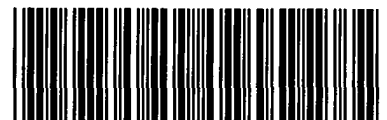


University of Warwick Science Park Limited

**Annual report and financial
statements**

**Registered number 01659656
For the year ended 31 July 2023**

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COMPANIES HOUSE

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Company information

Directors	R A Drinkwater J Greenway N C Maris S C R Swain
Secretary	P J Glover
Auditor	Dafferns LLP One Eastwood, Harry Weston Road Binley Business Park Binley Coventry CV3 2UB
Bankers	Barclays Bank PO Box 2 25 High St. Coventry CV1 5QZ
Registered Office	University House The University of Warwick Coventry CV4 8UW
Registered Number	01659656

Directors' report

Business Strategy and Objectives

The Company is a wholly owned subsidiary of the University of Warwick. The Company has two associate companies which own Business Innovation Centres in Warwick and Coventry. It also provides management services to an Innovation Centre in Solihull.

Our objectives are to support and enhance the growth of knowledge-based businesses through an environment which:

- facilitates the transfer of University 'know-how' and research into industry;
- offers exceptional accommodation designed for flexibility and the needs of growing knowledge-based companies; and
- incorporates high calibre business advisory services for pre-start through early stage to established enterprises. We seek to increase the flow of high-quality prospective tenants and to strengthen the growth prospects of existing occupiers through this provision and the allied incubation activity.

The business has a number of KPIs that it measures its performance against on a regular periodic basis.

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

Results and Dividend

The profit for the year before taxation amounted £302k (2022: £101k) which after payment of Deed of Covenant, resulted in a total comprehensive loss for the year of £47k (2022: £352k). The directors do not recommend the payment of a dividend (2022: *Nil*).

By deed of covenant dated 15 March 2012, the Company covenanted to pay the University of Warwick a sum equal to the taxable profit for corporation tax purposes, with effect from and including the year ended September 2011.

Principal activities and review of the business

The Company's principal activity during the year continued to be that of provision of support to innovative small businesses by provision of accommodation, business advice and facilitation of the transfer of University 'know-how' into industry. The directors have reviewed the balance sheet at 31 July 2023 and events thereafter. They consider the results for the year ended and the position at 31 July 2023 to be positive.

Going concern

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

The directors have prepared cashflow forecasts, which consider the risks and mitigations for a period of 12 months from the date of approval of these financial statements which indicate that, the Company will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements.

The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

Directors' report *(continued)*

Directors

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

R A Drinkwater
J Greenway
N C Maris
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.

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 in 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

17 October 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including *FRS 102 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of University of Warwick Science Park Limited

Opinion

We have audited the financial statements of University of Warwick Science Park 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.

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;
- 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.

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: **14 December** 2023

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

	<i>Note</i>	2023 £000	2022 £000
Turnover	2	5,176	4,920
Cost of sales		(4,126)	(3,968)
		<hr/>	<hr/>
Gross profit		1,050	952
Administrative expenses		(832)	(801)
		<hr/>	<hr/>
Operating profit		218	151
Income from fixed asset investments	6	110	115
Other interest receivable and similar income	7	43	-
Interest payable and similar charges	8	(69)	(165)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		302	101
Taxation	9	-	-
		<hr/>	<hr/>
Profit on the financial year		302	101
Deed of Covenant		(349)	(453)
		<hr/>	<hr/>
Total comprehensive loss for the year		(47)	(352)
		<hr/>	<hr/>

All amounts relate to continuing activities.

The notes on pages 11 to 22 form part of the financial statements.

Balance Sheet at 31 July 2023

	Note	£000	2023 £000	£000	2022 £000
Fixed assets					
Tangible assets	10		9,007		8,925
Investments	11		350		350
			<u>9,357</u>		<u>9,275</u>
Current assets					
Debtors	12	1,329		1,873	
Cash at bank and in hand		1,449		1,252	
		<u>2,778</u>		<u>3,125</u>	
Creditors: amounts falling due within one year	13	(2,422)		(2,640)	
Net current assets			<u>356</u>		<u>485</u>
Total assets less current liabilities			<u>9,713</u>		<u>9,760</u>
Creditors: amounts falling due after more than one year	14		(2,750)		(2,750)
Net assets			<u>6,963</u>		<u>7,010</u>
Capital and reserves					
Called up share capital	15		28		28
Share premium account			449		449
Profit and loss account			6,486		6,533
Shareholders' funds			<u>6,963</u>		<u>7,010</u>

The notes on pages 11 to 22 form part of the financial statements.

These financial statements were approved by the board of directors on 17 October 2023
and were signed on its behalf by:

R A Drinkwater

R A Drinkwater
Director

Company registered number: 01659656

Statement of Changes in Equity

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
Balance at 1 August 2021	28	449	6,885	7,362
Total comprehensive income / (loss) for the year				
Profit for the year	-	-	101	101
Deed of Covenant	-	-	(453)	(453)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the year	-	-	(352)	(352)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 July 2022	28	449	6,533	7,010
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 August 2022	28	449	6,533	7,010
Total comprehensive income / (loss) for the year				
Profit for the year	-	-	302	302
Deed of Covenant	-	-	(349)	(349)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the year	-	-	(47)	(47)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 July 2023	28	449	6,486	6,963
	<hr/>	<hr/>	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting Policies

University of Warwick Science Park Limited (the "Company") is a private company limited by shares, incorporated, domiciled and registered in England in the UK. The registered number is 01659656 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 amendments to FRS 102 issued in September 2015 have been applied, together with those relating to gift aid included in the Triennial Review of FRS 102, issued in December 2019. The effect of the adoption of the gift aid amendments was to change its tax treatment such that a corporation tax charge in the Profit and Loss Account and an associated tax credit in the Statement of Changes in Equity are no longer required. The presentation currency of these financial statements is sterling.

The Company's ultimate parent undertaking, the University of Warwick, includes the Company in its consolidated financial statements. The consolidated financial statements of the University of Warwick are prepared in accordance with FRS 102 and are available to the public and may be obtained from the University of Warwick, Coventry, CV4 8UW. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of the University of Warwick include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

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

The Company is exempt from the obligation to prepare consolidated financial statements on the grounds that it is a wholly-owned subsidiary undertaking of the University of Warwick within whose consolidated financial statements the Company's activities are included.

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 20.

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.

1.2 Going concern

The directors have prepared cashflow forecasts which consider the risks and mitigations for a period of 12 months from the date of approval of these financial statements which indicate that the company will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements.

The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

Notes (continued)

1 Accounting policies (continued)

1.3 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.

1.4 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.

1.5 Tangible fixed assets

A number of the Company's Leasehold buildings are rented to third parties. This supports the transfer of University 'know-how' and research into industry, as well as providing accommodation for growing knowledge-based companies and as such are treated as tangible fixed assets. The Company's activities further support the University by helping to enhance its reputation, and promoting the University's strategic priorities, in particular Regional Leadership and Innovation.

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

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	50 years
Refurbishments	10 to 20 years
Fixtures, fittings and equipment	Between 5 and 10 years
Computer equipment	3 years

Where buildings are acquired with the aid of government and other specific grants, they are capitalised and depreciated as above. The related grants are treated as deferred income and released to income over the shorter of the grant term and the expected useful life of the buildings.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.6 Government grants

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.

Notes (continued)

1 Accounting policies (continued)

1.7 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.

1.8 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.

1.9 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.

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.

1.11 Pensions

Pensions are recognised in the financial statements as recharged by the University of Warwick.

Notes (continued)

2 Turnover

Turnover, which is stated net of value added tax, 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 £000	2022 £000
Depreciation (note 10)	406	382
Operating lease rentals:		
Land and buildings	778	797
Other assets	2	2
	<hr/>	<hr/>
<i>Auditor's remuneration:</i>		
	2023 £000	2022 £000
Audit of these financial statements	11	11
Other services	10	-
	<hr/>	<hr/>
	21	11
	<hr/>	<hr/>

4 Directors' remuneration

No directors have received any fee or remuneration for their services during the year (2022: £nil).

Directors and officers liability insurance amounting to £7k (2022: £5k) 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.

The Company has applied the exemptions available in respect of the disclosure of Key Management Personnel compensation.

Notes (continued)

5 Staff numbers and costs

The average monthly number of employees, including directors, during the year was made up as follows:

	Number of employees	
	2023	2022
Operations	17	16
Finance and administration	7	8
Directors	4	4
	<u>28</u>	<u>28</u>

The aggregate payroll costs of these persons were as follows:

	2023 £000	2022 £000
Wages and salaries	642	614
Social security costs	58	52
Other pension costs	75	77
	<u>775</u>	<u>743</u>

The prior year payroll costs have been restated to remove recharges of personnel costs from the parent company the University of Warwick of £384k, which are included within other administration expenses, as the personnel to which the costs relate are employees of the University of Warwick. This treatment is consistent with the current year.

6 Income from fixed assets investments

	2023 £000	2022 £000
Dividend income receivable	59	60
Debenture interest receivable	51	55
	<u>110</u>	<u>115</u>

7 Other interest receivable and similar income

	2023 £000	2022 £000
Interest on funds invested by the University of Warwick	43	-
	<u>43</u>	<u>-</u>

8 Interest payable and similar charges

	2023 £000	2022 £000
Debenture loan interest	69	165

Notes (continued)

9 Taxation

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

	2023 £	2022 £
Total tax	-	-

Reconciliation of effective tax rate

	2023 £000	2022 £000
Profit for the year before tax	302	101
Tax using the UK corporation tax rate of 21% (2022: 19%)	63	19
Expenses not deductible for tax purposes	1	(4)
Depreciation greater than capital allowances	76	64
Dividend income and debt interest	(12)	(11)
Other timing differences	(55)	25
Effect of Deed of Covenant	(73)	(93)
Total tax expense included in the profit and loss account	-	-

Notes (continued)

10 Tangible fixed assets

	Land and Buildings	Fixtures, Fittings and Equipment	Assets Under the Course of Construction	Total
	£000	£000	£000	£000
Cost				
At beginning of year	16,125	203	17	16,345
Additions	376	-	112	488
Transfer	129	-	(129)	-
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	16,630	203	-	16,833
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At beginning of year	7,221	199	-	7,420
Charge for the year	402	4	-	406
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	7,623	203	-	7,826
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 July 2023	9,007	-	-	9,007
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2022	8,904	4	17	8,925
	<hr/>	<hr/>	<hr/>	<hr/>

11 Fixed asset investments

	Participating interests	Loans to undertakings in which the Company has a participating interest	Total
	£000	£000	£000
Cost			
At beginning and end of year	350	-	350
	<hr/>	<hr/>	<hr/>
Provisions			
At beginning and end of year	-	-	-
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 July 2023 and 31 July 2022	350	-	350
	<hr/>	<hr/>	<hr/>

Notes (continued)

11 Fixed asset investments (continued)

The Company has the following investments in subsidiaries and associates:

UWSP Concepts Limited

The Company has a subsidiary undertaking, UWSP Concepts Limited. Due to the subsidiary being limited by guarantee, the cost and hence the net book value of this investment is £nil (2022: £nil).

University of Warwick Science Park Business Innovation Centre Limited

The Company holds 4,501 'B' ordinary shares being 45% of the ordinary issued share capital and debentures amounting to £725,122.

The Company's share of the associated interest is as follows:

	2023 £000	2022 £000
Turnover	246	158
(Loss) / Profit after taxation	(88)	443
Taxation	-	-
(Loss) / Profit after taxation	(88)	443
Fixed assets	1,346	1,395
Current assets	116	102
Liabilities due within one year	(73)	(88)
Liabilities due in more than one year	(1,443)	(1,376)
Shareholders' funds	(54)	33

University of Warwick Science Park Innovation Centre Limited

The Company holds 350,001 'B' ordinary shares of £1 each being 80% of the ordinary issued share capital. However, a shareholders' agreement limits the voting rights of members and directors and the economic benefits. Accordingly, the investment is treated as an associated undertaking.

The Company's share of the associated interest is as follows:

	2023 £000	2022 £000
Turnover	199	182
Profit before taxation	6	67
Taxation	(12)	(10)
(Loss) / Profit after taxation	(6)	57
Fixed assets	900	960
Current assets	134	125
Liabilities due within one year	(114)	(109)
Liabilities due in more than one year	(582)	(582)
Shareholders' funds	338	394

Notes (continued)

12 Debtors

	2023 £000	2022 £000
Trade debtors	171	100
Other debtors and prepayments	342	295
Amount due from the University of Warwick	756	1,417
Amount due from the University of Warwick Concepts	1	-
Dividend receivable	59	61
	<u>1,329</u>	<u>1,873</u>

Trade debtors are stated after provisions for impairment of £28k (2022: £28k). Other debtors and prepayments are stated after provision for impairment of £313k (2022: £263k).

Amounts owed by group undertakings include money invested by the University of Warwick on behalf of the University of Warwick Science Park Limited. Interest earned is credited to the Company. The amount due from the University of Warwick is repayable on demand and interest is chargeable.

13 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	57	68
Social security and other taxes	82	133
Amounts owed to the University of Warwick	210	315
Receipts in advance	410	488
Sinking Fund	1,245	1,400
Accruals	418	236
	<u>2,422</u>	<u>2,640</u>

Included within amounts due to the University of Warwick are amounts relating to the Deed of Covenant. This is payable no later than 9 months after the close of the financial year and is non-interest bearing. Trading balances owed to the University of Warwick are non-interest bearing. All other amounts due to the University of Warwick are interest bearing. Amounts due to fellow subsidiaries are trading balances, repayable on demand and are non-interest bearing.

14 Creditors: amounts falling due after more than one year

	2023 £000	2022 £000
Debenture loan due to the University of Warwick	2,750	2,750
	<u>2,750</u>	<u>2,750</u>

The debenture loan due to the University of Warwick has been renewed by Deed of Variation. The loan incurs an interest rate of 2.5% per annum and is secured on the assets and undertaking of the Company. The loan is repayable on 31 March 2032.

Notes (continued)

15 Capital and reserves

Share capital

	2023 £000	2022 £000
Authorised:		
Voting share capital: 27,092 ordinary shares of £1 each	27	27
Non-voting share capital: 10,000 ordinary shares of £1 each	10	10
	<u>37</u>	<u>37</u>
Issued and fully paid		
Voting share capital: 27,092 ordinary shares of £1 each	27	27
Non-voting share capital: 905 ordinary shares of £1 each	1	1
	<u>28</u>	<u>28</u>

16 Pensions

The pension costs charged to the profit and loss account during the year under review were £75k (2022: £77k), and represent amounts recharged by the University of Warwick, as well as defined contributions into a group personal pension scheme operated by Royal London for a small number of staff.

Details of the latest actuarial valuations and disclosures required by FRS 102 are included in the report and accounts of the University of Warwick.

17 Financial commitments

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

	Land and buildings		Other	
	2023 £000	2022 £000	2023 £000	2022 £000
Receivable within one year	1,694	1,717	-	-
Receivable between one and five years inclusive	1,060	940	-	-
	<u>2,754</u>	<u>2,657</u>	<u>-</u>	<u>-</u>
Payable within one year	351	414	2	2
Payable between one and five years inclusive	158	121	-	2
	<u>509</u>	<u>535</u>	<u>2</u>	<u>4</u>

Notes (continued)

18 Related party disclosures

The Company has taken advantage of the exemption available under paragraph 33.1a (Related Party Disclosures) of FRS 102, on the grounds that it is a wholly owned subsidiary of a group headed by University of Warwick, whose financial statements are publicly available.

University of Warwick Science Park Limited has a management agreement with University of Warwick Science Park Innovation Centre Limited and University of Warwick Science Park Business Innovation Centre Limited to manage the properties.

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
University of Warwick Science Park Business Innovation Centre Limited				
Management fees	-	-	97	87
Goods and services	38	31	58	60
University of Warwick Science Park Innovation Centre Limited				
Management fees	-	-	80	75
Goods and services	-	-	273	213
	<u>38</u>	<u>31</u>	<u>508</u>	<u>435</u>
	Creditors outstanding		Receivables outstanding	
	2023 £000	2022 £000	2023 £000	2022 £000
University of Warwick Science Park Business Innovation Centre Limited	2	1	14	16
University of Warwick Science Park Innovation Centre Limited	-	-	94	43
	<u>2</u>	<u>1</u>	<u>108</u>	<u>59</u>

19 Ultimate parent company and parent company of larger group

The ultimate parent entity and controlling party is the University of Warwick, which is the parent undertaking which consolidates the group accounts. The consolidated parent accounts can be obtained from the principal place of business at the University of Warwick, Coventry, CV4 8UW.

20 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.

Notes (continued)

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 ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors.

Impairment of investments

The Company makes an estimate for the impairment of investments in participating interests. When assessing impairment of investment in participating interests, management considers factors including the net asset value of the participating interests and the current performance. See note 11 for the net carrying amount of the investments in participating interests.

Critical accounting judgements in applying the Company's accounting policies

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