

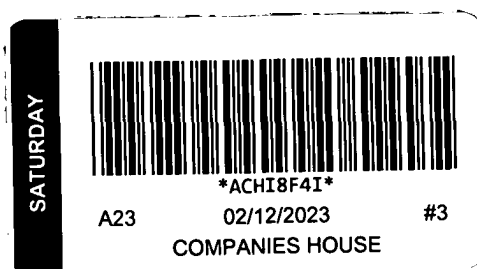


Lancaster University Network Services Limited

Company Registration Number: 04311892

Annual Report and Financial Statements

For the Year Ended 31 July 2023



Lancaster University Network Services Limited

Annual Report and Financial Statements for the year ended 31 July 2023

Contents	Pages
Company information	1
Directors' report for the year ended 31 July 2023	2 - 4
Statement of directors' responsibilities	5
Independent auditor's report to the board of Lancaster University Network Services Limited	6 - 8
Statement of income and retained earnings for the year ended 31 July 2023	9
Statement of financial position as at 31 July 2023	10
Statement of changes in equity for the year ended 31 July 2023	11
Notes to the financial statements for the year ended 31 July 2023	12 - 17

Lancaster University Network Services Limited

Company Information for the Year Ended 31 July 2023

Directors:	N C Banfield M Jameson D Myers S J Randall-Paley D M Williams
Secretary:	M L Green
Registered office:	University House Lancaster University Lancaster LA1 4YW
Company number	04311892 (England and Wales)
Auditors	BDO Two Snowhill Birmingham B4 6GA
Bankers	Barclays Bank Barclays Business Centre 51 Mosley Street Manchester City Office Manchester M60 2AU

Lancaster University Network Services Limited

Directors' report for the year ended 31 July 2023

The directors present their annual report and the audited financial statements of Lancaster University Network Services Limited (the company) for the year ended 31 July 2023.

Principal activities

The company's principal activity is to commercialise IT expertise in respect of computer networking technology and software systems.

Business review and future developments

Lancaster University Network Services Limited (LUNS) is a national telecommunications operator with full code powers. We have a well-established business with an excellent reputation for the provision of high quality high speed network services in the North West of England, and as a provider of virtual learning environment (VLE) and hosting services to customers throughout the UK and beyond. The previous operating year has seen a stable customer base but an increasing cost of sales continues to be a focus to keep increasing profit levels.

In the next operating period we will continue to develop existing areas of strength while actively exploring the potential to grow into new markets through innovative ideas for new products and services. This activity will be carefully managed to ensure that customer retention and satisfaction remains very high.

Results and dividends

The company made a profit for the financial year of £34,258 (2022: £147,428).

A Gift Aid payment of £145,113 has been made in respect of the year ended 31 July 2022. In accordance with FRS 102, Gift Aid is shown in the statement of changes in equity on page 10.

The directors do not recommend the payment of a dividend (2022: £nil).

Lancaster University Network Services Limited

Directors' report for the year ended 31 July 2023 (continued)

Risks, uncertainties & key performance indicators

The key risks facing the Company relate to the ability to maintain network connectivity and the ability to remain competitively priced within the marketplace. With regards to connectivity, measures are in place to ensure continuity of service including ; best practice in Network Design, implementation and monitoring and having robust support arrangements with partners and suppliers in place. The pricing structure of services is kept under constant review to ensure the LUNS offering remains competitive across the range of services. The Company continues to remain profitable as a result of mitigating the above key risks.

The Key Financial Performance Indicator for the company is measured as the annual profit returned to the University. Performance over the last three years are as follows:

Financial year	Profit £
2022/23	34,258
2022/21	147,428
2020/21	36,593

Going concern - See also Note 2 (Accounting Policies)

The company continues to focus on its core service of providing network services to a stable customer base and continues to work towards identifying opportunities for customer growth and a lower cost base for the coming 2023/24 financial year

Lancaster University, the ultimate parent company of Lancaster University Network Services Limited, has confirmed its intention to provide ongoing support to the company for a period of at least 12 months from the date of signature of these accounts. Having considered the ability of Lancaster University to provide that support, the directors believe that the company is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Therefore, the Directors, after making enquiries, having reviewed the forecast budgets over the next 12 months and considering the circumstances described above, have a reasonable expectation that Lancaster University Network Services Limited has adequate resources to continue in operational existence for the foreseeable future.

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

N C Banfield
M Jameson
D Myers
S J Randall-Paley
D M Williams

Lancaster University Network Services Limited

Directors' report for the year ended 31 July 2023 (continued)

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' Liability Insurance in respect of itself and its directors.

Statement of disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with Section 418 of the Companies Act 2006.

Independent auditor

In early 2020, Lancaster University's Audit Committee led a procurement exercise for the tendering of external audit services for the University and all of its subsidiary companies. The Council at its meeting of 13 March 2020, appointed BDO LLP to be the University's independent external auditors for three years, which began with the accounts for 2020/21. This has since been extended for an additional two year period, as approved by Council. The auditor, BDO LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. Accordingly, no separate strategic report is required or presented.

Approved by the Board and signed by its order by



M L Green
Company Secretary
24 November 2023

Lancaster University Network Services Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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), 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 accounting 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 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.

Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Lancaster University Network Services Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANCASTER UNIVERSITY NETWORK SERVICES LIMITED

Opinion on the 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 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.

We have audited the financial statements of Lancaster University Network Services Limited ("the Company") for the year ended 31 July 2023 which comprise Statement of income and retained earnings, statement of financial position and statement of changes in equity and notes to the financial statements, including a summary of 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).

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's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

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.
- 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 Statement of Directors Responsibilities, 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's 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on;

- Our understanding of the Company and the sector in which it operates;
- Discussion with management and those charged with governance and;
- Obtaining and understanding of the company's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the Financial Reporting Standard 102, and the Companies Act 2006.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance, internal audit and audit and risk committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - o Detecting and responding to the risks of fraud; and
 - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be posting inappropriate journals to manipulate financial results, management bias in accounting estimates and recognition of income at the end of the period.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation,
- Reviewed the financial statements for any significant estimates and judgements and agreeing as per Note 2, there are no significant estimates and judgements
- Testing a sample of income around the period end by agreeing to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

DocuSigned by:

Kyla Bellingall

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Kyla Bellingall (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Birmingham, UK

27 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Lancaster University Network Services Limited

**Statement of income and retained earnings
for the year ended 31 July 2023**

	Note	2023 £	2022 £
Turnover	3	611,517	668,407
Cost of sales	4	(537,083)	(483,023)
Gross profit		<u>74,434</u>	<u>185,384</u>
Distribution costs		(1,115)	(4,342)
Administrative expenses		(39,061)	(33,614)
Operating profit		<u>34,258</u>	<u>147,428</u>
Profit before taxation	5	34,258	147,428
Tax on profit	8	-	-
Profit for the financial year		<u>34,258</u>	<u>147,428</u>
Retained profits as at 1 August		183,560	181,245
Retained profits as at 31 July		<u>217,818</u>	<u>328,673</u>

All amounts relate to continuing operations.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of other comprehensive income has been presented.

There is no material difference between the profit before taxation and the profit for the financial year stated above, and their historical cost equivalents.

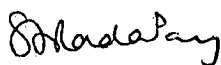
The notes on pages 2 to 17 form part of these financial statements.

Lancaster University Network Services Limited*Company Registration Number: 04311892***Statement of financial position
as at 31 July 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	-	-
Current assets			
Debtors: amounts falling due within one year	12	745,990	937,153
Cash at bank and in hand		1,052	316
		<u>747,042</u>	<u>937,469</u>
Creditors: amounts falling due within one year	13	(229,224)	(308,796)
Net current assets		<u>517,818</u>	<u>628,673</u>
Total assets less current liabilities		<u>517,818</u>	<u>628,673</u>
Net assets		<u>517,818</u>	<u>628,673</u>
Capital and reserves			
Called up share capital	14	300,000	300,000
Profit and loss account		217,818	328,673
Total shareholders' funds		<u>517,818</u>	<u>628,673</u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime, were approved by the board of directors and signed on its behalf by:

The notes on pages 12 to 17 form part of these financial statements.



S Randall-Paley
Director
24 November 2023

Lancaster University Network Services Limited

**Statement of changes in equity
for the year ended 31 July 2023**

	Note	Share capital £	Retained earnings £	Total £
At 1 August 2021		300,000	215,015	515,015
Profit and total comprehensive income for the year		-	147,428	147,428
Gift Aid payment to Lancaster University			(33,770)	(33,770)
At 1 August 2022		300,000	328,673	628,673
Profit and total comprehensive income for the year		-	34,258	34,258
Gift Aid payment to Lancaster University	6	-	(145,113)	(145,113)
At 31 July 2023		<u>300,000</u>	<u>217,818</u>	<u>517,818</u>

Lancaster University Network Services Limited

Notes to the financial statements for the year ended 31 July 2023

1 Company information

Lancaster University Network Services Limited is a private company limited by shares, registered in England & Wales under registration number 04311892. The registered office is Lancaster University, University House, Bailrigg, Lancaster, Lancashire, LA1 4YW.

2 Accounting policies

Basis of preparation

These financial statements are presented in the company's functional currency, Pound Sterling (GBP).

These financial statements are prepared on the going concern basis, under the historic cost convention, and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The principal accounting policies which have been applied consistently throughout the year and the prior year are as follows.

Going concern

The company continues to focus on its core service of providing network services to a stable customer base and continues to work towards identifying opportunities for customer growth and a lower cost base for the coming 2023/24 financial year.

Lancaster University, the ultimate parent company of Lancaster University Network Services Limited, has confirmed its intention to provide ongoing support to the company for a period of at least 12 months from the date of signature of these accounts. Having considered the ability of Lancaster University to provide that support, the directors believe that the company is well placed to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Therefore, the Directors, after making enquiries, having reviewed the forecast budgets over the next 12 months and considering the circumstances described above, have a reasonable expectation that Lancaster University Network Services Limited has adequate resources to continue in operational existence for the foreseeable future.

Lancaster University Network Services Limited

Notes to the financial statements for the year ended 31 July 2023 (continued)

Accounting policies (continued)

Significant accounting estimates and judgements

Management has not made any accounting estimates or judgements that would have a significant effect on the amounts recognised in the financial statements in the year.

Cash flow statement

Under FRS 102, the company is exempt from the requirement to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Lancaster University, and its cash flows are included within the consolidated cash flow statement of that entity which are publicly available.

Related party transactions exemption

The directors have taken advantage of the exemption permitted by FRS 102 and have not disclosed related party transactions with parent and fellow subsidiary undertakings. There are no other related party transactions which require specific disclosure.

Current taxation

Corporation tax payable is provided on taxable profits at the current rate.

Pensions

Pension costs relate to payments made by Lancaster University to the Universities Superannuation Scheme and Local Government Pension Scheme and subsequently recharged to the company. These are charged to the statement of income and retained earnings as they fall due.

Tangible Fixed Assets and Depreciation

Equipment costing less than £10,000 per individual item or group of related items is written off in the year of acquisition. Office furniture is written off in the year of acquisition. All other items of equipment and vehicles are capitalised and depreciated over their expected useful lives. The carrying value of tangible fixed assets is the cost less accumulated depreciation. Equipment and vehicles are depreciated over 5 years, the Telecity GEO fibre is depreciated over 10 years.

Turnover

Turnover represents amounts receivable for services, excluding VAT, provided during the year and consists of sales made in the United Kingdom.

Lancaster University Network Services Limited

Notes to the financial statements for the year ended 31 July 2023 (continued)

Basic financial instruments

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3 Turnover

All turnover took place in the UK and wholly comprises retail sales.

4 Cost of sales	2023	2022
	£	£
Telecom circuits	353,861	376,830
Staff costs	102,361	111,092
Infrastructure maintenance	77,018	70,735
Business rates on circuits	3,843	(75,634)
Hardware	-	-
	<u>537,083</u>	<u>483,023</u>

During the previous the financial year, as a result of identifying a lower cost base, Lancaster University Network Services changed one of its suppliers of fibre circuits. This change, along with the time passed since the last review resulted in further advice being sought on the appropriate business rates provision being held. Specialist rateable value experts, Gerald Eve, provided a new provision balance recommendation. This resulted in a substantial release of the provision previously held, causing a negative business rates charge in the previous financial year.

5 Profit before taxation	2023	2022
	£	£
<i>Profit is stated after charging:</i>		
Depreciation of tangible fixed assets	-	-
Auditor's remuneration for the auditing of the financial statements	11,350	9,072

6 Gift Aid

The charitable giving rules allow for a Gift Aid payment no later than nine months after the end of the financial year. A Gift Aid payment of £145,113 has been made in respect of the year ended 31 July 2022. The tax computation shown in note 8 includes the qualifying charitable donation for the year ended 31 July 2022.

In accordance with FRS 102, Gift Aid is shown in the statement of changes in equity on page 10.

Lancaster University Network Services Limited

Notes to the financial statements for the year ended 31 July 2023 (continued)

8 Tax on profit

No charge to taxation arises on the profit for the financial year (2022: £nil). This is calculated as follows:

	2023 £	2022 £
Profit before taxation	34,258	147,428
Tax on profit at the standard rate of 21.01% (2022: 19%)	7,196	28,010
Deduct capital allowances	(399)	(439)
Qualifying charitable donations	(6,797)	(27,571)
Tax charge for the year	-	-

From 1 April 2023, the Corporation Tax main rate increased from 19% to 25% for profits above £250,000. A small profits rate of 19% was also announced for companies with profits of £50,000 or less. Companies with profits between £50,000 and £250,000 pay tax at the main rate, reduced by a marginal relief. This provides a gradual increase in the effective Corporation Tax rate. FRS 102 requires the substantively enacted rate of 25% to be applied when calculating deferred tax assets and liabilities. There is no expiry date on timing differences, unused tax losses or tax credits. The company has no deferred tax assets and liabilities as at 31 July 2023.

9 Employee costs

<i>Employee costs</i>	2023 £	2022 £
Wages and salaries	55,667	69,366
Social security costs	5,310	6,175
Other pension costs	10,196	11,607
	<u>71,173</u>	<u>87,148</u>
 <i>Average monthly number of employees</i>		
Networking and systems staff	3.0	3.0
Total staff	<u>3.0</u>	<u>3.0</u>

Lancaster University Network Services Limited

Notes to the financial statements for the year ended 31 July 2023 (continued)

10 Directors' emoluments

In the current and prior period, no remuneration was paid to the directors in respect of services to the company. The directors of the company are employed by Lancaster University, which pays them for services they provide to the University. The services they provide for the company are incidental to this role, and as such the remuneration receivable by the directors in respect of qualifying services to the company is £nil (2022: £nil)

11 Tangible assets	Vehicles £	Equipment £	Total £
Cost			
At 1 August 2022	44,252	331,605	375,857
Additions	-	-	-
At 31 July 2023	<u>44,252</u>	<u>331,605</u>	<u>375,857</u>
Accumulated depreciation			
At 1 August 2022	44,252	331,605	375,857
Charge for the year	-	-	-
At 31 July 2023	<u>44,252</u>	<u>331,605</u>	<u>375,857</u>
Net book value			
At 31 July 2023	<u>-</u>	<u>-</u>	<u>-</u>
At 31 July 2022	<u>-</u>	<u>-</u>	<u>-</u>

12 Debtors: amounts falling due within one year	2023 £	2022 £
Trade debtors	86,999	111,991
Amounts owed by group undertakings *	608,502	783,466
Accrued income	3,333	-
Prepayments	45,431	41,696
Value Added Tax	1,725	-
	<u>745,990</u>	<u>937,153</u>

* The balance is repayable on demand however, the company will not seek repayment of this amount from Lancaster University in the foreseeable future and no interest is charged on the balance.

13 Creditors: amounts falling due within one year	2023 £	2022 £
Trade creditors	3,466	4,299
Value Added Tax	-	26,933
Accruals	67,359	77,023
Deferred income	158,399	200,541
	<u>229,224</u>	<u>308,796</u>

Lancaster University Network Services Limited

Notes to the financial statements for the year ended 31 July 2023 (continued)

14 Called up share capital	2023 £	2022 £
<i>Authorised</i>		
5,000,000 (2022: 5,000,000) ordinary shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>
<i>Allotted and called up</i>		
300,000 (2022: 300,000) ordinary shares of £1 each	<u>300,000</u>	<u>300,000</u>

15 Pension schemes

Company employees are contracted by Lancaster University and are members of the Universities Superannuation Scheme. Employer's contributions are paid by the University and recharged to LUNS on a monthly basis. The liability of LUNS is therefore limited to the employers contribution on behalf of LUNS staff only. Full disclosures have been made in the financial statements of Lancaster University.

The company is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis and therefore, as required by FRS 102, accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the statement of income and retained earnings represents the contributions payable to the schemes in respect of the accounting year.

16 Capital commitments

There are currently no capital commitments (2022: £nil).

17 Ultimate parent company

The ultimate parent undertaking and controlling party is Lancaster University, which is incorporated by Royal Charter in Great Britain.

Lancaster University is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 July 2023. The consolidated financial statements can be obtained from:

Lancaster University
University House
Bailrigg
Lancaster
Lancashire
LA1 4YW

This address is also the registered office of the company.