

**NEWCASTLE UNIVERSITY VENTURES LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2017**  
**(Registered Number: 2231157)**

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# **NEWCASTLE UNIVERSITY VENTURES LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2017**

The directors present their report and the audited financial statements of the company for the year ended 31 July 2017.

### **REGISTERED OFFICE**

c/o Finance & Planning, Newcastle University, King's Gate, Newcastle upon Tyne, NE1 7RU  
United Kingdom.

### **PRINCIPAL ACTIVITIES**

The company did not trade in the year having previously provided commercial management and professional services in support of technology transfer from the University to industry.

### **RESULTS**

The loss for the financial year after taxation amounts to £2,669 (2016: £2,659).

### **DIRECTORS**

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

A L Tobin  
S Wilmot  
R C Dale  
A C Stevenson  
A G Wright-Watkinson  
J Callaghan (resigned 11 September 2017)

None of the directors have a beneficial interest in the shares of the company. None of the directors received any remuneration in respect of their services to the company during the year. Certain other remunerations are paid by other related companies in connections with duties as an officer of those related companies.

### **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 prepared 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

## **NEWCASTLE UNIVERSITY VENTURES LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)**

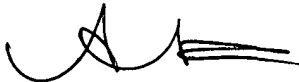
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

#### **DISCLOSURE OF INFORMATION TO THE AUDITOR**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors' 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



A L Tobin  
Director  
27 September 2017

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWCASTLE UNIVERSITY VENTURES LIMITED**

We have audited the financial statements of Newcastle University Ventures Limited for the year ended 31 July 2017, which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 9. 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 to the U.K. and Republic of Ireland.

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 set out on pages 1 and 2, 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 Report and Financial Statements to identify material inconsistencies with the audited financial statements and 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 company's affairs as at 31 July 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 the Financial Reporting Standard applicable to the U.K. and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWCASTLE VENTURES LIMITED (CONTINUED)**

**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 has been prepared in accordance with applicable legal requirements.

**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 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 not preparing the Strategic Report and take advantage of the small companies' exemption in preparing the directors' report.



Caroline Mulley (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Newcastle upon Tyne

3 October 2017

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 JULY 2017**

	<u>Note</u>	<u>2017</u> £	<u>2016</u> £
<b>TURNOVER</b>		-	-
Administrative expenses		(2,670)	(2,700)
<b>OPERATING LOSS</b>		(2,670)	(2,700)
Interest receivable and similar income		1	41
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	(2,669)	(2,659)
Tax on loss on ordinary activities	3	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		(2,669)	(2,659)

All activities relate to continuing operations.

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2017**

There is no other comprehensive income other than the loss attributable to the shareholders of the company of £2,669 in the year ended 31 July 2017 (2016: loss £2,659).

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2017**

	<i>Share capital</i> £	<i>Profit and loss account</i> £	<i>Total share- holders' funds</i> £
At 1 August 2015	300,000	(227,441)	72,559
Loss for the financial year	-	(2,659)	(2,659)
At 1 August 2016	300,000	(230,100)	69,900
Loss for the financial year	-	(2,669)	(2,669)
At 31 July 2017	300,000	(232,769)	67,231

# NEWCASTLE UNIVERSITY VENTURES LIMITED

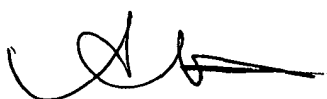
(Registration Number: 2231157)

## STATEMENT OF FINANCIAL POSITION AT 31 JULY 2017

	<u>Note</u>	<u>2017</u> £	<u>2016</u> £
<b>NON-CURRENT ASSETS</b>			
Investments	4	284,000	284,000
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Debtors – due in more than one year	5	500,000	500,000
Cash at bank and in hand		<u>9,450</u>	<u>9,449</u>
		509,450	509,449
<b>CREDITORS amounts falling due within one year</b>	6	<u>(726,219)</u>	<u>(723,549)</u>
<b>NET CURRENT LIABILITIES</b>		(216,769)	(214,100)
<b>NET ASSETS</b>		<hr/> <u>67,231</u>	<hr/> <u>69,900</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	300,000	300,000
Profit and loss account	8	<u>(232,769)</u>	<u>(230,100)</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<hr/> <u>67,231</u>	<hr/> <u>69,900</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2017 and signed on their behalf by:



A L Tobin  
Director

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 JULY 2017

1 ACCOUNTING POLICIES

(a) **Statement of Compliance**

Newcastle University Ventures Limited is a limited liability company incorporated in England. The Registered Office is c/o Finance and Planning Office, Newcastle University, King's Gate, Newcastle upon Tyne, NE1 7RU. The Company's financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A small entities as it applies to the financial statements of the Company for the year ended 31 July 2017.

(b) **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in GBP sterling which is the functional currency of the Company and rounded to the nearest £.

(c) **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates. The Directors consider there to be no significant judgements or sources of estimation uncertainty.

(d) **Going concern**

The directors have prepared the financial statements on a going concern basis which assumes that the company will continue in operating existence for the foreseeable future and meet its liabilities as they fall due. At the balance sheet date the company had net current liabilities of £216,769 (2016 £214,100).

The company is dependent on continuing financial support being available from its parent undertaking. The directors have received confirmation that financial support will continue to be available to the company in the foreseeable future by way of support from its parent undertaking and believe that forecasts have been prepared on the best available current information. Accordingly, the directors of the company believe that it is appropriate to prepare the financial statements on a going concern basis.

(e) **Valuation of non-current asset investments**

Non-current asset investments are held on the Balance Sheet at cost less impairment.

(f) **Cash and cash equivalents**

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity date of three months or less.

(g) **Short term creditors**

Creditors with no stated interest rate and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.



# NEWCASTLE UNIVERSITY VENTURES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 JULY 2017

### 2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The loss on ordinary activities is stated after charging:

	<u>2017</u> £	<u>2016</u> £
Auditors' remuneration	1,200	1,200

The Company has no employees (2016: nil). None of the directors received any remuneration during the year in respect of their service to the company (2016: £nil).

### 3 TAX ON LOSS ON ORDINARY ACTIVITIES

#### (a) Analysis of tax charge in the year

	<u>2017</u> £	<u>2016</u> £
<b>Current tax:</b>		
UK corporation tax on loss of the year	-	-
<b>Tax on loss on ordinary activities</b>	<u>-</u>	<u>-</u>

#### (b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below.

	<u>2017</u> £	<u>2016</u> £
<b>Loss on ordinary activities before taxation</b>	<u>(2,669)</u>	<u>(2,659)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016: 20%)	(534)	(532)
Movement in deferred tax not recognised	534	532
<b>Current tax charge for year</b>	<u>-</u>	<u>-</u>

#### (c) Factors that may affect future tax charges.

The company has £53,399 (2016: £50,730) of losses carried forward and £7,083 (2016: £7,083) of capital losses as at 31 July 2017.

#### (d) Deferred Tax

The company has an unrecognised deferred tax asset of £10,282 (2016: £10,406) relating to trade and capital losses. This has not been recognised in the financial statements as the company does not expect to generate sufficient future taxable profits to realise the deferred tax asset.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 JULY 2017

**4 NON-CURRENT INVESTMENTS**

	<u>2017</u> £	<u>2016</u> £
<u>Cost</u>		
At 1 August	284,300	284,300
Additions	-	-
At 31 July	<u>284,300</u>	<u>284,300</u>
<u>Impairment</u>		
At 1 August	300	300
Charge during the year	-	-
At 31 July	<u>300</u>	<u>300</u>
<u>Net Book Value</u>		
At 31 July	<u><u>284,000</u></u>	<u><u>284,000</u></u>

Tyne Subsea Limited

During the year ended 31<sup>st</sup> July 2015 the company acquired a 24% per cent holding in Tyne Subsea Limited, a company incorporated on 7<sup>th</sup> August 2014. The remaining 76% share is owned by BEL valves Limited, a wholly owned subsidiary of British Engines (UK) Limited.

Tyne Subsea Limited's principal activity is the provision of a hyperbaric pressure vessel facility for both commercial testing and research. Since incorporation to 31 July 2017, Tyne Subsea Limited has accumulated losses of £818,534 however the directors have assessed that it is not appropriate to record an impairment of the investment in these financial statements given positive future trading forecasts.

# NEWCASTLE UNIVERSITY VENTURES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 JULY 2017

### 5 DEBTORS

	<u>2017</u> £	<u>2016</u> £
Amounts due from associated undertaking	500,000	500,000

### 6 CREDITORS: amounts falling due within one year

	<u>2017</u> £	<u>2016</u> £
Amounts owed to ultimate parent undertaking	723,549	720,879
Accruals and deferred income	2,670	2,670
	<u>726,219</u>	<u>723,549</u>

### 7 CALLED UP SHARE CAPITAL

	<u>2017</u> £	<u>2016</u> £
Ordinary shares of £1 each Authorised:	500,000	500,000
<b>Allotted and fully paid as at 31 July</b>	<u>300,000</u>	<u>300,000</u>

### 8 RESERVES

#### Profit and loss account

This reserve represents the cumulative comprehensive income recognised in the company, less any dividends paid.

### 9 ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Newcastle University Holdings Limited.

The ultimate parent undertaking and controlling party is The University of Newcastle upon Tyne, which has prepared group financial statements incorporating the results of Newcastle University Ventures Limited.

Financial statements of the University of Newcastle upon Tyne can be obtained from:  
Executive Director of Finance  
The University of Newcastle upon Tyne  
King's Gate  
Newcastle upon Tyne  
NE1 7RU

Transactions with The University of Newcastle upon Tyne are not disclosed, as the company has taken advantage of the exemption contained within FRS 102.33.1A on the grounds that the company is a wholly owned subsidiary.