

NGC TRADING LIMITED

**DIRECTOR'S REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2016
REGISTERED NUMBER 03339278**

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NGC TRADING LIMITED

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NGC TRADING LIMITED

DIRECTOR'S REPORT

The director presents her report and the audited financial statements of the Company for the year ended 31 July 2016.

Principal activities

The principal activities of NGC Trading Limited consisted of the operation of a restaurant, catering and event activities in the National Glass Centre (NGC). All activities were discontinued in 2014/15 when the activities were transferred to another group company with effect from 1 September 2014, and the Director has taken the decision to cease trading from 31 July 2016.

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

Directors and Directors' interests

The directors who served the Company during the year and subsequent to the year-end were as follows:

- Professor P. M. Fidler, CBE DL (Resigned on 18 November 2015)
- Mrs S. A. Atkinson

The directors had no disclosable interest in the shares of the company during the year.

Business review

Following a major refurbishment during 2013 the National Glass Centre re-opened on 29 June 2013, whereupon 1879 Events Management Ltd assumed responsibility for the operation of the restaurant, catering and hospitality services in year one of an initial five year contract. The contract with 1879 Events Management Ltd was novated to University of Sunderland Enterprises Limited with effect from 1 September 2014.

The results for the year are presented on page 7.

Dividends

The Company has made a final dividend payment to the parent company for 2016 of £15,496 (2015: £nil).

Principal risks and uncertainties

The Company previously operated in a rapidly changing external environment with a focus into the local and regional economy. Following the transfer of activities to another group company in September 2014, the company is no longer exposed to significant ongoing business risks.

NGC TRADING LIMITED

DIRECTOR'S REPORT (Continued)

Key Performance Indicators

The Board of Governors manage the University of Sunderland's group operations on a consolidated basis. For this reason and due to the transfer of activities in the previous year, the director believes that analysis using key performance indicators for NGC Trading Ltd as a standalone company is not meaningful or appropriate. The development, performance and position of the University of Sunderland are explained in the University group accounts.

Employees

The directors were the only employees of the company in the current and previous period and received no remuneration in either year in respect of their services.

Political contributions

The Company made no political contributions or incurred any political expenditure during the current or preceding year.

Disclosure of information to auditor

The director who held office at the date of approval of this director's report confirms that, so far as she is aware, there is no relevant audit information of which the Company's auditor is unaware; and the director has taken all the steps that she ought to have taken as director to make herself aware of relevant audit information and to establish that the Company's auditor is aware of that information.

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: 24 November 2016

NGC Trading Limited
University of Sunderland
4th Floor, Edinburgh Building
City Campus
Chester Road
Sunderland
SR1 3SD

NGC TRADING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTOR'S 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), including FRS 102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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.

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 2016 set out on pages 7 to 15. The financial reporting framework that has been applied to their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *the Financial Reporting Standard applicable in the UK 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'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's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 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.

Emphasis of matter – non going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure in note 1 to the financial statements, which explains that the financial statements have not been prepared on a going concern basis for the reasons set out in that note.

Opinion on other matter prescribed by the Companies Act 2006

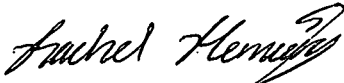
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.



Rachel Fleming (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Date: 16 March 2017

NGC TRADING LIMITED

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2016**

		2016	2015
	Note	£	£
Turnover		-	80
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	80
Administrative expenses		(1,630)	(6,389)
Sale of future trade	10	-	69,949
		<hr/>	<hr/>
Operating (loss) / profit		(1,630)	63,640
Interest payable and similar charges	2	(722)	-
		<hr/>	<hr/>
(Loss) / profit on ordinary activities before tax	3	(2,352)	63,640
Tax on (loss) / profit on ordinary activities	5	-	-
		<hr/>	<hr/>
(Loss) / profit for the financial year		(2,352)	63,640
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive (expenditure)/income for the financial year		(2,352)	63,640
		<hr/> <hr/>	<hr/> <hr/>

NGC TRADING LIMITED
REGISTERED NUMBER 03339278

BALANCE SHEET
AS AT 31 JULY 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	6		-		-
Current assets					
Debtors	7	10,000		40,233	
Cash at bank and in hand		-		35,608	
		<u>10,000</u>		<u>75,841</u>	
Creditors: Amounts falling due within one year	8	-		(5,275)	
Net current assets			<u>10,000</u>	<u>70,566</u>	
Net assets			<u>10,000</u>	<u>70,566</u>	
Capital and reserves					
Called up share capital	9		10,000		10,000
Profit and loss account			-		17,848
Capital contribution reserve			-		42,718
Shareholders' funds			<u>10,000</u>	<u>70,566</u>	

These financial statements were approved by the Board of Directors on 24 November 2016 and were signed on its behalf by:



Mrs S. A. Atkinson
Director

NGC TRADING LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2016**

	Called up Share Capital £	Profit & Loss Reserve £	Capital Contribution Reserve £	Total Equity £
Balance at 1 August 2014	10,000	(45,792)	42,718	6,926
Comprehensive income for the year				
Profit for the year	-	63,640	-	63,640
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	63,640	-	63,640
Transactions with owners, recorded directly in equity				
Dividend	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-
Balance at 31 July 2015	10,000	17,848	42,718	70,566
Balance at 1 August 2015	10,000	17,848	42,718	70,566
Comprehensive income for the year				
Profit for the year	-	(2,352)	-	(2,352)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	(2,352)	-	(2,352)
Transactions with owners, recorded directly in equity				
Repayment of capital	-	-	(42,718)	(42,718)
Dividends	-	(15,496)	-	(15,496)
Total contributions by and distributions to owners	-	(15,496)	(42,718)	(58,214)
Balance at 31 July 2016	10,000	-	-	10,000

NGC TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

NGC Trading Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The Company's parent undertaking, University of Sunderland includes the Company in its consolidated financial statements. The consolidated financial statements of University of Sunderland are available to the public and may be obtained from the University of Sunderland's website or the Director of Finance, Second Floor, Edinburgh Building, City Campus, University of Sunderland, Chester Road, Sunderland SR1 3SD. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of University of Sunderland include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosure:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The directors have taken the decision to cease trading and therefore have not prepared the financial statements on a going concern basis. The director has reconsidered all asset and liability carrying values to be consistent with valuations based on a discontinuation basis, and not on a continuing use basis.

NGC TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting policies (continued)

1.3 Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets.

The estimated useful lives are as follows:

- fixtures and fittings 5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.5 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.6 Turnover

The turnover shown in the Profit and Loss Account represents amounts receivable during the year, exclusive of Value Added Tax, in respect of the contract with 1879 Events Management Ltd. All turnover arises in the United Kingdom.

NGC TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Interest payable and similar charges

	2016 £	2015 £
Interest on related party loans	718	-
Bank interest payable and similar charges	4	-
	<u>722</u>	<u>-</u>

3. Expenses and auditor's remuneration

Profit on ordinary activities before taxation is stated after charging:

	2016 £	2015 £
<i>Included in profit / (loss) are the following:</i>		
Auditor's remuneration:		
Audit	1,000	4,075
Other services – fees paid to the auditor and its associates	600	1,200

4. Remuneration of directors

The directors were the only employees of the company in the current and previous year and received no remuneration in either year in respect of their services.

NGC TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity:

	2016	2015
	£	£
Total current tax	-	-
Total deferred tax	-	-
Total tax	-	-
<i>Reconciliation of effective tax rate</i>	2016	2015
	£	£
(Loss) / profit for the year	(5,451)	63,640
Total tax expense	3,099	-
Profit excluding taxation	(2,352)	63,640
Tax using the UK corporation tax rate of 20.00% (2015: 20.67%)	(470)	13,154
Income not taxable	-	(14,455)
Losses eliminated	-	4,161
Utilisation of tax losses and other deductions	-	(2,990)
Group relief surrendered	-	130
Adjust closing deferred tax to average rate of 20.00%	54	-
Deferred tax not recognised	416	-
Total tax expense included in profit or loss	-	-

There is an unrecognised deferred tax asset of £490 (2015: £74). This asset has not been recognised due to the uncertainty over the timing of its future recovery.

The elements of unprovided deferred taxation are as follows:	2016	2015
	£	£
Fixed asset timing differences	490	74
	490	74

NGC TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. Tangible fixed assets

	2015
	£
Cost	
At beginning of year	38,114
Disposals	(38,114)
At end of year	<u>-</u>
Depreciation	
At beginning of year	38,114
Disposals	(38,114)
At end of year	<u>-</u>
Net book value	
At 31 July 2016	<u>-</u>
At 31 July 2015	<u>-</u>

All fixed assets owned by NGC Trading Limited are classified as fixtures and fittings.

7. Debtors

	2016	2015
	£	£
Amounts owed from University	10,000	20,284
Amounts owed from group undertakings	-	19,949
	<u>10,000</u>	<u>40,233</u>

8. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	-	5,275
	<u>-</u>	<u>5,275</u>

NGC TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. Called up share capital

	2016 £	2015 £
Allotted, called up and fully paid:		
10,000 ordinary shares of £1 each	10,000	10,000

10. Related party disclosures

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