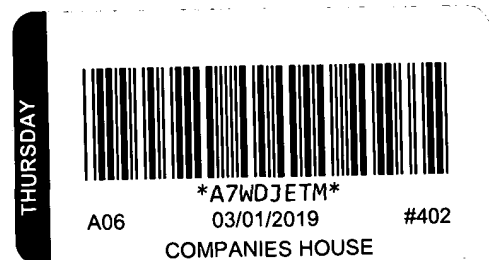


Menai Science Park Limited

Annual report and financial statements
Registered number 08589427
31 July 2018



Contents

Directors and advisers for the year ended 31 July 2018	3
Directors' report	4
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	5
Independent auditor's report to the members of Menai Science Park Limited	6
Profit and loss account	8
Balance sheet	9
Statement of changes in equity	10
Notes	11

Directors and advisers for the year ended 31 July 2018

Directors

Prof John Hughes
Prof Sian Hope
Dr Malcolm Jones
Mr Ieuan Wyn Jones
Mr John Jones
Mrs Karen Jones
Mr Pryderi Ap Rhisiart (appointed 1st May 2018)

Secretary

Mr Carl Shipton

Registered Office

Finance Office
Bangor University
Cae Derwen
College Road
Bangor
Gwynedd
LL57 2DG

Auditor

KPMG LLP
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

Solicitor

Weightmans LLP
100 Old Hall Street
Liverpool
L32 9QJ

Banker

Santander Bank plc
236 High Street
Bangor
Gwynedd
LL57 1PA

Directors' report

The Directors present their report and the audited financial statements of the Company for the year ended 31 July 2018.

Principal activities

The Company is a wholly owned subsidiary of Bangor University. The Company's principal activity during the year was the development of a Science Park in North West Wales. The Science Park objectives will be to support industry facing research projects, SMEs and Corporates which will enable growth in knowledge-based science in North West Wales, in partnership with Bangor University, Welsh Government and Local Authorities. The first building was officially opened in March 2018 and supported by both capital and revenue grants from the Welsh Government and the Welsh European Funding Office. The Company will market, support and manage the flow of tenants within the initial building while developing the future of the remaining Park.

Results and dividends

The Company posts a breakeven position for the period.

Going concern

Whilst the Company broke-even during the period, the Directors consider it appropriate for these financial statements to be prepared on a going concern basis given the financial support agreed to be provided by Bangor University for at least the next twelve months from the date of these accounts.

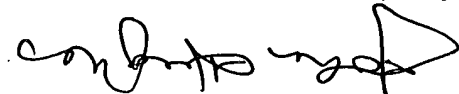
Directors and their interests

The Directors of the Company who held office during the period are listed on page 3. None of the Directors had any interest in the share of the Company at 31 July 2018 or at any time during that period.

Disclosure of information to auditors

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 to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

By order of the Board



Prof J Hughes

Bangor, Wales

Director

21 November 2018

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 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;
- 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.



KPMG LLP

One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

Independent auditor's report to the members of Menai Science Park Limited

Opinion

We have audited the financial statements of Menai Science Park Limited ("the company") for the year ended 31 July 2018 which comprise the Profit and Loss Account, Balance Sheet, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2018 and of its results for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Menai Science Park Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.


Michael Rowley (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

7 December 2018

Profit and loss account
For the year ended 31 July 2018

	Note	2018	2017
		£	£
Turnover	2	480,115	257,294
Administrative expenses		<u>(480,140)</u>	<u>(257,330)</u>
Operating loss		(25)	(36)
Interest receivable and similar income		<u>25</u>	<u>36</u>
Profit on ordinary activities before taxation		0	0
Tax on profit on ordinary activities	6	<u>0</u>	<u>0</u>
Profit for the financial year	10	<u>0</u>	<u>0</u>

All operations are continuing.

The Company has no recognised profits or losses other than those presented above and therefore no other comprehensive income statement has been presented.

Balance sheet
At 31 July 2018

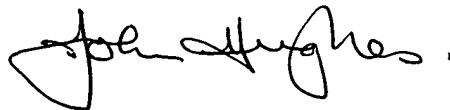
	Note	2018	2017
		£	£
Fixed Assets		0	0
Current Assets			
Debtors	7	60,876	4,025
Cash at bank and in hand		15,913	26,020
Creditors: amounts falling due within one year	8	(76,788)	(30,044)
Net current assets/(liabilities)		1	1
Total assets less current liabilities		1	1
Net assets		1	1
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account	10	0	0
Shareholders' funds		1	1

These financial statements were approved by the Board of Directors on 21 November 2018 and were signed on its behalf by:

Mr P Ap Rhisiart
Director



Professor J Hughes
Director



Statement of changes in equity

	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 August 2016	1	0	1
Total comprehensive income for the period			
Profit or loss	0	0	0
Balance at 31 July 2017	1	0	1

	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 August 2017	1	0	1
Total comprehensive income for the period			
Profit or loss	0	0	0
Balance at 31 July 2018	1	0	1

Notes

(Forming part of the financial statements)

1. Accounting policies

Menai Science Park Limited 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 applicable in the UK (FRS 102) as issued in August 2014.

In these financial statements, Menai Science Park Limited 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 disclosures:

- the Cash Flow Statement and related notes; and
- key management personnel compensation

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

- the disclosures require by FRS 102.11 Basic Financial Instruments

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom.

A summary of the more important accounting policies is set out below.

Critical accounting estimates and judgements

There are no critical accounting estimates and judgements.

Going concern

Notwithstanding the net current assets balance of £1k and net cash outflows for the year of £10k, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through its existing cash balances and funding from its immediate parent, Bangor University, to meet its liabilities as they fall due for that period.

Bangor University has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

Turnover

Turnover represents amounts recoverable as revenue grants during the year to cover administrative expenses incurred and rental income from tenants since the building was opened in March 2018. Turnover for 2017/18 includes revenue grants of £309,249 from Bangor University (2017: £257,294).

Notes (continued)

Cash flow statement

The Company has taken advantage of the disclosure exemption under FRS 102 for a qualifying entity.

Pension costs and other post-retirement benefits

A number of the Company's employees are members of National Employment Savings Trust Pension Scheme. Contributions payable to the scheme are charged to the profit and loss account to which they relate.

Interest receivable

Interest receivable includes interest received on funds held at bank.

2. Turnover

Turnover represents amounts recoverable as revenue grants during the year to cover administrative expenses incurred and rental income from tenants since the building was opened in March 2018.

Notes (continued)

3. Expenses and auditor's remuneration

Included in the profit/loss are the following:

	2018	2017
	£	£
Amounts receivable by the Company's auditor in respect of:		
Audit of financial statements	3,200	3,100
Taxation compliance services	<u>2,160</u>	<u>2,160</u>
	<u>5,360</u>	<u>5,260</u>

4. Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year was as follows:

	2018	2017
Administration	<u>6</u>	<u>4</u>
	<u>6</u>	<u>4</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	209,494	167,082
Social security costs	<u>23,488</u>	<u>18,957</u>
	<u>2,160</u>	<u>923</u>
	<u>235,142</u>	<u>186,962</u>

5. Director's remuneration

	2018	2017
	£	£
The Directors' aggregate emoluments, including pension contributions in respect of qualifying services were:		
Aggregate emoluments	<u>77,426</u>	<u>73,607</u>

There were two Director's paid by the Company.

Notes (continued)

6. Taxation

Factors affecting the tax charge for the current period

	2018	2017
	£	£
Profit on ordinary activities before tax	<u>nil</u>	<u>nil</u>
Tax on profit on ordinary activities at standard rate of corporation tax in the UK of 19.00% (prior year 19.67%)	nil	nil
Effects of:		
Expenses not deductible for tax purposes	23	197
Group relief surrender (claimed)	<u>(23)</u>	<u>(197)</u>
Current tax charge for period	<u>nil</u>	<u>nil</u>

No current tax arises on the profit/(loss) for the year.

7. Debtors

	2018	2017
	£	£
Amounts due from group undertakings	54,692	0
Trade debtors	6,183	319
Other debtors	<u>1</u>	<u>3,706</u>
	<u>60,876</u>	<u>4,025</u>

8. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	2,691	0
Amounts owed to group undertakings	0	16,824
Taxation and social security	6,391	7,040
Accrual	63,741	6,180
Prepayment	<u>3,965</u>	<u>0</u>
	<u>76,788</u>	<u>30,044</u>

The amounts owed to group undertakings is owed to the parent, Bangor University, and is repayable on demand.

Notes (continued)

9. Share capital

Factors affecting the tax charge for the current period

	2018	2017
	£	£
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and unpaid		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

10. Profit and loss account

	2018
	£
At 1 August 2017	0
Profit for the financial year	<u>0</u>
At 31 July 2018	<u>0</u>

11. Capital commitments

There were no capital commitments at the year end.

12. Pension commitments

A number of the Company's employees are members of National Employment Savings Trust (NEST) Pension Scheme. The assets of the scheme are held separately from those of the Company in separately administered funds.

13. Financial commitments

Operating lease rentals are payable as follows:

	2018	2017
	£	£
Less than one year	230,000	2,330
Between one and five years	920,000	0
More than five years	<u>4,493,507</u>	<u>0</u>
	<u>5,643,507</u>	<u>2,330</u>

14. Related Parties

The Company holds a register for all Directors. No related party transactions took place during the year ending 31st July 2018.

15. Ultimate parent company

The Company is wholly owned by Bangor University, a Registered Charity (charity number 1141565). Copies of the parent's consolidated financial statements may be obtained from the Finance Office, Bangor University, College Road, Bangor, Gwynedd LL57 2DG.

There were no other related party transactions during the period.