

COMPANY REGISTRATION NUMBER 06428241

**KNOWLEDGE NOW LIMITED**  
**FINANCIAL STATEMENTS**  
**31 JULY 2012**



**KPMG LLP**  
Chartered Accountants & Statutory Auditor  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

**KNOWLEDGE NOW LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

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# **KNOWLEDGE NOW LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 31 JULY 2012**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 July 2012

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company is computer consultancy

There was a profit before tax amounting to £7,639(2011 £14,234)

During the year the revenues increased to £220,277(2011 £175,135) and with continued strong financial control and management a strengthened balance sheet is reported by the Company at the year end compared to the previous year

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements

The directors having reviewed the budget for the year ahead and believe the company is well positioned and will continue in operational existence for the foreseeable future. For this reason the Company will continue to adopt the going concern basis in the preparation of its Financial Statements

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £6,111. The directors have not recommended a dividend

The directors have not recommended a dividend (2010 nil)

#### **FINANCIAL INSTRUMENTS**

##### **DIRECTORS**

The directors who served the company during the year were as follows

Mr D J Catton

Mr R Birtles

Dr S J Chapman

Prof F Ciravegna

Certain directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report. The Company provided qualifying third party indemnity provisions to certain directors of associated companies during the financial year and at the date of this report

**KNOWLEDGE NOW LIMITED**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31 JULY 2012**

**AUDITOR**

KPMG LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office  
Aizelwood's Mill  
Nursery Street  
Sheffield  
S3 8GG

Signed on behalf of the directors



Dr S J Chapman

Director

Approved by the directors on 18 December 2012

**KNOWLEDGE NOW LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**YEAR ENDED 31 JULY 2012**

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 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). 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 those 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,
- 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KNOWLEDGE NOW LIMITED**

We have audited the financial statements of Knowledge Now Limited for the year ended 31<sup>st</sup> July 2012 set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on 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<sup>st</sup> July 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where 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

SR Clark

**Stephen R Clark**  
**(Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

1 The Embankment,

Neville Street

Leeds, LS1 4DW

Date 15/1/2013

**KNOWLEDGE NOW LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 JULY 2012**

	Note	2012 £	2011 £
<b>TURNOVER</b>	<b>2</b>	<b>220,277</b>	175,135
Cost of sales		<u>130</u>	<u>416</u>
<b>GROSS PROFIT</b>		<b>220,147</b>	174,719
Administrative expenses		<b>212,508</b>	160,485
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>7,639</b></u>	<u>14,234</u>
Tax on profit on ordinary activities	<b>4</b>	<b>1,528</b>	3,257
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><b>6,111</b></u>	<u>10,977</u>
Balance brought forward		<u><b>26,109</b></u>	<u>15,132</u>
Balance carried forward		<u><b>32,220</b></u>	<u>26,109</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the  
year as set out above

The notes on pages 8 to 11 form part of these financial statements



# KNOWLEDGE NOW LIMITED

## BALANCE SHEET

31 JULY 2012

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	5	3,446	6,998
<b>CURRENT ASSETS</b>			
Debtors	6	33,764	35,171
Cash at bank		121,130	95,684
		154,894	130,855
<b>CREDITORS: Amounts falling due within one year</b>	7	116,430	101,344
<b>NET CURRENT ASSETS</b>		38,464	29,511
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		41,910	36,509
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	8	690	1,400
		41,220	35,109
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	10	9,000	9,000
Profit and loss account		32,220	26,109
<b>SHAREHOLDERS' FUNDS</b>	11	41,220	35,109

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the directors and authorised for issue on 18 December 2012, and are signed on their behalf by

Dr S J Chapman  
Director



Company Registration Number 06428241

The notes on pages 8 to 11 form part of these financial statements.

**KNOWLEDGE NOW LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

**Fixed assets**

All fixed assets are initially recorded at cost

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings	- 25% per annum
Equipment	- 33 33% per annum

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**Deferred taxation**

Provision is made in full of deferred tax liabilities that arise from timing differences where the transactions or events, that result in an obligation to pay more tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised to the extent that it is considered more likely than not that they will be recoverable. Deferred tax is measured at the average tax rates that are expected to apply in periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets and liabilities are not discounted.

**Going concern**

The accounts have been prepared on a going concern basis which the directors' believe to be appropriate.

**2. TURNOVER**

Turnover is attributable to the principal activity of the company.

**KNOWLEDGE NOW LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**3. OPERATING PROFIT**

Operating profit is stated after charging

	2012 £	2011 £
Directors' remuneration	43,578	38,500
Staff pension contributions	6,931	5,464
Depreciation of owned fixed assets	3,867	2,773
Auditor's fees	<u>1,000</u>	<u>1,000</u>

**4 TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2012 £	2011 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 20% (2011 - 20%)	<u>2,238</u>	<u>2,867</u>
Total current tax	<u>2,238</u>	<u>2,867</u>
Deferred tax		
Origination and reversal of timing differences (note 8)		
Capital allowances	<u>(710)</u>	<u>390</u>
Tax on profit on ordinary activities	<u>1,528</u>	<u>3,257</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2011 - 20%)

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>7,639</u>	<u>14,234</u>
Profit on ordinary activities by rate of tax	1,528	2,847
Expenses not deductible for tax purposes	-	368
Tax chargeable at lower rates	-	42
Origination and reversal of timing differences	<u>710</u>	<u>(390)</u>
Total current tax (note 4(a))	<u>2,238</u>	<u>2,867</u>

**KNOWLEDGE NOW LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**5. TANGIBLE FIXED ASSETS**

	<b>Fixtures &amp; Fittings £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>COST</b>			
At 1 August 2011	1,793	10,083	11,876
Additions	–	315	315
<b>At 31 July 2012</b>	<u>1,793</u>	<u>10,398</u>	<u>12,191</u>
<b>DEPRECIATION</b>			
At 1 August 2011	514	4,364	4,878
Charge for the year	448	3,419	3,867
<b>At 31 July 2012</b>	<u>962</u>	<u>7,783</u>	<u>8,745</u>
<b>NET BOOK VALUE</b>			
<b>At 31 July 2012</b>	<u>831</u>	<u>2,615</u>	<u>3,446</u>
At 31 July 2011	<u>1,279</u>	<u>5,719</u>	<u>6,998</u>

**6. DEBTORS**

	<b>2012 £</b>	<b>2011 £</b>
Trade debtors	228	35,000
VAT recoverable	1,846	171
Prepayments and accrued income	31,690	–
	<u>33,764</u>	<u>35,171</u>

**7. CREDITORS: Amounts falling due within one year**

	<b>2012 £</b>	<b>2011 £</b>
Trade creditors	902	1,255
Other creditors including taxation and social security		
Corporation tax	2,238	2,869
PAYE and social security	3,574	6,747
Other creditors	93,716	14,473
Accruals and deferred income	16,000	76,000
	<u>116,430</u>	<u>101,344</u>

**KNOWLEDGE NOW LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2012**

**8. DEFERRED TAXATION**

The movement in the deferred taxation provision during the year was

	2012	2011
	£	£
Provision brought forward	1,400	1,010
Profit and loss account movement arising during the year	<u>(710)</u>	<u>390</u>
Provision carried forward	<u>690</u>	<u>1,400</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2012	2011
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>690</u>	<u>1,400</u>
	<u>690</u>	<u>1,400</u>

**9. RELATED PARTY TRANSACTIONS**

During the year ended 31 July 2012 the company purchased services and recharged expenses totalling £275 (2010 £312) from the University of Sheffield, a shareholder in the company. At the year end the company owed the University of Sheffield £114 (2010 £nil).

In addition, the company purchased management and other services totalling £10,800 (2010 £6,630) from Suel Limited, a wholly owned subsidiary of the University of Sheffield. At the year end the company owed £nil (2010 £68) to Sheffield University Enterprises Limited.

During the year ended 31 July 2012 the company re-imbursed expenses to S Chapman, a director of the company totalling £1,067 (2010 £1,306). At the year end the company owed S Chapman £227 (2010 £883).

**10. SHARE CAPITAL**

**Allotted, called up and fully paid:**

	2012		2011	
	No	£	No	£
9,000 Ordinary shares of £1 each	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>

**11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2012	2011
	£	£
Profit for the financial year	6,111	10,977
Opening shareholders' funds	<u>35,109</u>	<u>24,132</u>
Closing shareholders' funds	<u>41,220</u>	<u>35,109</u>

**KNOWLEDGE NOW LIMITED**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 31 JULY 2012**

**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditor's report on pages 4 to 5**

**KNOWLEDGE NOW LIMITED**  
**DETAILED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 JULY 2012**

	2012 £	2011 £
<b>TURNOVER</b>	<b>220,277</b>	<b>175,135</b>
<b>COST OF SALES</b>		
Direct costs	<u>130</u>	<u>416</u>
<b>GROSS PROFIT</b>	<b><u>220,147</u></b>	<b><u>174,719</u></b>
<b>OVERHEADS</b>		
Administrative expenses	<u>212,508</u>	<u>160,485</u>
<b>PROFIT ON ORDINARY ACTIVITIES</b>	<b><u>7,639</u></b>	<b><u>14,234</u></b>

# KNOWLEDGE NOW LIMITED

## NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

### YEAR ENDED 31 JULY 2012

	2012	2011
	£	£
<b>ADMINISTRATIVE EXPENSES</b>		
<b>Personnel costs</b>		
Directors salaries	43,578	38,500
Directors national insurance contributions	4,856	3,677
Wages and salaries	113,049	88,617
Staff pension contributions	6,931	5,464
	<u>168,414</u>	<u>136,258</u>
<b>Establishment expenses</b>		
Rent	12,688	5,209
Insurance	1,394	1,263
	<u>14,082</u>	<u>6,472</u>
<b>General expenses</b>		
Travel and subsistence	5,157	2,284
Telephone	1,056	896
Sundry expenses	4,894	439
Admin expenses	1,086	830
Consultancy	1,200	875
Legal and professional fees	14	1,880
Accountancy fees	10,800	6,600
Auditors remuneration	1,595	1,000
Depreciation	3,867	2,773
	<u>29,669</u>	<u>17,577</u>
<b>Financial costs</b>		
Bank charges	343	178
	<u>212,508</u>	<u>160,485</u>