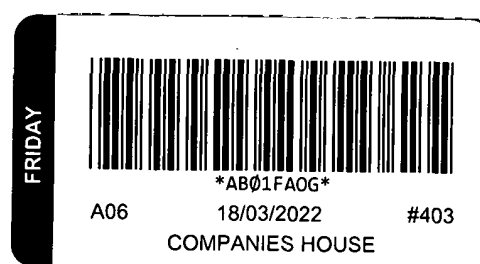


Menai Science Park Limited

Annual report and financial statements
Registered number 08589427
31 July 2021



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Directors and advisers for the year ended 31 July 2021

Directors

Prof Sian Hope
Mr Ieuan Wyn Jones
Mr John Jones
Mrs Karen Jones
Mr Pryderi Ap Rhisiart
Prof Paul Spencer
Dr Edward Jones
Sarah Ellwood (appointed 24/09/2020)

Secretary

Mr Carl Shipton

Registered Office

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

Auditor

KPMG LLP
1 St Peter's Square
Manchester
M2 3AE

Solicitor

Eversheds Sutherland (International) LLP
Eversheds House
70 Great Bridgewater Street
Manchester
Lancashire
M1 5ES

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 2021.

Principal activities

The Company is a wholly owned subsidiary of Bangor University. The Company's principal activity during the year was the operation of a Science Park in North West Wales in line with its stated objectives and vision "to develop, nurture and promote an advanced, relevant, & sustainable Science Park to serve the people & economy of North Wales, propelling the region into the future and growing the economy."

During the period the Science Park supported industry facing research projects, SMEs and Corporates enabling growth in knowledge-based science in North West Wales, in partnership with Bangor University, Welsh Government and Local Authorities. The park has been operational for two and half years delivering Enterprise and Business support along with the space for businesses to grow.

Results and dividends

The Company posts a profit of £64,873 (2020: £0).

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. Whilst the Company made a small profit 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.

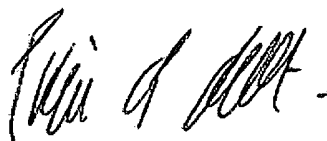
Directors and their interests

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 2021 or at any time during that period.

Disclosure of information to auditors

The Directors who held office at the date of approval of this Director's 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



Pryderi ap Rhisiart
Bangor, Wales

Director
8 February 2022

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;
- 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 MENAI SCIENCE PARK LIMITED

Opinion

We have audited the financial statements of Menai Science Park Limited ("the company") for the year ended 31 July 2021 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 2021 and of its profit 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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we considered there to be a risk of fraud relating to income being recorded in the incorrect period.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to income or reserves that may be indicative of manipulation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, anti-bribery and certain aspects of company legislation recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

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.

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.



Timothy Cutler (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 St Peter's Square,

Manchester,

M2 3AE

15 February 2022

Profit and loss account
For the year ended 31 July 2021

	Note	2021	2020
		£	£
Turnover	2	1,159,350	1,119,178
Administrative expenses		<u>(1,094,477)</u>	<u>(1,119,254)</u>
Operating profit/(loss)		64,873	(76)
Interest receivable and similar income		<u>0</u>	<u>76</u>
Profit on ordinary activities before taxation		64,873	0
Tax on profit on ordinary activities	6	<u>0</u>	<u>0</u>
Profit for the financial year	11	<u>64,873</u>	<u>0</u>

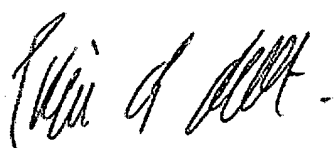
All operations are continuing.

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 2021

	Note	2021	2020
		£	£
Fixed Assets		22,990	16,261
Current Assets			
Debtors	8	81,192	62,629
Cash at bank and in hand		458,470	191,862
Creditors: amounts falling due within one year	9	(497,778)	(270,751)
Net current assets/(liabilities)		41,884	(16,260)
Total assets less current liabilities		64,874	1
Net assets		64,874	1
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	64,873	0
Shareholders' funds		64,874	1

These financial statements were approved by the Board of Directors on 8 February 2022 and were signed on its behalf by:



Mr P Ap Rhisiart
Director



Ieuan Wyn Jones
Director

Statement of changes in equity

	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 August 2019	1	0	1
Total comprehensive income for the period			
Profit or loss	0	0	0
	<hr/>	<hr/>	<hr/>
Balance at 31 July 2020	1	0	1
	<hr/>	<hr/>	<hr/>
	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 August 2020	1	0	1
Total comprehensive income for the period			
Profit or loss	0	64,873	64,873
	<hr/>	<hr/>	<hr/>
Balance at 31 July 2021	1	64,873	64,874
	<hr/>	<hr/>	<hr/>

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

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 income from tenants and hire of facilities. The company also receives a management fee from Bangor University for operating the Science Park (£290,000) and no support grant was received this year (2020: £83,817). The company has received £3,477 from the Coronavirus Job Retention Scheme for staff furloughed during the year.

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

	2021	2020
	£	£
Tenant Rent, Virtual Tenancy & Hire of Facilities	572,856	467,433
Other	<u>586,494</u>	<u>651,745</u>
	<u>1,159,350</u>	<u>1,119,178</u>

Notes *(continued)*

3. Expenses and auditor's remuneration

Included in the profit/loss are the following:

	2021	2020
	£	£
Amounts receivable by the Company's auditor in respect of:		
Audit of financial statements	11,000	8,000
Taxation compliance services	<u>2,160</u>	<u>2,160</u>
	<u>13,160</u>	<u>10,160</u>

4. Staff numbers and costs

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

	2021	2020
Administration	<u>8</u>	<u>8</u>
	<u>8</u>	<u>8</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	254,842	243,302
Social security costs	25,779	24,560
Pension	<u>7,210</u>	<u>6,335</u>
	<u>287,831</u>	<u>274,197</u>

5. Director's remuneration

	2021	2020
	£	£
The Directors' aggregate emoluments, including pension contributions in respect of qualifying services were:		
Aggregate emoluments	<u>69,165</u>	<u>71,556</u>

There was one Director paid by the Company.

Notes (continued)

6. Taxation

Factors affecting the tax charge for the current period

	2021	2020
	£	£
Profit on ordinary activities before tax	<u>64,873</u>	<u>nil</u>
Tax on profit on ordinary activities at standard rate of corporation tax in the UK of 19.00% (prior year 19.00%)	12,326	nil
Effects of:		
Fixed asset differences	(951)	665
Expenses not deductible for tax purposes	4,780	1,411
Group relief surrendered/(claimed)	(14,036)	nil
Adjustments to tax charge in respect of previous periods - deferred tax	nil	126
Adjust closing deferred tax to average rate of 19.00%	nil	nil
Remeasurement of deferred tax for changes in tax rates	<u>1,373</u>	<u>16</u>
Current tax charge/(credit) for period	<u>3,492</u>	<u>2,218</u>
Total Corporation Tax Payable	<u>nil</u>	<u>nil</u>

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

7. Tangible Fixed Assets

	2021
	£
COST	
At 1 st August 2020	27,101
Additions	15,187
Disposals	0
At 31 July 2021	<u>42,288</u>
DEPRECIATION	
At 1 st August 2020	10,840
Charge for year	8,548
At 31 July 2021	<u>19,298</u>
NET BOOK VALUE	
At 31 July 2021	<u>22,990</u>
At 31 July 2020	<u>16,261</u>

Notes (continued)	2021	2020
	£	£
8. Debtors		
Amounts due from group undertakings	11,516	18,983
Trade Debtors	23,402	1,919
Other debtors	0	1
Accrued Income	16,063	16,013
Prepayments	30,211	25,713
	<u>81,192</u>	<u>62,629</u>

9. Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	153,162	32,254
Amounts owed to group undertakings	19,936	1,391
Taxation and social security	6,871	6,858
Accrual	25,326	13,313
Receipt in advance	135,399	30,222
Other Creditors	157,084	186,713
	<u>497,778</u>	<u>270,751</u>

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

10. Share capital

Factors affecting the tax charge for the current period

	2021	2020
	£	£
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>

Notes *(continued)*

11. Profit and loss account

	2021
	£
At 1 August 2020	0
Profit for the financial year	<u>64,873</u>
At 31 July 2021	<u>64,873</u>

12. Capital commitments

There were no capital commitments at the year end.

13. 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.

14. Financial commitments

Operating lease rentals are payable as follows:

	2021	2020
	£	£
Less than one year	290,000	290,000
Between one and five years	1,160,000	1,160,000
More than five years	<u>10,795,726</u>	<u>11,085,726</u>
	<u>12,245,726</u>	<u>12,535,726</u>

15. Related Parties

The Company holds a register for all Directors. Transactions involving external organisations where a member of the board is a related party are set out below:

	Income	Expenditure	Debtors at 31 July 2021	Creditors at 31 July 2021
	£	£	£	£
Menter Mon / Annog Cyf	<u>59,392</u>	<u>60,000</u>	<u>13,817</u>	<u>60,000</u>
Total	59,392	60,000	13,817	60,000

16. 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.