

St Andrews Lean Consulting Limited

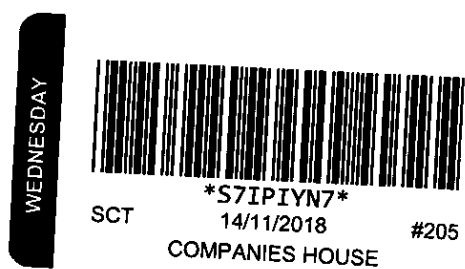
**Directors' Report and Financial Statements
for the year ended
31 July 2018**

Registered number SC525513

**COMPANIES HOUSE
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St Andrews Lean Consulting Limited

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St Andrews Lean Consulting Limited

Company information

Directors

K. Millican
M.A. Robinson
D.A. Watson

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 year ending 31 July 2018.

Principal activity

The company provides LEAN (a set of techniques that assist in the identification and elimination of waste) facilitator training programmes, runs LEAN projects and builds capacity for LEAN teams within universities and organisations around the world.

Directors

The directors who held office during the year and up to the date of signing are shown on page 1.

Auditor

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

Disclosure of information to auditors

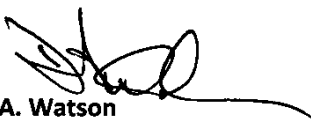
In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who is a director at the date of approval of this report confirms that:

- 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.

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.

By order of the board



D.A. Watson
Director

26 October 2018

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

Opinion

We have audited the financial statements of St Andrews Lean Consulting Limited for the year ended 31st July 2018 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31st July 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Stephen Reid (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh

Date: *1 November 2018*

St Andrews Lean Consulting Limited

Statement of income and retained earnings for the year ended 31 July 2018

		Year ended 31 July 2018	Year ended 31 July 2017 £
	Note		
Turnover	4	54,921	88,508
Cost of sales		(7,646)	(20,261)
Gross profit		47,275	68,247
Administrative expenses		(142,876)	(155,414)
Other operating income		5,953	-
Operating (loss)/profit	5	(89,648)	(87,167)
(Loss)/profit for the financial year before tax		(89,648)	(87,167)
Tax on (loss)/profit for the financial year		-	-
(Loss)/profit for the financial year after tax		(89,648) =====	(87,167) =====
Retained earnings at the start of the year		(52,703)	34,464
Retained earnings at the end of the year		(142,351) =====	(52,703) =====

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 year ended 31 July 2018.

All operations are continuing.

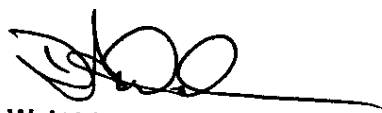
St Andrews Lean Consulting Limited

Statement of financial position as at 31 July 2018

		As at 31 July 2018 £	As at 31 July 2017 £
	Note		
Current assets			
Debtors	7	24,757	13,422
Cash at bank and in hand		28,498	50,480
		<u>53,255</u>	<u>63,902</u>
Current liabilities			
Creditors falling due within one year	8	(195,605)	(116,604)
Net current (liabilities)/assets		<u>(142,350)</u>	<u>(52,702)</u>
Net (liabilities)/assets		<u>(142,350)</u> =====	<u>(52,702)</u> =====
Capital reserves			
Called up share capital	9	1	1
Profit and loss account	10	(142,351)	(52,703)
Shareholders' funds	11	<u>(142,350)</u> =====	<u>(52,702)</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 26 October 2018 and signed on their behalf by:


D.A. Watson
Director

26 October 2018

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

Notes to the financial statements for the year ended 31 July 2018

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'.

2 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 key assumptions and estimations in relation to the recoverability of some inter-company balances that have been made in the process of applying the company's accounting policies to have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 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'.

The company is taking advantage of the provisions outlined under FRS102 section 1A not to disclose:

- preparation of a cash flow statement;
- disclosure of related party transactions with and between wholly-owned subsidiaries;
- disclosures relating to financial instruments

Going concern

The 2018-19 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. The directors have received confirmation that the company's ultimate parent intends to support the company for at least one year from the date that these financial statements are signed. The company has received a letter of support from the University Court of the University of St Andrews which is its ultimate parent. For that reason, they continue to adopt the going concern basis in preparing the financial statements.

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.

3 Accounting policies (continued)

Turnover

Turnover 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.

Taxation

All profits before tax made by the company are offset by losses shared across the STAAR group, of which the company is a fully owned subsidiary as outlined in note 12. Any overall net profits made within the Group would be gift aided up to the University, which is the direct parent of the STAAR parent company which would minimise any taxation risk to the group and company.

4 Turnover	2018	2017
Turnover arises from:	£	£
Rendering of services	54,921	88,508
	=====	=====

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

5 Operating loss	2018	2017
	£	£
Operating loss is stated after charging:		
Directors' remuneration	1,000	1,000
Auditor' remuneration	2,000	2,000
Foreign exchange (gains)/losses	(56)	125
	=====	=====

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.

6 Employees

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

	2018	2017
Administrators	1	1
	=====	=====

Notes to the financial statements for the year ended 31 July 2018 (continued)

7 Debtors	2018	2017
	£	£
Amounts falling receivable within one year:		
Trade Debtors	11,022	13,422
Prepayments and accrued income	11,809	-
Other debtors	1,926	-
	24,757	13,422
	=====	=====

8 Creditors	As at	As at
	31 July 2018	31 July 2017
	£	£
Amounts falling due within one year:		
Trade Creditors	1,833	154
Amounts owing to fellow subsidiaries	1,200	-
Amounts owing to ultimate parent undertaking	182,337	100,852
Other creditors	10,235	7,449
Other taxes and social security costs	-	8,149
	195,605	116,604
	=====	=====

9 Share capital				
Allotted, called up and fully paid				
ordinary shares of £1 each				
	Shares	2018	Shares	2017
		£		£
As at 31 July	1	1	1	1
	=====	=====	=====	=====

10 Statement of movements on reserves	2018
	£
Opening balance	(52,703)
Loss for the financial year	(89,648)
As at 31 July	(142,351)
	=====

11 Reconciliation of movements in shareholders' funds	2018
	£
Retained loss for the year	(89,648)
Net decrease to shareholders' funds	
Opening shareholders' funds	(52,702)
Closing shareholders' funds	(142,351)
	=====

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.