2001	2,357
Additions	7,873
At 31 July 2002	10,230
Accumulated depreciation	
1 August 2001	93
Charge for the year	1,915
At 31 July 2002	2,008
Net book value	
At 31 July 2002	8,222
At 31 July 2001	2,264

8. DEBTORS

	2002 £	2001 £
Trade debtors	260,242	170,606
All amounts are due within one year.		

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Trade creditors	103,295	71,805
Other creditors including taxation	356,800	186,642
Accruals	21,929	26,802
	482,024	285,249

BRIDGEND COLLEGE ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 July 2002

10. CALLED UP SHARE CAPITAL

	2002 £	2001 £
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

11. RESERVES

	2002 £	2001 £
Balance brought forward at 1 August	(3,218)	(2,102)
Retained loss in the year	<u>(1,491)</u>	<u>(1,116)</u>
Balance carried forward at 31 July	<u>(4,709)</u>	<u>(3,218)</u>

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	2002 £	2001 £
Balance brought forward at 1 August	(3,216)	(2,100)
Retained loss for the year	<u>(1,491)</u>	<u>(1,116)</u>
Balance carried forward at 31 July	<u>(4,707)</u>	<u>(3,216)</u>

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption given in Financial Reporting Standard 8, and not disclosed transactions with group companies of which the group owns more than 90% of the voting rights, and which are eliminated on consolidation.

14. ULTIMATE PARENT COMPANY

The directors regard Bridgend College as the ultimate parent undertaking. Its principal place of business is Bridgend College, Cowbridge Road, Bridgend, CF31 3DF.