

**University of Warwick  
Science Park Business  
Innovation Centre Limited**

**Annual report and financial  
statements**

**Registered number 03616665  
For the year ended 31 July 2023**



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## Company information

<b>Directors</b>	P Burns R A Drinkwater J Greenway N C Maris J O'Boyle S C R Swain
<b>Secretary</b>	P J Glover
<b>Auditor</b>	Dafferns LLP One Eastwood, Harry Weston Road Binley Business Park Binley Coventry CV3 2UB
<b>Bankers</b>	Barclays Bank, PO Box 2, 25 High St. Coventry CV1 5QZ
<b>Registered Office</b>	University House The University of Warwick Coventry CV4 8UW
<b>Registered Number</b>	03616665

## Directors' report

The directors present their report and the financial statements for the year ended 31 July 2023.

### Results and Dividend

The loss for the year after taxation amounted to £194,921 (2022 Profit: £985,517). No corporation tax is payable, (2022: £nil). The directors do not recommend the payment of a dividend (2022: £nil).

### Principal activities and review of the business

University of Warwick Science Park Business Innovation Centre Limited is a joint venture between the University of Warwick Science Park, Coventry City Council and Coventry Chamber of Commerce created to build an Innovation Centre at Binley Business Park. The Innovation Centre supports the development and growth of tech-based SMEs and start-ups by the provision of a range of hard and soft services to create potentially very innovative businesses with high value-added jobs. University of Warwick Science Park Limited manages the building on behalf of the Company and delivers a range of Business Support Services including connecting to networks and clusters, incubation and monitoring and an innovative business readiness support package primarily for start-ups and SMEs with the characteristics and ambition for growth.

### Going concern

The activities of the Company, together with the factors likely to affect its future development and performance are set out in this report. The financial position of the Company and its liquidity are described in the financial statements and accompanying Notes.

The Company has sufficient financial resources and the directors believe that the Company is well placed to manage its business activities successfully.

Accordingly the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of these financial statements, and for this reason will continue to adopt the going concern basis in the preparation of its financial statements.

### Directors

The directors of the Company during the year, and up to the date of signing of these financial statements, were as follows:

P Burns  
R A Drinkwater  
J Greenway  
N C Maris  
J O'Boyle  
S C R Swain

None of the directors held any beneficial interest in the Company's share capital at 31 July 2023 or at any time during the year then ended.

## **Directors' report** *(continued)*

### **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 each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

The auditors, Dafferns LLP, have been appointed for the year ended 31 July 2023 and will be proposed for re-appointment.

By order of the board



**P J Glover**  
*Company Secretary*

University House  
The University of Warwick  
Coventry  
CV4 8UW

30 November 2023

## **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 they have elected to prepare the financial statements in accordance with 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

# **Independent Auditor's Report to the Members of University of Warwick Science Park Business Innovation Centre Limited**

## **Opinion**

We have audited the financial statements of University of Warwick Science Park Business Innovation Centre Limited (the 'company') for the year ended 31 July 2023 which comprise Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2023, and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

*Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.*

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Independent Auditor's Report to the Members of University of Warwick Science Park Business Innovation Centre Limited (continued)**

### **Opinions on other matters 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; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

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 that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;



## **Independent Auditor's Report to the Members of University of Warwick Science Park Business Innovation Centre Limited (continued)**

- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

### **Use of our report**

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.



Lucy Hatton FCCA (Senior Statutory Auditor)  
For and on behalf of Dafferns LLP,  
Chartered Accountants, Registered Auditors  
One Eastwood, Harry Weston Road  
Binley Business Park, Coventry, CV3 2UB

Date: 12 April....., 2024

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 July 2023*

	<i>Note</i>	<b>2023</b> £	<b>2022</b> £
<b>Turnover</b>	2	<b>484,324</b>	351,309
<b>Cost of sales</b>		<b>(320,905)</b>	(320,380)
<b>Gross profit</b>		<b>163,419</b>	30,929
<b>Administrative expenses</b>		<b>(100,431)</b>	(99,991)
<b>Operating Profit / (Loss)</b>		<b>62,988</b>	(69,062)
Other interest receivable and similar income	5	1,398	-
Interest payable and similar charges	6	(149,307)	(161,749)
Revaluation of investment property	8	(110,000)	250,000
Release of Capital Grant		-	966,328
<b>(Loss) / Profit on ordinary activities before taxation</b>		<b>(194,921)</b>	985,517
<b>Taxation</b>	7	-	-
<b>(Loss) / Profit for the financial year</b>		<b>(194,921)</b>	985,517

**Other Comprehensive Income**

There were no recognised gains or losses other than the loss of £194,921 in the year ended 31 July 2023 (2022 Profit: £985,517).

All amounts relate to continuing activities.

The notes on pages 12 to 20 form part of the financial statements.

## Balance Sheet at 31 July 2023

	Note	2023	2022
		£	£
<b>Fixed assets</b>			
Investment property	8	2,990,000	3,100,000
		<u>2,990,000</u>	<u>3,100,000</u>
<b>Current assets</b>			
Debtors	9	33,162	32,629
Cash at bank and in hand		224,296	194,315
		<u>257,458</u>	<u>226,944</u>
<b>Creditors: amounts falling due within one year</b>	10	(161,359)	(195,231)
<b>Net current assets</b>		<u>96,099</u>	<u>31,713</u>
<b>Total assets less current liabilities</b>		<u>3,086,099</u>	<u>3,131,713</u>
<b>Creditors: amounts falling due after more than one year</b>	11	(3,206,535)	(3,057,228)
<b>Net (liabilities) / assets</b>		<u>(120,436)</u>	<u>74,485</u>
<b>Capital and reserves</b>			
Called up share capital	12	10,001	10,001
Profit and loss account		(130,437)	64,484
<b>Shareholders' funds</b>		<u>(120,436)</u>	<u>74,485</u>

The notes on pages 12 to 21 form part of the financial statements.

These financial statements were approved by the board of directors on 30 November 2023 and were signed on its behalf by:

*R A Drinkwater*

**R A Drinkwater**  
Director

Company registered number: 03616665

## Statement of Changes in Equity

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 August 2021	10,001	(921,033)	(911,032)
<b>Total comprehensive income for the year</b>			
Profit for the year	-	985,517	985,517
	<hr/>	<hr/>	<hr/>
Balance at 31 July 2022	10,001	64,484	74,485
	<hr/>	<hr/>	<hr/>
Balance at 1 August 2022	10,001	64,484	74,485
<b>Total comprehensive income for the year</b>			
(Loss) for the year	-	(194,921)	(194,921)
	<hr/>	<hr/>	<hr/>
Balance at 31 July 2023	10,001	(130,437)	(120,436)
	<hr/>	<hr/>	<hr/>

**Cash flow statement**  
*for the year ended 31 July 2023*

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
(Loss) / Profit	(194,921)	985,517
Adjustments for:		
Decrease / (increase) in value of investment property	110,000	(250,000)
Interest receivable and similar income	(1,398)	-
Interest payable and similar charges	149,307	161,749
(Increase) in trade and other debtors	(533)	(11,466)
(Decrease) / increase in trade and other creditors	(33,872)	(918,022)
<b>Net cash from operating activities</b>	<b>28,583</b>	<b>(32,222)</b>
<b>Cash flows from investment activities</b>		
Interest received	1,398	-
<b>Net cash from investing activities</b>	<b>1,398</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Debenture interest paid	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>
Net increase / (decrease) in cash and cash equivalents	29,981	(32,222)
Cash and cash equivalents at 1 August	194,315	226,537
<b>Cash and cash equivalents at 31 July</b>	<b>224,296</b>	<b>194,315</b>

## Notes

*(forming part of the financial statements)*

### 1 Accounting Policies

University of Warwick Science Park Business Innovation Centre Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 03616665 and the registered address is University House, the University of Warwick, Coventry, CV4 8UW.

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 presentation currency of these financial statements is sterling.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 15.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that financial instruments classified at fair value through the profit or loss are stated at their fair value. The directors therefore continue to adopt the going concern basis in preparing the financial statements.

#### 1.2 Going concern

The directors believe that income and future cash flows will continue to be derived from the Company's principal activities and that the Company is well placed to manage its business risks despite the current uncertain economic outlook. The directors have also considered the working capital requirements for a period of 12 months from the date of this report and have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### 1.3 Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue represents amounts receivable for rents, management charges and service charges receivable net of trade discounts, VAT and other sales-related taxes. Revenue is recognised in line with the terms of lease agreement for rent, management charges and service charges. Any lease incentives are spread over the term of the lease. All other income is recognised as and when the service is performed irrespective of the date of receipt or payment.

#### 1.4 Foreign currency

The presentation currency of these financial statements is sterling.

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

**Notes (continued)**

**1 Accounting policies (continued)**

**1.5 Basic financial instruments**

*Trade and other debtors / creditors*

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.

*Investments in equity instruments*

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss. Other investments are measured at cost less impairment in profit or loss.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

**1.6 Government grants**

The Company accounts for government grants relating to revenue and government grants relating to assets under the accrual model. Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

**1.7 Investment property**

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

*Subsequent to initial recognition*

- i. investment properties are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

**1.8 Provisions**

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

**1.9 Operating leases**

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

**Notes (continued)**

**1 Accounting policies (continued)**

**1.10 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; and differences relating to investments in subsidiaries, associates and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. 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.



## Notes (continued)

### 2 Turnover

Turnover, which is stated net of VAT, represents the provision of goods and services which fall within the Company's ordinary activities.

### 3 Expenses and auditor's remuneration

Included in the profit and loss account are the following:

	2023 £	2022 £
Operating lease rentals:		
Other Assets	2,288	2,438
	<u>2,288</u>	<u>2,438</u>
Auditor's remuneration:		
	2023 £	2022 £
Audit of these financial statements	3,650	3,500
Other services	450	450
	<u>3,650</u>	<u>3,500</u>

### 4 Employee information

The Company had no employees in either year.

The directors did not receive any emoluments for their services to the Company during the period. Management and administration was carried out by University of Warwick Science Park Limited which has an agreement with the Company to manage its building, management and administration.

Directors' and officers' liability insurance amounting to £3,394 (2022: £3,394) has been paid on behalf of the directors. Under Company law, the remuneration of all of the directors falls to be disclosed within the band £nil - £5,000.

### 5 Interest receivable and similar income

	2023 £	2022 £
Bank interest receivable	1,398	-
	<u>1,398</u>	<u>-</u>

## Notes (continued)

### 6 Interest payable and similar charges

	2023 £	2022 £
Debenture loans	149,307	161,749

### 7 Taxation

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

	2023 £	2022 £
Current tax	-	-
Current tax on income for the period	-	-
Total current tax	-	-

#### Reconciliation of effective tax rate

	2023 £	2022 £
(Loss) / Profit for the year	(194,921)	985,517
Tax using the UK corporation tax rate of 21% (2022: 19%)	(40,933)	187,248
Expenses not deductible for tax purposes	390	144
Capital allowances in excess of depreciation	(1,706)	(1,661)
Investment property revaluation (gain)	23,100	(47,500)
Release of Capital Grant	-	(183,602)
Contribution to tax losses	26,686	42,066
Origination and reversal of timing differences	(7,537)	3,305
Total tax expense included in the profit and loss account	-	-

#### Deferred tax not provided for in the financial statements

	2023 £	2022 £
Unused tax losses	241,865	210,095
Short-term temporary differences	21,851	30,653
Total deferred tax	263,716	240,748

A deferred tax asset has not been recognised as there is insufficient evidence that this will be recoverable in the near future.

## Notes (continued)

### 8 Investment property

	Long leasehold		Total
	Land £	Buildings £	£
Balance at beginning of year	765,000	2,335,000	3,100,000
Net loss from fair value adjustments	(55,000)	(55,000)	(110,000)
At end of year	<u>710,000</u>	<u>2,280,000</u>	<u>2,990,000</u>
<b>Historical cost</b>			
At 31 July 2023			<u>3,363,596</u>
At 31 July 2022			<u>3,363,596</u>

£2,990,000 (2022: £3,100,000) of investment property fair value is based on a valuation by an external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and class of property being valued.

The valuations, which are supported by market evidence, are prepared by considering the aggregate of the net annual rents receivable from the property and where relevant, associated costs. An equivalent yield of 11.25% which reflects the specific risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

Any gain or loss arising from a change in fair value is recognised in profit or loss. Rental income from investment property is accounted for as described in the Revenue recognition accounting policy in note 1.

### 9 Debtors

	2023 £	2022 £
Trade debtors	16,009	6,187
Amount due from the University of Warwick Science Park Limited	-	1,207
Prepayments and accrued income	17,153	25,235
	<u>33,162</u>	<u>32,629</u>

The balance owed by University of Warwick Science Park Limited in the prior year was repayable on demand and interest was not chargeable.

**Notes (continued)**

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

	2023 £	2022 £
Trade creditors	8,631	156
Social security and other taxes	10,631	1,734
Amounts owed to the University of Warwick Science Park Limited	14,085	12,076
Accruals and receipts in advance	128,012	181,265
	<u>161,359</u>	<u>195,231</u>

The balance owed to University of Warwick Science Park Limited is repayable on demand and is non-interest bearing.

**11 Creditors: amounts falling due after more than one year**

	2023 £	2022 £
Debenture loans	2,132,956	2,132,956
Preference shares	152,166	152,166
Debenture interest payable	921,413	772,106
	<u>3,206,535</u>	<u>3,057,228</u>

The debenture loans incur an interest rate of 7% and are repayable 2049-53. They are secured on all the Company's assets, both present and future. The debentures are held by University of Warwick Science Park Limited, Coventry City Council and the Coventry and Warwickshire Chamber of Commerce. They are repayable in five equal annual instalments of £426,591 starting 31 December 2049.

The A preference shares entitle holders in priority to the holders of the ordinary shares to a fixed non-cumulative preferential dividend at the rate of 1% per annum from 31 August 1999.

## Notes (continued)

### 12 Capital and reserves

#### Share capital

	2023 £	2022 £
<b>Authorised:</b>		
<i>Ordinary share capital</i>		
2,000 A Ordinary £1 shares	2,000	2,000
4,501 B Ordinary £1 shares	4,501	4,501
3,500 C Ordinary £1 shares	3,500	3,500
	<hr/>	<hr/>
	10,001	10,001
	<hr/>	<hr/>
<i>Preference share capital</i>		
152,166 A preference £1 shares	152,166	152,166
	<hr/>	<hr/>
<b>Issued, called up and fully paid</b>		
<i>Ordinary share capital</i>		
Coventry City Council 2,000 A ordinary £1 shares	2,000	2,000
University of Warwick Science Park Limited 4,501 B ordinary £1 shares	4,501	4,501
Coventry & Warwickshire Chamber of Commerce 3,500 C ordinary £1 shares	3,500	3,500
	<hr/>	<hr/>
	10,001	10,001
	<hr/>	<hr/>
<i>Preference share capital</i>		
Coventry City Council 152,166 A preference £1 shares	152,166	152,166
	<hr/>	<hr/>

The A preference shares are disclosed as creditors falling due after more than one year in accordance with FRS 102.

#### A Ordinary Shares, B Ordinary Shares and C Ordinary Shares

1. all classes of ordinary shares will rank pari passu in all respects
2. will entitle holders to a dividend provided:
  - a) there are sufficient distributable profits to allow such payments; and
  - b) such payment would not reduce the Company's distributable reserves to less than £25,000 adjusted by the change in RPI since January 2000. At July 2023, the index had increased by 225% increasing the threshold to £56,152.

#### Preference Shares

1. Entitle holders, in priority to the holders of ordinary shares, to a fixed non-cumulative preferential dividend at the rate of 1% per annum commencing 31 August 1999, provided such payment would not reduce the Company's distributable reserves to less than £25,000 as adjusted by the change in RPI since January 2000.
2. On a return of capital on a winding up, or otherwise, will carry the right to repayment of capital of £1 per share ranking before the A, B and C Ordinary Shares;
3. may be redeemed in tranches of not less than £7,150 in any year upon the Company giving written notice to the holders of such shares, but in any case Preference Shares to the value of £30,433 will be redeemed each year between 2049 and 2053;
4. carry no entitlement to notice of general meetings or rights to vote or participate in further profits.

### 13 Operating leases

At 31 July, the Company had commitments to future minimum lease receipts under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2023 £	2022 £	2023 £	2022 £
Receivable within one year	196,060	262,302	-	-
In one to five years	41,025	76,169	-	-
	<u>237,085</u>	<u>338,471</u>	<u>-</u>	<u>-</u>

At 31 July, the Company had commitments to future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2023 £	2022 £	2023 £	2022 £
Payable within one year	-	-	2,045	1,848
In one to five years	-	-	1,337	1,281
	<u>-</u>	<u>-</u>	<u>3,382</u>	<u>3,129</u>

### 14 Related party disclosures

University of Warwick Science Park Limited has a management agreement with the Company whereby it manages the Company's property.

	Purchases		Sales	
	2023 £	2022 £	2023 £	2022 £
University of Warwick Science Park Limited				
Management fees	97,159	87,350	-	-
Goods and services	58,015	60,443	37,916	36,067
	<u>155,174</u>	<u>147,793</u>	<u>37,916</u>	<u>36,067</u>
	Creditors		Debtors	
	2023 £	2022 £	2023 £	2022 £
University of Warwick Science Park Limited	14,085	12,076	-	1,207

## **Notes (continued)**

### **15 Accounting estimates and judgements**

#### ***Key sources of estimation uncertainty***

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### ***Impairment of debtors***

The Company makes an estimate for the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 9 for the net carrying amount of the debtors and associated impairment provision.

#### ***Critical accounting judgements in applying the Company's accounting policies***

There are no such judgements in either the current or prior year.