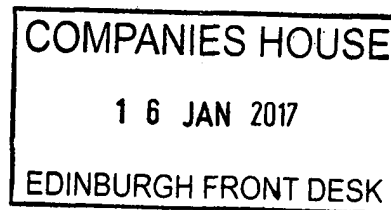


Registered Number SC155192

UoE Accommodation Limited

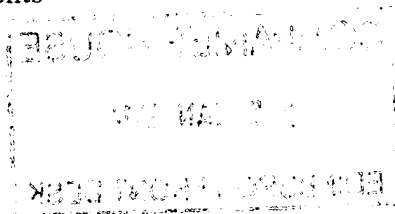
Report and Financial Statements

For the Year ended 31 July 2016



Contents

	<u>Page</u>
Officers and Professional Advisers	3
Strategic Report	4
Directors' Report	5
Statement of Directors' Responsibilities	6
Corporate Governance Statement	7
Independent Auditors' Report	9
Income Statement	11
Statement of Financial Position	12
Notes to the Financial Statements	13



Officers and Professional Advisers

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

Directors: R Kington
P McNaull
G Jebb (Appointed 18 January 2016)
Dr D B Nelson (Appointed 18 January 2016)

Secretary: D C I Montgomery

Registered Office: Charles Stewart House
University of Edinburgh
9-16 Chambers Street
Edinburgh
EH1 1HT

Bankers: Royal Bank of Scotland
St Andrews Square
Edinburgh
EH2 2YB

Independent Auditors: PricewaterhouseCoopers LLP
141 Bothwell Street
Glasgow
G2 7EQ

Solicitors: Lindsays WS
Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

Company Number: SC155192

Strategic Report

Principal activities

The main activities of UoE Accommodation Limited (“the Company”) are concerned with non-student lettings and the provision of nursery childcare services for the University of Edinburgh. All taxable profits generated by the company are donated to the University of Edinburgh under the Gift Aid Scheme.

Review of the business

Turnover in the year was £16,082,430 (2015: £15,735,227), an increase of 2% on the prior year.

Future developments

The directors will continue to promote the Company’s objectives and look for appropriate opportunities in the forthcoming year.

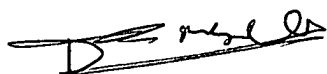
Research and development

The Company does not carry out any original research and development activities.

Principal risks and uncertainties

In managing the income from non-student lettings, catering, nursery childcare services and other related sources, the Board has regard to the wider risk register of the University Accommodation Services Division. This requires the maintenance of a 3-year rolling business plan. Regular financial planning, forecasting and monitoring processes are used to ensure costs are managed in line with income. The University maintains a Business Continuity plan, which can be drawn upon should any unexpected events (such as a public health scare, severe weather or other natural phenomenon) take place. Risks in relation to major injury or death, health and safety, hygiene incident and others are considered in the risk register, and mitigation steps include a two-stage staff induction process to ensure compliance. A comprehensive insurance policy cover includes cover for business interruption. The University Estates’ 10-year plan provides a strategic approach to investment in, and maintenance of, the property and infrastructure utilised by the company. IT systems, network links, communications and web services are maintained by the University Information Services Division together with Accommodation Services Division. Furthermore, disaster recovery plans are maintained and tested at appropriate intervals. These principal risks and uncertainties are considered at regular meetings of the Board.

On behalf of the Board of Directors



Phil McNaul
Director
5 December 2016

Directors' Report

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

Results

The profit on ordinary activities for the year amounted to £3,028,487 (2015: £2,519,962), an increase of 20% on the prior year. After accounting for a distribution due as gift aid to the University the amount retained in reserves was £nil (2015: £nil).

Directors

The directors holding office during the year are detailed on page 3.

Mr R Kington is the Director of Accommodation Services, Mr P McNaull is the Director of Finance and Mr G Jebb is the Director of Estates all of the Company's parent undertaking, the University of Edinburgh and Dr D B Nelson is College Registrar for the College of Science and Engineering of the University of Edinburgh.

The directors who held office at the end of the financial year did not have any disclosable interest in the shares of the company. According to the register of directors' interests, no rights to subscribe for shares in, or debentures of, group companies were granted to the directors or their immediate family, or exercised by them during the financial year.

Independent Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

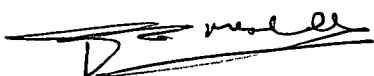
Disclosure of Information to Auditors

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 the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Future developments

See the Strategic Report for information.

On behalf of the Board of Directors



Phil McNaull
Director
5 December 2016

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; 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 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.

Corporate Governance Statement

University of Edinburgh Accommodation Limited is a 100% subsidiary of the University of Edinburgh. The University of Edinburgh adheres to recognised best practice in relation to Corporate Governance in the higher education sector. The Company will have regard to the University's policies on all aspects of Corporate Governance.

The Board

The Board meets four times annually and is charged with the overall leadership and control of the company.

At present the Board consists of four directors, Mr R Kington, Mr P McNaull, Mr G Jebb and Dr D B Nelson, who hold senior positions within the University of Edinburgh.

All directors bring their independent judgement to bear on issues of strategy, performance, resources, key appointments and standards of conduct. To enable them to do this all directors have full and timely access to all relevant information. Directors also have access to independent professional advice at the company's expense, if and when required.

Appointment to the Board of Directors is subject to the approval of the University Court of The University of Edinburgh.

Remuneration Policy

No director receives any remuneration from the company.

Financial Reporting

The Board accepts responsibility for preparing the financial statements and presenting a balanced and understandable assessment of the company's position. The Board confirms that it is satisfied that the company can continue to operate for the foreseeable future and is financially sound. For this reason they adopt the going concern basis in preparing the financial statements.

Internal Control

The Board accepts responsibility for the company's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The University of Edinburgh's Internal Audit function reviews internal controls in key activities of the company and reports their findings to the Board and the University's Audit Committee, recommending improvements to controls and procedures.

The company has prepared a risk register in liaison with the University's Accommodation Services Department. The company now requires the main risks pertaining to each particular decision, together with details of the action taken or proposed in order to minimise risk, to be presented to the Board when decisions are taken.

Corporate Governance Statement (continued)

Compliance with Corporate Governance Policies of University of Edinburgh

To the best of its knowledge, the company complies with the Corporate Governance policies of The University of Edinburgh.

Audit Committee

The Company does not have its own Audit Committee but it does come under the jurisdiction of the University of Edinburgh Audit Committee who may receive reports relating to the company from Internal and External auditors.

Independent auditors' report to the members of UoE Accommodation Limited

Report on the financial statements

Our opinion

In our opinion, UoE Accommodation Limited's financial statements (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.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report") comprise:

- the Statement of Financial position as at 31 July 2016;
- the Income Statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of UoE Accommodation Limited (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to prepare financial statements in accordance with the small companies regime. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual 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.



Lindsey Paterson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow

5 December 2016

Income Statement

For the year ended 31 July 2016

	Note	2016 £	2015 £
Turnover	2	16,082,430	15,735,227
Operating costs	3	13,053,943	13,215,265
Profit on ordinary activities before taxation	4	<u>3,028,487</u>	<u>2,519,962</u>
Tax on profit on ordinary activities	5	-	-
Profit for the financial year		<u><u>3,028,487</u></u>	<u><u>2,519,962</u></u>

All turnover and profit on ordinary activities before taxation are derived from continuing activities.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents.

TOTAL RECOGNISED GAINS AND LOSSES

There were no recognised gains or losses other than those included in the Income Statement.

Statement of Financial Position

as at 31 July 2016

	Note	2016 £	2015 £
Current Assets			
Stocks	6	224,654	220,222
Debtors	7	924,613	1,502,637
Cash and cash equivalents		1,134,237	2,802,103
		<u>2,283,504</u>	<u>4,524,962</u>
Creditors			
Amounts falling due within one year	8	(2,283,502)	(4,524,960)
		<u>2</u>	<u>2</u>
Capital and Reserves			
Called up share capital	9, 10	2	2
Retained earnings	10	-	-
		<u>2</u>	<u>2</u>
Total shareholders' funds		<u>2</u>	<u>2</u>

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

The financial statements on pages 11 to 16 were approved by the Board of Directors on 5 December 2016 and were signed on its behalf by:



Phil McNaul
Director
5 December 2016

Notes to the financial statements for the year ended 31 July 2016

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Statement of Compliance

UoE Accommodation Limited (the 'Company') is a private company limited by shares and incorporated in Scotland. The Registered Office is Charles Stewart House, 9-16 Chambers Street, Edinburgh, EH1 1HT.

The Company's financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Companies Act 2006. The Company has chosen to apply the small entities regime, FRS 102 Section 1A Small Entities, as it applies to the financial statements of the Company for the year ended 31 July 2016.

The Company transitioned from previously extant UK Generally Acceptable Accounting Practice (UK GAAP) to FRS 102 Section 1A as at 1 August 2014. This is the Company's first financial report prepared in accordance with FRS 102 Section 1A and any FRS 102 Section 31 Transition to FRS has been applied. No adjustments were required as a result of the transition to FRS 102.

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 and applicable standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Exemptions for qualifying entities under FRS 102

As the Company is a wholly owned subsidiary of The University of Edinburgh, the Company has taken advantage of the exemption contained in FRS 102 Section 33.1A Related Party Disclosures and has therefore not disclosed transactions or balances with entities that form part of the group.

Fundamental accounting concept

These financial statements have been prepared under the going concern concept on the basis that the company's ultimate parent undertaking has confirmed its intention to continue to provide sufficient funds or other financial support to the company to enable it to meet its liabilities as they fall due.

Leases

Rental costs under operating leases are charged to expenditure on a straight-line basis in equal amounts over the periods of the leases.

Stocks

Stocks are stated at the lower of cost or net realisable value.

Notes to the financial statements for the year ended 31 July 2016 (continued)

2. Turnover

All turnover is attributable to the company's principal activity and is derived in the United Kingdom.

3. Operating costs: Staff costs

	2016	2015
	£	£
Salaries and Wages	262,354	75,903
Social Security	16,768	5,195
	<u>279,122</u>	<u>81,098</u>

Certain staff engaged in supplying nursery services are employed by the Company and the cost is included in salaries and wages. The average number of staff employed during the year was 20 (2015: 9). The majority of services are performed staff employed the University parent and charged to the company as a staff service. The directors do not receive any remuneration for their services (2015: nil).

4. Profit on ordinary activities before taxation

	2016	2015
	£	£
This is stated after charging:		
Audit fee	<u>6,876</u>	<u>5,880</u>

5. Tax on profit on ordinary activities

Current taxation

The company distributes the whole of its taxable profit to its parent undertaking, the University of Edinburgh, under the Gift Aid scheme to the extent that this donation can be made from distributable reserves. This arrangement is likely to remain in place for the foreseeable future. The company therefore provides for tax in the year to the extent that taxable profits have exceeded distributable reserves. The tax charge for the year was £nil (2015: £nil).

	2016	2015
	£	£
Analysis of charge in the year		
UK Corporation tax: Current tax on income for the year	-	-
	<u> </u>	<u> </u>
Current tax reconciliation:		
Profit on ordinary activities before tax	3,028,487	2,519,962
Gift Aid distributable to University of Edinburgh	(3,028,487)	(2,519,962)
	<u> </u>	<u> </u>
Profits before tax	<u>-</u>	<u>-</u>

Notes to the financial statements for the year ended 31 July 2016 (continued)

5. Tax on profit on ordinary activities (continued)

Tax charge at the rate of UK corporation tax of 20%
(2015: 20.7%)

Expenses not deductible for tax purposes	-	-
Group relief accepted	-	-
Corporation tax for the year at 20% (2015: 20.7%)	<u>-</u>	<u>-</u>

Deferred taxation

No provision has been made for deferred taxation on the grounds that the company distributes its profits by Gift Aid to the University of Edinburgh and therefore no deferred tax asset or liability will be realised by the company.

6. Stocks	2016	2015
	£	£
Consumables	<u>224,654</u>	<u>220,222</u>

7. Debtors	2016	2015
	£	£
Trade debtors	606,713	741,884
Prepayments and accrued income	317,900	760,753
	<u>924,613</u>	<u>1,502,637</u>

8. Creditors : Amounts falling due within one year	2016	2015
	£	£
Amounts owed to group undertakings	84,518	1,353,070
Accruals and deferred income	2,198,984	3,171,890
	<u>2,283,502</u>	<u>4,524,960</u>

9. Called up share capital	Authorised and allotted No.	Allotted, called up and fully paid £
<i>2016</i>		
Ordinary shares of £1 each	2	2
<i>2015</i>		
Ordinary shares of £1 each	2	2

Notes to the financial statements for the year ended 31 July 2016 (continued)

10. Reconciliation of movements to shareholder's funds

	Called up Share capital £	Retained earnings £	Total £
Opening balance as at 1 August 2015	2	-	2
Profit for the financial year	-	3,028,487	3,028,487
Distributable to parent	-	(3,028,487)	(3,028,487)
Closing balance as at 31 July 2016	<u>2</u>	<u>-</u>	<u>2</u>

11. Lease obligations

Total rentals payable under operating leases:

	2016 Vehicles & Equipment £	2015 Vehicles & Equipment £
Payable during the year	75,670	68,665
Future minimum lease payments due:		
Not later than one year	75,825	70,579
Later than one year and not later than five years	89,150	100,526
Later than five years	-	-
Total lease payments due	<u>164,975</u>	<u>171,105</u>

12. Ultimate parent undertaking

The immediate and ultimate parent undertaking and controlling party is The University of Edinburgh.

The University of Edinburgh is the parent undertaking of the largest and only group of undertakings to consolidate these financial statements at 31 July 2016. The consolidated financial statements of The University of Edinburgh are available from Old College, South Bridge, Edinburgh EH8 9YL.

Detailed Profit and Loss Account

For the Year Ended 31 July 2016

	Year to 31 July 2016	Year to 31 July 2015
	£	£
Income	<u>16,082,430</u>	<u>15,735,227</u>
Expenditure	£	£
SALARIES & WAGES	279,122	81,098
STAFF SERVICES PURCHASED	6,511,328	6,676,033
AGENCY STAFF	281,233	239,905
AGENT FEES/COMMISSIONS	402,984	420,518
AUDIT	8,910	5,880
BAD DEBT PROVISION	908	-4,865
BANK CHGS	94,578	49,560
CLEANING MATS	335,995	276,941
COMPUTING	291,500	205,636
CONF FEES	8,393	16,267
CONSULTANCY	53,134	90,256
DRINK	225,122	258,921
FOOD	1,775,485	1,929,068
FURN&EQUIP	485,666	372,427
INSURANCE	0	25
LAUNDRY	367,766	403,962
LEASING	75,671	68,665
LEGAL & CONSULTANCY	9,744	9,103
OFFICE COSTS	47,873	21,384
OTHER SITE	103,398	46,062
PREMISES	636,368	735,407
PUBLICITY	143,356	193,164
RECHARGEABLE EXPENSES	522,599	479,393
RENTS	10,376	98,388
SUBSCRIPTIONS	16,133	28,680
SUNDRY EXPENSES	-194,258	(12,029)
TELEPHONE	6,762	10,592
TRAVEL	17,906	16,875
UTILITIES	454,751	409,034
VEHICLE COSTS	81,140	88,915
Total Expenditure	<u>13,053,943</u>	<u>13,215,265</u>
Operating Profit on ordinary activities before taxation	<u>3,028,487</u>	<u>2,519,962</u>

This page does not form part of the published financial statements.