

St Andrews Lean Consulting Limited

**Directors' report and Financial Statements
for the 6 month period ended
31 July 2016**

Registered number SC525513



THURSDAY



S6591TXN

SCT

27/04/2017

#50

COMPANIES HOUSE

Contents

St Andrews Lean Consulting Limited

Company information

Directors	K. Millican (appointed 29/01/2016) D.A. Watson (appointed 29/01/2016) M.A. Robinson (appointed 29/01/2016)
Secretary	Gillespie MacAndrew Secretaries Limited 5 Atholl Crescent Edinburgh EH3 8EJ
Registered office	5 Atholl Crescent Edinburgh EH3 8EJ
Auditor	Ernst & Young LLP G1, 5 George Square Glasgow G2 1DY
Bankers	Royal Bank of Scotland St Andrews Branch 113-115 South Street St Andrews Fife KY16 9QB

St Andrews Lean Consulting Limited

Directors' report

The directors present their report and financial statements for the period ending 31 July 2016.

What we do

St Andrews Lean Consulting Limited, was incorporated on 29th January 2016. We offer bespoke Lean consultancy services to higher education institutions, and public, private, and charitable organisations.

Our approach is founded on an intimate understanding of business processes, governance structures and organisational behaviours, particularly those which define higher education. We have tailored our approach to bring about change to operational efficiency, organisational culture, and staff effectiveness.

Business review and results

The business is still in start-up mode and is in the process of recruiting and seconding suitably qualified personnel. The business is developing in line with expectations and is building its international client base, particularly in Higher Education.

The business expects to broaden its client base through entry into the professional services sector in the UK. It also expects to invest heavily in the development of its brand and position in the market place during 2017.

Summary of financial results

	6 months period ended 31 July 2016 £'000's
Turnover	44
Operating Profit	34

Principal risks and uncertainties

We depend on the recruitment and retention of suitably qualified employees.

Our ability to meet the demands of the market and compete effectively with other consulting firms is, to a large extent, dependent on having the right amount of skilled, experienced and high-performing employees.

The loss of key personnel or significant numbers of employees, or the failure to attract a sufficient number of suitably qualified and experienced personnel, could have a serious impact on our ability to service client contracts.

Our most important asset is our people. To ensure that we recruit and retain the right people and always have the right people with the right mix of skills on an assignment team, we have strong recruitment policies and performance appraisal processes that establish objectives and accountabilities. We also have a structured training and development programme.

Directors' report (continued)

Summary

The business has performed well since its start-up. We have now put in place an infrastructure and recruited skilled personnel to grow sales significantly. We believe we are well placed to grow the business next year.

Disclosure of information to auditors

In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who is a director at the date of approval of this report confirms that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Going concern statement

The company's business activities, together with the factors likely to affect its future development, performance and position in the current economic climate are set out in the Directors' Report on page 2. The 2016-17 economic climate remains uncertain, however, based on the available information on the future, the directors consider that the company has the plans and resources to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue its operations for the foreseeable future. For that reason, they continue to adopt the going concern basis in preparing the financial statements.

At the end of the period the company had net current assets of £34k and net assets of £34k, having made a profit of £34k.

Auditor

Ernst & Young LLP have been appointed as auditor of the company in line with their position as auditor of the University of St Andrews and its subsidiary companies.

Special provisions relating to smaller entities

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A small entities.

By order of the board



DA Watson
Director

24 April 2017

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102. Under company law the directors must not approve the financial statements unless they are satisfied that they 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 those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ANDREWS LEAN CONSULTING LIMITED

We have audited the financial statements of St Andrews Lean Consulting Limited for the period ended 31 July 2016 which comprise the Statement of income and retained earnings, Statement of financial position and related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102, the Financial Reporting standard applicable in the UK and Republic of Ireland.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 Statement of Directors responsibilities, 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 Directors responsibilities to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the directors affairs as at 31 July 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland; 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, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Directors' Report have been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ANDREWS LEAN CONSULTING LIMITED
(CONTINUED)**

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' Report. 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 the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report and take advantage of the small companies exemption in preparing the Directors' Report.



Stephen Reid (Senior statutory auditor)

For and on behalf of
Ernst & Young LLP
Statutory auditor
Glasgow

25 April 2017

St Andrews Lean Consulting Limited**Statement of income and retained earnings for the 6 month period ended 31 July 2016**

		6 month period ended 31 July 2016 £
	Note	
Turnover	4	44,203
Cost of sales		(404)
Gross profit		43,799
Administrative expenses		(9,335)
Operating profit	4	34,464
Profit for the financial period before tax		34,464
Tax on profit for the financial period before tax		-
Profit for the financial period after tax		34,464 =====
Retained earnings at the start of the period		-
Retained earnings at the end of the period		34,464 =====

A statement of movements on reserves is given in note 10.

There are no recognised gains or losses other than the profit above for the period ended 31 July 2016.

All operations are continuing.

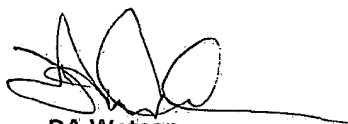
St Andrews Lean Consulting Limited

Statement of financial position as at 31 July 2016

		As at 31 July 2016 £
	Note	
Current assets		
Debtors	6	12,398
Cash at bank and in hand		28,411
		<u>40,809</u>
Current liabilities		
Creditors falling due within one year	7	(6,344)
		<u>34,465</u>
Net current assets		<u>34,465</u>
Net assets		<u>34,465</u> =====
Capital reserves		
Called up share capital	9	1
Profit and loss account	10	34,464
		<u>34,465</u>
Shareholders' funds	11	<u>34,465</u> =====

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved by the board of directors on **24 April 2017** and signed on their behalf by:


DA Watson
Director

24 April 2017

The notes on pages 9 to 12 form part of these financial statements.

Registered number SC525513.

1 Statement of compliance

These financial statements have been prepared in compliance with FRS102. 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The company has taken advantage of the exemption in FRS102 from the requirement to produce a cash flow statement. Consolidated accounts are referenced in note 12.

2 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS102. 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year-end rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Taxation

All profits made by the entity are offset by losses shared across the group and any overall net profits would be gift aided up to the University.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent the expenses recognised are recoverable.

Critical accounting judgements and key sources of estimation uncertainty

In the application of accounting policies, management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future period. Management considers there to be no critical accounting judgements or key sources of estimation uncertainty.

3 Revenue

Revenue arises from:

2016

£

Rendering of services

44,203

=====

The Revenue is attributable to the one principal activity of the company.

St Andrews Lean Consulting Limited

Notes to the financial statements for the 6 month period ended 31 July 2016 (continued)

4 Operating profit	Period ended 31 July 2016 £
---------------------------	--

Operating profit is stated after charging:

Directors' remuneration	1,000
Auditor remuneration	2,000
	=====

Certain Directors are paid by other Group entities and no recharge is made to the company. No Director receives any payment in respect of their roles or function for this company. An appropriate notional allocation of their total remuneration in respect of qualifying services provided to the company is included in the aggregate directors remuneration total disclosed above.

5 Staff costs

The average number of persons employed by the company during the period, including directors, amounted to:

	2016
Managers	-
Administrators	-
	=====

The aggregate payroll costs incurred during the year were:

	2016
Wages and salaries	-
Social security costs	-
	=====

6 Debtors

**As at
31 July 2016
£**

Amounts falling receivable within one year:

Trade Debtors	11,799
Other debtors	599
	=====
	12,398
	=====

St Andrews Lean Consulting Limited

Notes to the financial statements for the 6 month period ended 31 July 2016 (continued)

7 Creditors	As at 31 July 2016 £
Amounts falling due within one year:	
Accruals	2,750
Other creditors	3,594
	<u>6,344</u>
	=====

8 Taxation	As at 31 July 2016 £
Profit for the financial period	34,464
Corporation tax charge at 20%	6,893
Less: Group relief from offsetting losses across the group	(6,893)
	<u>-</u>
	=====

9 Share capital

Allotted, called up and fully paid ordinary shares of £1 each

	Shares	2016 £
At start of period	-	-
Proceeds of issue during the period	1	1
	<u>1</u>	<u>1</u>
At end of period	1	1
	=====	=====

10 Statement of movements on reserves

	2016 £
Opening balance	-
Profit for the financial period	34,464
As at 31 July	<u>34,464</u>
	=====

St Andrews Lean Consulting Limited

Notes to the financial statements for the 6 month period ended 31 July 2016 (continued)

11 Reconciliation of movements in shareholders' funds	2016
	£
Shares issued in period	1
Retained Profit for the period	<u>34,464</u>
Net increase to shareholders' funds	34,465
Opening shareholders' funds	-
Closing shareholders' funds	<u>34,465</u>
	=====

12 Immediate and ultimate parent undertaking

The immediate parent undertaking is St Andrews Applied Research Limited. The directors of St Andrews Lean Consulting Limited regard The University Court of the University of St Andrews as the ultimate parent. Copies of the University's consolidated financial statements may be obtained from the Quaestor and Factor, at the University's principal place of business, College Gate, North Street, St Andrews, Fife, KY16 9AJ.