

QAA Enterprises Limited

**Directors' report and financial statements
for the year ended 31 July 2016**

Registered in England and Wales No. 07588108

QAA Enterprises Limited
Directors' report and financial statements
For the year ended 31 July 2016

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QAA Enterprises Limited
Directors' report
For the year ended 31 July 2016

The directors present their report and financial statements for the year ended 31 July 2016.

Parent undertaking

The company is a wholly owned trading subsidiary of The Quality Assurance Agency for Higher Education (QAA), a charity and a company limited by guarantee. QAA is the ultimate parent undertaking and has held one £1 ordinary share since incorporation of the company. No further shares have been issued.

Principal activities

The company's objects, as outlined in its Articles of Association, are as follows:

- to provide a range of services, including consultancy, training, research, sponsorship, review and accreditation, for the sole purpose of generating income to support the objects of QAA
- to promote and maintain the quality and standards of higher education in the UK and overseas.

It is intended that any surpluses from these activities will be gift-aided to QAA.

Results for the period

The company has recorded a profit of £15,531 (2015: £1,398). The directors consider this to be a reasonable result.

Post balance sheet review

QAA continues to seek suitable business opportunities for the group and where it is appropriate the activity will be undertaken through QAA Enterprises Limited.

The company will rely on the support of QAA in the short-term until activity volume increases.

Directors

The directors who have served the company since 1 August 2015 were as follows:

Christopher Banks (Chair)

Lavinia Blackett (appointed 18 December 2015)

Douglas Blackstock

Diane Hill

Janet Hull

Chris Jelley

Anthony McClaran (resigned 2 October 2015)

Company Secretary

Lavinia Blackett

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. 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 these 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
- 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 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 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.

QAA Enterprises Limited
Directors' report (continued)
For the year ended 31 July 2016

Information to auditor

In the case of each of the persons who are directors of the company at the date when this report was approved:

- in so far as each of the directors of the company at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware;
- each director has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company rules

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Auditor

A resolution to reappoint Crowe Clark Whitehill LLP as auditor to the company will be proposed at the Annual General Meeting.

This report was approved by the board on *7 December* 2016.

Registered and principal office:

Southgate House
Southgate Street
Gloucester
GL1 1UB

Signed by order of the board



Lavinia Blackett
Company Secretary

**QAA Enterprises Limited
Independent Auditor's Report
To The Members of QAA Enterprises Limited**

We have audited the financial statements of QAA Enterprises Limited for the year ended 31 July 2016 which comprise the Profit and Loss Account, the Balance Sheet and the related notes numbered 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 us 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 and any other surround information 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.

**QAA Enterprises Limited
Independent Auditor's Report
To The Members of QAA Enterprises Limited (continued)**

Opinion on the 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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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; 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 in preparing the directors' report.



**Guy Biggin
Senior Statutory Auditor**

For and on behalf of

**Crowe Clark Whitehill LLP
Statutory Auditor**

Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: *20 December 2016*

QAA Enterprises Limited
Profit and loss account
For the year ended 31 July 2016

	Notes	2016 £	2015 £
Turnover	1, 2	17,590	-
Cost of sales		-	-
Gross profit		17,590	-
Administrative expenses		(2,059)	1,398
Operating profit on ordinary activities before taxation	3	15,531	1,398
Tax on profit on ordinary activities	4	-	-
Profit for the financial year	7	15,531	1,398
Retained loss brought forward		(1,212)	(2,610)
Retained profit/(loss) carried forward	7	14,319	(1,212)

There were no recognised gains or losses other than those included in the profit and loss account.

The company's turnover and expenses all relate to continuing operations.

The notes on pages 8 to 9 form part of these financial statements.

QAA Enterprises Limited
Balance sheet (company number: 07588108)
As at 31 July 2016

	Notes	2016 £	2015 £
Current assets			
Cash at bank and in hand		37,672	20,801
Creditors: amounts falling due within one year			
	5	(23,352)	(22,012)
Net current liabilities			
		14,320	(1,211)
Share capital			
Allotted, called up and fully paid			
Ordinary £1 shares	6	1	1
Reserves			
Profit and loss account	7	14,319	(1,212)
Shareholder funds			
		14,320	(1,211)

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board on 7 December 2016 and signed on its behalf by:



Christopher Banks
Director

The notes on pages 8 to 9 form part of these financial statements.

1 Accounting policies

a Application of accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material to the company's financial statements.

b Accounting conventions

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). The financial statements follow the *Companies Act 2006*.

c Going concern

The financial statements have been prepared on a going concern basis.

d Turnover

Turnover comprises the invoiced value of services supplied by the company, net of Value Added Tax and trade discounts. The company is not registered for VAT.

2 Turnover

The turnover relates wholly to services provided within the UK.

3 Operating profit

	2016	2015
	£	£
The operating loss is stated after charging:		
Director's emoluments and other benefits	-	-
Auditors' remuneration:		
Audit services	500	500
Taxation services	800	800
Interest payable to parent undertaking	600	600
	<hr/>	<hr/>

4 Taxation

No liability to UK corporation tax will arise on ordinary activities for the year ended 31 July 2016 (2015: £nil) because all of the profits made during the year will be gift aided to the parent undertaking.

QAA Enterprises Limited
Notes to the financial statements (continued)
For the year ended 31 July 2016

5 Creditors: amounts falling due within one year

	2016 £	2015 £
Parent undertaking	21,752	20,552
Accruals	1,600	1,460
	<u>23,352</u>	<u>22,012</u>

6 Share capital

	2016 £	2015 £
£1 Ordinary Shares		
Allotted, called up and fully paid	<u>1</u>	<u>1</u>

7 Reconciliation of movement in shareholder's funds

	Share capital £	Profit and loss account £	Total shareholder funds £
Balance at 1 August 2015	1	(1,212)	(1,211)
Profit for the year	-	15,531	15,531
Balance at 31 July 2016	<u>1</u>	<u>14,319</u>	<u>14,320</u>

8 Parent organisation and controlling party

The controlling party of the company is The Quality Assurance Agency for Higher Education (QAA) by virtue of its 100% shareholding of the company. QAA is also the smallest and the largest group for which consolidated financial statements are prepared. Financial statements of this organisation can be obtained from The Quality Assurance Agency for Higher Education, Southgate House, Southgate Street, Gloucester, GL1 1UB. QAA is a company limited by guarantee, registered in England and Wales. QAA is also a charity, registered in England and Wales, and Scotland.

9 Related party transactions

As a wholly owned subsidiary, QAA Enterprises Limited has taken advantage of the exemption in *FRS 8 Related Party Disclosures* and has not disclosed transactions with QAA.

10 Post balance sheet events

There were no post balance sheet events requiring disclosure.

