

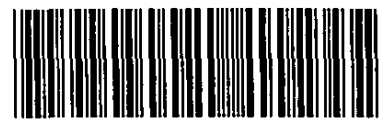
Knowledge Now Ltd

Directors' report and financial statements

Registered number 06428241

31 July 2010

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Company Information

Company registration number 06428241

Registered office The Innovation Centre
217 Portobello
Sheffield
S1 4DP

Directors Mr S J Chapman
Prof F Ciravegna
Mr D J Catton

Secretary Mr R Birtles

Bankers National Westminster Bank plc

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Directors' report

The directors present their annual report and financial statements for the year ended 31 July 2010

Principal activities

The company commenced trading on 1st August 2008. The principal activity of the company is computer consultancy.

Business review

There was a profit before tax amounting to £17,576 (2009: £1,581).

Results and dividends

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.

Proposed Dividend

The directors have not recommended a dividend (2009: nil).

Directors and directors' interests

The directors who held office during the year are as follows:

Mr S J Chapman

Prof F Ciravegna

Mr D J Catton

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 auditors are unaware, and each director has taken all 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 auditors are aware of that information.

Qualifying third party indemnity provisions

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.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit plc will therefore continue in office.

By order of the board



Mr S J Chapman
Director

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)

The financial statements are required by law to 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
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They 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
1 The Embankment
Neville Street
Leeds
LS1 4DW

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KNOWLEDGE NOW LIMITED

We have audited the financial statements of Knowledge Now Limited for the year ended 31 July 2010 set out on pages 7 to 13. 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 auditors' 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 auditors

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. Our responsibility is to audit 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/UKNP.

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 July 2010 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

Jeremy Gledhill

Jeremy Gledhill (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 The Embankment Neville Street

Leeds LS1 4DW

19th November 2010

Profit and loss account
For the year ended 31 July 2010

	<i>Note</i>	2010 £	2009 £
Turnover	2	142,276	38,250
Cost of sales		(2,777)	-
Gross profit		139,499	38,250
Other operating charges		(122,019)	(36,669)
Operating profit		17,480	1,581
Interest received		96	-
Profit on ordinary activities before taxation	3	17,576	1,581
Tax on profit on ordinary activities	6	(3,582)	(443)
Profit on ordinary activities after taxation		13,994	1,138

All results derive from continuing operations


Reconciliation of movements in shareholders' funds
 for the year ended 31 July 2010

	2010 £	2009 £
Profit for the financial year	13,994	1,138
Net addition to shareholders' funds	13,994	1,138
Opening shareholders' funds	10,138	9,000
Closing shareholders' funds	24,132	10,138

Balance sheet
at 31st July 2010

	<i>Note</i>	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Tangible assets	7		4,808		2,632
			<hr/>		<hr/>
			4,808		2,632
Current Assets					
Debtors	8	13,606		15,812	
Cash at bank and in hand		187,045		2,010	
		<hr/>		<hr/>	
		200,651		17,822	
Creditors amounts falling due within one year	9	177,302		(9,873)	
		<hr/>		<hr/>	
Net current assets			23,349		7,949
			<hr/>		<hr/>
Total assets less current liabilities			28,157		10,581
Provision for liabilities and charges	10		(4,025)		(443)
			<hr/>		<hr/>
Net assets			24,132		10,138
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	11		9,000		9,000
Profit and loss account	12		15,132		1,138
			<hr/>		<hr/>
Shareholders' funds			24,132		10,138
			<hr/>		<hr/>

These financial statements were approved by the board of directors on 19th November 2010 and were signed on its behalf by



Mr S J Chapman
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

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

Under Financial Reporting Standard 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

Turnover

Turnover represents the invoiced value of goods and services supplied by the company net of value added tax

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Fixtures and Fittings	-	25% per annum
Office Equipment	-	33 3% per annum

Going Concern

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

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Notes (continued)

2 Turnover

Turnover is attributable to the principal activity of the company

3 Profit on ordinary activities before taxation

	2010 £	2009 £
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditors remuneration		
Audit fee	1,000	1,000
Depreciation of tangible fixed asset – owned	1,467	638
	<u> </u>	<u> </u>

4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	Number of employees	
	2010	2009
Administration	4	1
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows

	2010 £	2009 £
Wages and salaries	96,174	23,550
	<u> </u>	<u> </u>
	96,174	23,550
	<u> </u>	<u> </u>

5 Remuneration of directors

	2010 £	2009 £
Directors emoluments	46,618	23,550
Company contributions to money purchase scheme	9,839	-
	<u> </u>	<u> </u>
	56,457	23,550
	<u> </u>	<u> </u>

Notes (continued)

6 Taxation on profit on ordinary activities

Analysis of charge in period

	2010 £	2009 £
<i>UK corporation tax</i>		
Current tax on income for the period	3,015	-
Total current tax	3,015	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	567	443
Tax on profit on ordinary activities	3,582	443

Deferred taxation

A provision has been made for deferred tax. The total amount provided at 31st July 2010 is £1,010 (2009 £443)

Analysis of amounts provided

	2010 £	2009 £
Accelerated capital allowances	1,010	737
Tax losses	-	(294)
Total provided	1,010	443

Factors affecting the tax charge for the current year

Current tax on income for the period is lower than the standard rate of corporation tax in the UK (21%). The differences are explained below

	2010 £	2009 £
<i>Current tax reconciliation</i>		
Profit/(Loss) on ordinary activities before tax	17,576	1,581
Current tax at 21% (2009: 28%)	3,692	443
<i>Effects of</i>		
Expenses not deductible for tax purposes	-	-
Origination and reversal of timing differences	-	-
Adjustment for tax rates	(110)	-
Total current tax charge / (credit) (see above)	3,582	443

Notes (continued)

7 Fixed Assets

	Furniture & fittings £	Office equipment £	Total £
<i>Cost</i>	753	2,516	3,270
Additions	-	3,643	3,643
	<hr/>	<hr/>	<hr/>
At end of year	753	6,159	6,913
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At beginning of year	122	516	638
Charge for year	188	1,278	1,466
	<hr/>	<hr/>	<hr/>
At end of year	310	1,794	2,104
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 July 2010	<u>443</u>	<u>4,365</u>	<u>4,808</u>

8 Debtors

	2010 £	2009 £
Trade Debtors	<u>13,606</u>	<u>15,812</u>

9 Creditors: amounts falling due within one year

	2010 £	2009 £
Trade Creditors	4,076	3,781
Accruals and deferred income	169,898	3,005
Other taxation and social securities	3,328	3,087
	<hr/>	<hr/>
	<u>177,302</u>	<u>9,873</u>

10 Provisions for liabilities and charges

	2010 £	2009 £
At 1 August 2009	443	-
Utilised in year	567	-
Transfer to profit and loss account (see note 6)	3,015	443
	<hr/>	<hr/>
At 31 July 2010	<u>4,025</u>	<u>443</u>

Notes (continued)

11 Called up share capital

	2010 £	2009 £
<i>Authorised</i>		
Equity 1,000,000 Ordinary shares of £1.00 each	1,000,000	1,000,000
	<u> </u>	<u> </u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	9,000	9,000
	<u> </u>	<u> </u>

12 Reserves

	Profit and loss Account £
At beginning of year	1,138
Profit for the financial year	13,994
	<u> </u>
At 31 July 2010	15,132
	<u> </u>

13 Ultimate controlling party

The directors consider that the ultimate parent undertaking of this company is University of Sheffield