

**Lancaster University Ventures Ltd**  
(Formerly U.L.D.E.C.O. Limited)

**Directors' report and financial statements**

**31 July 1996**

Registered number 968581



**Lancaster University Ventures Limited**  
(Formerly U.L.D.E.C.O. Limited)

Directors' report and financial statements

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# **Lancaster University Ventures Limited**

(Formerly U.L.D.E.C.O. Limited)

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 July 1996.

### **Principal activities**

During the year the company's activities have been the provision of engineering research services and technology exploitation.

### **Business review**

The company acts as the trading arm of the Engineering Department for consultancy and testing activity. Turnover for this is unpredictable. The company is also handling technology exploitation for the University of Lancaster, costs incurred on this should be recouped in future periods.

### **Proposed dividend and transfer to reserves**

The directors do not recommend the payment of a dividend.

The company made a loss for the year of £12,777 (1995: £Nil).

### **Significant changes in fixed assets**

Changes in fixed assets during the year are set out in note 7 to the financial statements.

### **Directors and directors' interests**

The directors who held office during the year were as follows:

Mr D C Martin

Dr C D Hannaford

Mr I Wheatley

(resigned 18 December 1995)

Professor J R Urry

Mr J R Newton

Messrs D C Martin, J R Urry and J R Newton, retire in accordance with the articles of association and, being eligible, offer themselves for re-election.

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in the company or any other group company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

**Lancaster University Ventures Limited**  
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**Directors' report**

**Political and charitable contributions**

The Company made no political or charitable contributions during the year.

**Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company, is to be proposed at the forthcoming Annual General Meeting.

By order of the board



S Dunstan  
**Secretary**

4 November 1996

**Lancaster University Ventures Limited**  
(Formerly U.L.D.E.C.O. Limited)

**Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss 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 estimates that are reasonable and prudent;
- state whether applicable 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.

The directors are responsible for maintaining proper accounting records which 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 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Auditors' report to the members of Lancaster University Ventures Limited (Formerly U.L.D.E.C.O. Limited)**

We have audited the financial statements on pages 5 to 10.

### *Respective responsibilities of directors and auditors*

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### *Basis of opinion*

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### *Opinion*

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**KPMG**  
*Chartered Accountants*  
*Registered Auditors*

15 November 1996

**Lancaster University Ventures Limited**  
(Formerly U.L.D.E.C.O. Limited)

**Profit and loss account**  
*for the year ended 31 July 1996*

	<i>Note</i>	<b>1996</b> £	<b>1995</b> £
<b>Turnover</b>		<b>6,485</b>	<b>4,517</b>
Cost of sales		<u>(3,345)</u>	<u>3,862</u>
<b>Gross profit</b>		<b>3,140</b>	<b>655</b>
Administrative expenses		<u>(15,917)</u>	<u>(822)</u>
<b>Operating (loss)</b>	<b>2</b>	<b>(12,777)</b>	<b>(167)</b>
Covenant to the University of Lancaster	<b>5</b>	<u>-</u>	<u>-</u>
<b>(Loss) on ordinary activities before taxation</b>		<b>(12,777)</b>	<b>(167)</b>
<b>Taxation</b>	<b>6</b>	<u>-</u>	<u>-</u>
<b>Retained (loss) for financial year</b>		<u><b>(12,777)</b></u>	<u><b>(167)</b></u>

Movements in reserves are set out in note 11 to the accounts.

The profit and loss account contains the only gains and losses of the company for the current and prior year.

**Lancaster University Ventures Limited**  
(Formerly U.L.D.E.C.O. Limited)

Balance sheet  
at 31 July 1996

	Note	1996 £	£	1995 £	£
<b>Fixed assets</b>					
Tangible assets	7		376		501
<b>Current assets</b>					
Debtors	8	2,627		1,517	
		<u>2,627</u>		<u>1,517</u>	
<b>Creditors:</b> amounts falling due within one year	9	(17,924)		(4,162)	
		<u>(17,924)</u>		<u>(4,162)</u>	
<b>Net current liabilities</b>			(15,297)		(2,645)
			<u>(15,297)</u>		<u>(2,645)</u>
<b>Net liabilities</b>			<u>(14,921)</u>		<u>(2,144)</u>
<b>Capital and reserves</b>					
Called up share capital	10		56		56
Profit and loss account	11		(14,977)		(2,200)
			<u>(14,921)</u>		<u>(2,144)</u>

These financial statements were approved by the board of directors on 4 November 1996 and were signed on its behalf by:



**C D Hannaford**  
Director

# Lancaster University Ventures Limited

(Formerly U.L.D.E.C.O. Limited)

## Notes

(forming part of the financial statements)

### 1 Accounting policies

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

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

They have been prepared on a going concern basis, which assumes that the company will continue to trade, as the ultimate parent undertaking, the University of Lancaster, has indicated that it intends to provide such funds as are necessary to enable the company to do so for the foreseeable future.

#### *Fixed assets and depreciation*

Depreciation is provided by the company to write off the cost as follows:

Computer equipment - 25% on reducing balance

#### *Turnover*

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year.

### 2 Operating (loss)/profit

	1996 £	1995 £
<i>Operating (loss)/profit is stated after charging:</i>		
Auditors' remuneration	413	413
Depreciation	<u>125</u>	<u>167</u>

**Lancaster University Ventures Limited**  
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Notes (continued)

**3 Remuneration of directors**

	1996 £	1995 £
<b>Directors' emoluments</b>	<u>-</u>	<u>-</u>

The emoluments, excluding pension contributions, of the chairman were £Nil (1995: £Nil) and those of the highest paid director were £Nil (1995: £Nil).

The emoluments excluding pension contributions of the directors (including the chairman and the highest paid director) were within the following ranges:

	Number of directors 1996	1995
£0 - £5,000	<u>4</u>	<u>10</u>

**4 Staff numbers and costs**

The company has no employees other than its directors who did not receive any remuneration for their services as directors of this company, and no payments (1995: £Nil) were made for services rendered to the company in other capacities.

**5 Covenant to the University of Lancaster**

The operating loss for the year amounted to £12,777 (1995: profit £167) of which £Nil (1995: £Nil) has been paid to the University of Lancaster under a Deed of Covenant dated 26 September 1990.

**6 Taxation**

	1996 £	1995 £
UK corporation tax at 25% (1995: 25%) on the profit for the year on ordinary activities	<u>-</u>	<u>-</u>

**7 Tangible fixed assets**

	Computer equipment £
<b>Cost</b>	
At beginning and end of year	<u>3,495</u>
<b>Depreciation</b>	
At beginning of year	2,994
Charge for year	<u>125</u>
At end of year	<u>3,119</u>
<b>Net book value</b>	
At 31 July 1996	<u>376</u>
At 31 July 1995	<u>501</u>

**Lancaster University Ventures Limited**  
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Notes (continued)

**8 Debtors**

	1996 £	1995 £
Trade debtors	2,502	1,392
Other debtors	125	125
	<u>2,627</u>	<u>1,517</u>

**9 Creditors: amounts falling due within one year**

	1996 £	1995 £
Amounts owed to the University of Lancaster	16,563	2,578
VAT	128	42
Accruals	1,233	1,542
	<u>17,924</u>	<u>4,162</u>

**10 Called up share capital**

	1996 £	1995 £
<i>Authorised</i>		
Ordinary shares of £1 each	100	100
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<u>56</u>	<u>56</u>

**11 Reconciliation of movements in shareholders' funds**

	Share capital £	Profit and loss account £	Total shareholders' funds £
As at 1 August 1995	56	(2,200)	(2,144)
Loss for the financial year	-	(12,777)	(12,777)
As at 31 July 1996	<u>56</u>	<u>(14,977)</u>	<u>(14,921)</u>

**Lancaster University Ventures Limited**  
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Notes *(continued)*

**12 Ultimate parent undertaking and parent undertaking of larger group of which the company is a member**

The company is a subsidiary undertaking of Lancaster University Enterprises Ltd which is in turn a subsidiary of the University of Lancaster.

The largest and smallest group in which the results of the company are consolidated is that headed by the University of Lancaster. Copies of the consolidated accounts may be obtained from:

The Director of Finance  
Lancaster University  
Bailrigg  
Lancaster  
LA1 4YW