

**NGC TRADING LIMITED**

**REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2012  
REGISTERED NUMBER 03339278**

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## ***NGC TRADING LIMITED***

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## ***NGC TRADING LIMITED***

### ***DIRECTORS' REPORT***

The directors present their report and the financial statements of the company for the year ended 31 July 2012

#### **Principal activities**

The principal activities of NGC Trading Limited during the year have been the operation of restaurant, catering and event activities in the National Glass Centre (NGC)

The activities of NGC Trading Limited support the activities of the National Glass Centre

NGC Trading Limited is a wholly owned subsidiary of the University of Sunderland

#### **Business Review**

It is intended to further grow all aspects of the business in partnership with the University commercial services department

#### **Directors**

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

- Professor P M Fidler CBE
- Mrs S A Atkinson

#### **Donations**

The company will make no gift aid payment to the parent company for 2011/12 (2011 £1,377)

#### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

***NGC TRADING LIMITED***

***DIRECTORS' REPORT (Continued)***

**Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office



**Mrs S. A. Atkinson**  
Director

**Date** 28 November 2012

National Glass Centre Trading Limited

c/o University of Sunderland  
Edinburgh Building  
City Campus  
Chester Road  
Sunderland  
SR1 3SD  
United Kingdom

## ***NGC TRADING LIMITED***

### ***STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS***

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 to enable them to ensure that its financial statements comply with the Companies Act 2006. They have a 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.

## ***NGC TRADING LIMITED***

### ***INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NGC TRADING LIMITED***

We have audited the financial statements of NGC Trading Limited for the year ended 31 July 2012 set out on pages 7 to 14. The financial reporting framework that has been applied to their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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'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 financial statements and for being satisfied 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). These standards require us to comply with the Auditing Practices Board (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of the audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

#### **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 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, 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.

**NGC TRADING LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NGC TRADING LIMITED (CONTINUED)**

**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 the director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**M.R. Thompson (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
Quayside House  
110 Quayside  
NEWCASTLE-UPON-TYNE  
NE1 3DX

Date 28 November 2012

# **NGC TRADING LIMITED**

## ***Profit and Loss Account*** *for the year ended 31 July 2012*

		Year ended 31 July 2012	Year ended 31 July 2011
	Note	£	£
<b>Turnover</b>	1	<b>353,870</b>	428,262
<b>Operating costs</b>		<b>(139,093)</b>	(173,568)
<b>Gross profit</b>		<b>214,777</b>	254,694
Administrative expenses		(243,775)	(264,560)
Other operating income	3	100	4,689
<b>Operating loss</b>	4-5	<b>(28,898)</b>	(5,177)
Other charges covenant payment		-	(1,377)
<b>Loss on ordinary activities before taxation</b>		<b>(28,898)</b>	(6,554)
Tax on loss on ordinary activities	6	-	-
<b>Loss for the financial period</b>	11	<b>(28,898)</b>	(6,554)

The company has no recognised gains or losses other than the results for year as set out above



**NGC TRADING LIMITED**  
**REGISTERED NUMBER 03339278**

***Balance Sheet***  
***at 31 July 2012***

		31 July 2012		31 July 2011	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		10,128		14,026
<b>Current assets</b>					
Stocks		7,632		7,840	
Debtors	8	4,801		28,015	
Cash at bank and in hand		27,545		44,523	
		<u>39,978</u>		<u>80,378</u>	
<b>Creditors. Amounts falling due within one year</b>	9	<u>(117,490)</u>		<u>(175,608)</u>	
<b>Net current liabilities</b>			<u>(77,512)</u>		<u>(95,230)</u>
<b>Net Liabilities</b>			<u>(67,384)</u>		<u>(81,204)</u>
<b>Capital and reserves</b>					
Called-up share capital	10		10,000		10,000
Profit and loss account	11		(120,102)		(91,204)
Capital contribution reserve	11		42,718		-
<b>Shareholders' funds</b>	12		<u>(67,384)</u>		<u>(81,204)</u>

These financial statements were approved by the directors on 28 November 2012



**Mrs S. A. Atkinson**  
**Director**

## **NGC TRADING LIMITED**

### **Notes to 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 under the historical cost convention, and in accordance with applicable accounting standards

The financial statements have been prepared on a going concern basis, which assumes the company will continue in operational existence for the foreseeable future (see note 2)

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of University of Sunderland, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with the University as related parties. The consolidated financial statements of the University of Sunderland, within which this company is included, can be obtained from the University of Sunderland's website or the Director of Planning and Finance, Second Floor, Edinburgh Building, City Campus, University of Sunderland, Chester Road, Sunderland, SR1 3SD

##### **Turnover**

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax. The turnover consists of

- Restaurant sales, accounted for on a receipts basis
- Retail shop sales, accounted for on a receipts basis
- Conference and hire income, accounted for on a receivable basis

##### **Fixed assets and depreciation**

Depreciation of fixtures and fittings is charged on a 20% straight line basis. In line with the policy of all other entities in the University group capitalisation threshold for fixed assets is £5,000 per item

##### **Stocks**

Stocks are comprised of food stocks and drinks for sale in the restaurant and are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Cost is based on the cost purchase on a first in first out basis

Net realisable value is based on estimated selling price

##### **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 profits on a straight line basis over the period of the lease

##### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

## **NGC TRADING LIMITED**

### **Notes to the Financial Statements**

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

##### **Deferred government grants**

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate

##### **Taxation**

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

#### **2. Going concern**

At the balance sheet date the company had net liabilities of £67,384 (2011 £81,204). The company is dependent on the continued financial support of its parent company, the University of Sunderland, to enable it to continue its activities. The University has indicated its willingness to continue to provide the necessary financial support to the company for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

#### **3. Other operating income**

	Year ended 31 July 2012 £	Year ended 31 July 2011 £
Room hire and other miscellaneous income	100	4,689
	<u>100</u>	<u>4,689</u>

#### **4. Operating profit**

Operating profit is stated after charging

	Year ended 31 July 2012 £	Year ended 31 July 2011 £
Depreciation and impairment of owned fixed assets	3,898	11,451
Auditors' fees for audit services	3,860	3,695
	<u>3,898</u>	<u>11,451</u>

# **NGC TRADING LIMITED**

## **Notes to the Financial Statements**

### **5. Particulars of employees**

#### **Average staff numbers (full time equivalent)**

	Year ended 31 July 2012 Number	Year ended 31 July 2011 Number
Catering and events staff	8	9
	£	£
<b>Staff costs</b>		
Wages and salaries	157,165	174,593
Social security costs	9,414	12,480
	166,579	187,073

### **6. Taxation**

No tax charge arises on the result for the year (2011 £nil)

	2012 £000	2011 £000
<b>Current tax reconciliation</b>		
Loss on ordinary activities before tax	(28,898)	(6,554)
UK corporation tax at 24% (2011 26%)	(6,936)	(1,704)
Tax losses not utilised	6,936	1,704
Total current tax charge	-	-

# **NGC TRADING LIMITED**

## **Notes to the Financial Statements**

### **7. Tangible fixed assets**

	Year ended 31 July 2012 £
<b>Cost</b>	
At 1 August	38,114
Additions	-
<b>At 31 July</b>	<u>38,114</u>
<b>Depreciation</b>	
At 1 August	24,088
Charge for the period	3,898
<b>At 31 July</b>	<u>27,986</u>
<b>Net book value</b>	
<b>At 31 July 2012</b>	<u>10,128</u>
<b>At 31 July 2011</b>	<u>14,026</u>

All fixed assets owned by National Glass Centre are classified as fixtures and fittings

### **8. Debtors**

	31 July 2012 £	31 July 2011 £
Trade debtors	-	7,660
Amounts owed by group undertakings	4,801	20,355
	<u>4,801</u>	<u>28,015</u>

# **NGC TRADING LIMITED**

## **Notes to the Financial Statements**

### **9. Creditors: Amounts falling due within one year**

	31 July 2012 £	31 July 2011 £
Trade creditors	18,537	22,225
Amounts owed to group undertakings	86,048	136,533
Taxation and social security	2,406	2,933
Other creditors	10,499	13,917
	<u>117,490</u>	<u>175,608</u>

### **10. Share capital**

	31 July 2012 £	31 July 2011 £
<b>Allotted, called up and fully paid:</b>		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

### **11. Reserves**

	Capital Contribution Reserve £000	Profit and Loss Account £000
At 1 August	-	(91,204)
Capital contribution	42,718	-
Loss for the year	-	(28,898)
<b>At 31 July</b>	<u><b>42,718</b></u>	<u><b>(120,102)</b></u>

During the year the University of Sunderland, the company's parent undertaking, waived a balance that was due from the company. The value of the loan waived is the capital contribution.

## **NGC TRADING LIMITED**

### **Notes to the Financial Statements**

#### **12. Shareholders' funds**

	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
At 1 August	<b>(81,204)</b>	<b>(74,650)</b>
Retained loss for the year	<b>(28,898)</b>	<b>(6554)</b>
Capital contribution reserve	<b>42,718</b>	<b>-</b>
	<hr/>	<hr/>
<b>At 31 July</b>	<b>(67,384)</b>	<b>(81,204)</b>
	<hr/>	<hr/>

#### **13. Remuneration of directors**

The directors received no emoluments from NGC Trading Limited during the year (2011 £nil)

#### **14. Related party disclosures**

The company is controlled by and is a wholly owned subsidiary of the University of Sunderland