

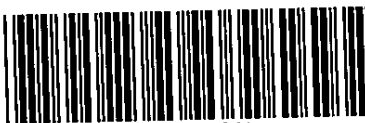
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**Tamar Science Park Limited  
Company Limited by Guarantee**

**Annual Report  
Year Ended 31 March 2013**

**Company Registration Number 3157625**

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**Tamar Science Park Limited**  
**Company Limited by Guarantee**

Financial Statements

Year Ended 31 March 2013

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**Tamar Science Park Limited**  
**Company Limited by Guarantee**

**Officers and Professional Advisers**

**The Board of Directors**

A C Southall  
J K Acornley  
A D Everett  
J Beer  
S Chamberlain  
D Draffan  
S Jones  
I G Pearce  
C Jenkins  
T Evans  
A J Burroughs

**Company Secretary**

I G Pearce

**Registered Office**

1 Davy Road  
Derriford  
PLYMOUTH  
PL6 8BX

**Auditor**

Francis Clark LLP  
Chartered Accountants  
& Statutory Auditor  
North Quay House  
Sutton Harbour  
PLYMOUTH  
PL4 0RA

**Bankers**

HSBC  
PO Box 26  
4 Old Town Street  
PLYMOUTH  
PL1 1DD

# **Tamar Science Park Limited Company Limited by Guarantee**

## **Chairman's Statement**

**Year Ended 31 March 2013**

I am pleased to make my third report as Chairman. The Company made an operating surplus of £375k after interest, marking a third successive year of improvement and representing a very positive year for the Park.

Occupancy levels have shown a steady increase from the middle of last year and at the year end were at their highest for nearly three years.

The Park has developed a new service during the year offering a high calibre advisory panel to tenants in order to assist them to generate growth and employment in the region. The scheme will be rolled out during the New Year.

On the Board we have seen a number of changes. I am very pleased to welcome Cllr Tudor Evans, leader of Plymouth City Council, to the Board. We have also appointed three of our executive team to the Board. Two of these have joined the Park this year. Andy Burroughs joins us as Business Development Director and Christian Jenkins has recently joined us as Director of Operations. They bring a wealth of experience from the technology and medical sectors which will help deliver the strategic plan of the Park over the coming year.

As always, I would like to thank our employees for their work throughout the year and their continuing commitment to the success of the Park.

Finally, I would like to thank our stakeholders and my fellow Board Members for their continued support.

Simon Chamberlain  
Chairman

# **Tamar Science Park Limited**

## **Company Limited by Guarantee**

### **The Directors' Report**

**Year Ended 31 March 2013**

The directors present their report and the financial statements of the Company for the year ended 31 March 2013

### **Principal Activities**

The principal activities of the Company during the year were the letting of units to knowledge based businesses and the provision of support, advisory and facilities management services thereto

### **Directors**

The directors who served the Company during the year were as follows

A C Southall  
J K Acornley  
A D Everett  
T Fry  
J Beer  
S Chamberlain  
D Draffan  
S Jones  
I G Pearce  
C Jenkins  
T Evans  
A J Burroughs

I G Pearce was appointed as a director on 22 November 2012

C Jenkins was appointed as a director on 7 January 2013

T Evans was appointed as a director on 29 May 2012

A J Burroughs was appointed as a director on 22 November 2012

T Fry resigned as a director on 29 May 2012

### **Status of Company**

The Company is limited by guarantee and has no share capital. The members of the Company are The University of Plymouth and Plymouth City Council. In the event that the Company is wound up, the liability of each member is restricted to £1. The Company must have not less than five directors.

### **Auditor**

Francis Clark LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

### **Small Company Provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by order of the directors



I G Pearce  
Company Secretary

Approved on 21 June 2013

# **Tamar Science Park Limited**

## **Company Limited by Guarantee**

### **Statement of Directors' Responsibilities**

**Year Ended 31 March 2013**

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 surplus or deficit of the Company for that year.

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,
- 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.

In so far as the directors are aware

- there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# **Tamar Science Park Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Tamar Science Park Limited**

**Year Ended 31 March 2013**

We have audited the financial statements of Tamar Science Park Limited for the year ended 31 March 2013 which comprise the Income and Expenditure Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (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 Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the Annual Report, 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 (APB'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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

# **Tamar Science Park Limited**

## **Company Limited by Guarantee**

Independent Auditor's Report to the Members of Tamar Science Park Limited *(continued)*

Year Ended 31 March 2013

### **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 March 2013 and of its surplus 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 Matters 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



CHARLES EVANS (Senior Statutory Auditor)  
For and on behalf of  
FRANCIS CLARK LLP  
Chartered Accountants & Statutory Auditor

North Quay House  
Sutton Harbour  
PLYMOUTH  
PL4 0RA

11/7/13



**Tamar Science Park Limited**  
**Company Limited by Guarantee**

Income and Expenditure Account

Year Ended 31 March 2013

	Note	2013 £	2012 £
<b>Turnover</b>		<b>1,709,875</b>	1,600,773
Staff costs		(583,443)	(546,885)
Depreciation written off fixed assets	2	(33,819)	(80,371)
Other operating charges		(672,146)	(670,173)
<b>Operating Surplus</b>		<b>420,467</b>	303,344
Interest receivable		1,537	1,241
Interest payable and similar charges		(47,069)	(47,144)
<b>Surplus on Ordinary Activities Before Taxation</b>		<b>374,935</b>	257,441
Tax on surplus on ordinary activities	4	—	—
<b>Surplus for the Financial Year</b>		<b>374,935</b>	257,441

The notes on pages 10 to 14 form part of these financial statements

**Tamar Science Park Limited**  
**Company Limited by Guarantee**

Statement of Total Recognised Gains and Losses

Year Ended 31 March 2013

	2013 £	2012 £
Surplus for the financial year attributable to the members	<b>374,935</b>	257,441
Unrealised profit/(loss) on revaluation of		
Freehold Properties	<b>445,000</b>	(349,230)
Long Leasehold Properties	<b>160,000</b>	60,000
Total gains and losses recognised since the last annual report	<b><u>979,935</u></b>	<b><u>(31,789)</u></b>

The notes on pages 10 to 14 form part of these financial statements.

**Tamar Science Park Limited**  
**Company Limited by Guarantee**

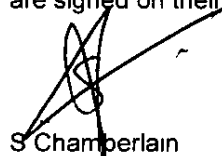
Balance Sheet

31 March 2013

	Note	2013 £	2012 £
<b>Fixed Assets</b>			
Tangible assets	5	<u>13,746,835</u>	<u>13,130,663</u>
<b>Current Assets</b>			
Debtors	6	<u>187,826</u>	259,144
Cash at bank and in hand		<u>1,234,069</u>	<u>959,688</u>
		<u>1,421,895</u>	<u>1,218,832</u>
<b>Creditors: Amounts falling due within one year</b>	7	<u>317,627</u>	<u>431,773</u>
<b>Net Current Assets</b>		<u>1,104,268</u>	<u>787,059</u>
<b>Total Assets Less Current Liabilities</b>		<u>14,851,103</u>	<u>13,917,722</u>
<b>Creditors: Amounts falling due after more than one year</b>	8	<u>2,977,533</u>	<u>3,024,087</u>
		<u>11,873,570</u>	<u>10,893,635</u>
<b>Reserves</b>	12		
Revaluation Reserve	13	<u>6,686,368</u>	6,081,368
Other reserves	13	<u>6,925,788</u>	7,011,788
Income and expenditure account	13	<u>(1,738,586)</u>	<u>(2,199,521)</u>
<b>Members' Funds</b>		<u>11,873,570</u>	<u>10,893,635</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on *21 June 2013*, and are signed on their behalf by



S Chamberlain

Company Registration Number 3157625

The notes on pages 10 to 14 form part of these financial statements.

# **Tamar Science Park Limited Company Limited by Guarantee**

## **Notes and Accounting Policies**

**Year Ended 31 March 2013**

### **1 Accounting Policies**

#### **(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of properties, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### **(b) Turnover**

Turnover comprises income receivable from rents, fees and charges, exclusive of Value Added Tax Amounts receivable from tenants by way of reimbursement for payments made directly on their behalf are netted-off against the relevant expenditure

#### **(c) Fixed assets**

All fixed assets are initially recorded at cost

#### **(d) Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures and fittings	5-10 years, straight line
Computer equipment	4-10 years, straight line

#### **(e) Investment properties**

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the income and expenditure account for the year. This is in accordance with the FRSSE which, unlike the Companies Act 2006, does not require depreciation of investment properties. The departure from the provisions of the Act is required in order to give a true and fair view.

#### **(f) Finance lease agreements**

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the income and expenditure account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

#### **(g) Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

#### **(h) Pension costs**

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the income and expenditure account.

# **Tamar Science Park Limited**

## **Company Limited by Guarantee**

### Notes and Accounting Policies

Year Ended 31 March 2013

#### **1. Accounting Policies *(continued)***

##### **(i) Grants**

Grants and capital contributions received relating to infrastructure assets have been deducted from the cost of fixed assets. This is not in accordance with the Companies Act 2006, which requires assets to be shown at their purchase price or production cost and hence grants and contributions would be shown as deferred income. This departure from the requirements of the Act is, in the opinion of the directors, necessary to give a true and fair view, as no provision is made for depreciation and any grants and contributions relating to such assets would not be taken to the income and expenditure account. The effect of this departure is that the net book value of fixed assets, prior to any revaluation, is £20.2 million lower (2012: £20.2 million lower) than it would otherwise have been.

Government grants in respect of capital expenditure relating to non-infrastructure assets are treated as deferred income and are credited to the income and expenditure account over the estimated useful life of the assets to which they relate.

#### **2 Operating Surplus**

Operating surplus is stated after charging/(crediting)

	2013 £	2012 £
Amortisation of government grants re fixed assets	(45,774)	(4,979)
Depreciation of owned fixed assets	77,377	83,134
Depreciation of assets held under finance lease agreements	2,216	2,216
Auditor's fees	<u>3,750</u>	<u>3,700</u>

Included in amortisation of government grants re fixed assets is an amount of £44,338 relating to grants unamortised in previous years.

#### **3. Directors' Remuneration**

The directors' aggregate remuneration in respect of qualifying services were

	2013 £	2012 £
Aggregate remuneration	<u>136,077</u>	<u>59,783</u>

The above amounts are included within staff costs in the Income and Expenditure account.

#### **4 Taxation on Ordinary Activities**

Tax losses available for carry forward against future profits amount to approximately £2,252,000 (2012: £2,536,000).

**Tamar Science Park Limited**  
**Company Limited by Guarantee**

Notes and Accounting Policies

Year Ended 31 March 2013

**5 Tangible Fixed Assets**

	Freehold Investment Properties £	Long Leasehold Investment Properties £	Fixtures & Fittings £	Computer Equipment £	Total £
<b>Cost or Valuation</b>					
At 1 April 2012	8,105,000	4,860,000	340,171	932,594	14,237,765
Additions	—	—	30,754	60,011	90,765
Revaluation	445,000	160,000	—	—	605,000
<b>At 31 March 2013</b>	<b>8,550,000</b>	<b>5,020,000</b>	<b>370,925</b>	<b>992,605</b>	<b>14,933,530</b>
<b>Depreciation</b>					
At 1 April 2012	—	—	297,242	809,860	1,107,102
Charge for the year	—	—	33,823	45,770	79,593
<b>At 31 March 2013</b>	<b>—</b>	<b>—</b>	<b>331,065</b>	<b>855,630</b>	<b>1,186,695</b>
<b>Net Book Value</b>					
<b>At 31 March 2013</b>	<b>8,550,000</b>	<b>5,020,000</b>	<b>39,860</b>	<b>136,975</b>	<b>13,746,835</b>
At 31 March 2012	8,105,000	4,860,000	42,929	122,734	13,130,663

The cost of the freehold investment property is stated net of grants received of £16,100,000 (2012 £16,100,000) The cost of the long leasehold investment property is stated net of grants received of £4,083,873 (2012 £4,083,873)

The investment properties were valued by Vickery Holman Limited, Chartered Surveyors, at their open market value for existing use on 31 March 2013. The directors feel this to be a sufficiently timely valuation in relation to the date of these accounts.

In respect of properties stated at valuations, the comparable historical cost and depreciation values are as follows:

	2013 £	2012 £
<b>Historical cost</b>	<b>27,045,860</b>	<b>27,045,860</b>

**Finance lease agreements**

Included within the net book value of £13,746,835 is £2,770 (2012 - £4,981) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £2,216 (2012 - £2,216).

**6 Debtors**

	2013 £	2012 £
Trade debtors	74,160	133,787
VAT recoverable	4,438	—
Other debtors	—	6,729
Prepayments and accrued income	109,228	118,628
	<b>187,826</b>	<b>259,144</b>

**Tamar Science Park Limited**  
**Company Limited by Guarantee**

Notes and Accounting Policies

Year Ended 31 March 2013

**7 Creditors** Amounts falling due within one year

	2013 £	2012 £
Trade creditors	161,174	142,389
Deferred income - Government grants	–	1,442
PAYE and social security	13,875	12,095
VAT	–	6,340
Finance lease agreements	2,216	2,216
Other creditors	2,182	52,508
Accruals and deferred income	138,180	214,783
	<u>317,627</u>	<u>431,773</u>

The following liabilities disclosed under creditors falling due within one year are secured by the Company

	2013 £	2012 £
Finance lease agreements	<u>2,216</u>	<u>2,216</u>

**8 Creditors:** Amounts falling due after more than one year

	2013 £	2012 £
Bank loans and overdrafts	2,660,000	2,660,000
Finance lease agreements	571	2,787
Other creditors including		
Land costs	316,962	316,962
Deferred income - Government grants	–	44,338
	<u>2,977,533</u>	<u>3,024,087</u>

As at 31 March 2013, the Company had a £2.66 million 20 year term bank loan, which bears interest at 1.25% over bank base rate. A capital repayment schedule has been formally agreed and the loan is interest only until 2015. Under the terms of the facility, the Company may make additional repayments at any time, in multiples of £100,000. The Company has granted its banker fixed charges over certain land and buildings and a floating charge over all other assets, as security for the loans and overdraft it has extended to the Company, including those shown above.

The land costs represent monies due to Plymouth City Council and the Homes and Communities Agency (SWRDA's successor agency) by way of deferred consideration for freehold land acquired in previous financial years. This amount will become payable as and when land is developed.

The following liabilities disclosed under creditors falling due after more than one year are secured by the Company

	2013 £	2012 £
Bank loans and overdrafts	2,660,000	2,660,000
Finance lease agreements	571	2,787
	<u>2,660,571</u>	<u>2,662,787</u>

# **Tamar Science Park Limited**

## **Company Limited by Guarantee**

### Notes and Accounting Policies

Year Ended 31 March 2013

#### **9 Commitments under Operating Leases**

At 31 March 2013 the Company had aggregate annual commitments under non-cancellable operating leases as set out below

	2013 £	2012 £
Operating leases which expire		
Within 2 to 5 years	<u>6,018</u>	<u>6,018</u>

#### **10 Contingencies**

Cumulative capital grants received from Homes and Communities Agency (SWRDA's successor agency) amount to £8,900,425, and from the European Regional Development Fund to £11,294,944. In 2010 the University of Plymouth provided £5,925,000 under the terms of a Collaboration Agreement. These monies may become repayable, in whole or in part, in the event of failure to comply with the terms and conditions attaching to them. The directors believe they are in compliance with all material terms and conditions relating to these funding agreements.

#### **11 Related Party Transactions**

The University of Plymouth and its subsidiaries, joint ventures and associates paid rent and associated charges to the Company of £159,980 (2012 £177,430), £18,173 (2012 £18,739) was outstanding at the year-end.

Plymouth City Council paid the company £11,242 (2012 £18,600) for services received, of which £942 (2012 £9,843) was outstanding at the year-end. The Company paid Plymouth City Council £88,572 (2012 £36,779) in respect of other services. As part of the revised Plymouth City Council funding proposal for the company, Tamar Science Park Limited no longer pays the ground rent of £49,500 (2012 £49,500) on two long term ground leases and Plymouth City Council has assigned to the Company the right to receive rent on two properties on the Tamar Science Park amounting to £19,625 (2012 £19,624). Plymouth City Council also provided business rates relief of £126,296 (2012 £133,097).

#### **12 Company Limited by Guarantee**

The Company is limited by guarantee and has no share capital. The members of the Company are University of Plymouth and Plymouth City Council. In the event of the Company being wound up, the liability of each member is limited to £1.

#### **13 Reserves**

	Revaluation reserve £	Joint Venture Capital £	Building Maintenance Reserve £	Income and expenditure account £
Balance brought forward	6,081,368	6,925,788	86,000	(2,199,521)
Surplus for the year	—	—	—	374,935
Other gains and losses				
- Revaluation of fixed assets	605,000	—	—	—
Other movements				
- transfer between reserves	—	—	(86,000)	86,000
Balance carried forward	<u>6,686,368</u>	<u>6,925,788</u>	<u>—</u>	<u>(1,738,586)</u>

In connection with the joint venture capital invested by the University of Plymouth, the Company has granted fixed charges over certain of its land and buildings and a floating charge over all other assets.