

Univation Limited

Annual report and financial statements

Registered number SC158742

31 July 2016

Univation Limited
Annual report and financial statements
31 July 2016

Contents

Directors' report	3
Independent auditor's report to the members of Univation Limited	4
Profit and Loss Account	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes	9

Univation Limited
Annual report and financial statements
31 July 2016

Directors and Advisers

Directors

M McCall
H Mill
V Maehle

Registered office

Central Services Building
Garthdee Campus
Garthdee Road
Aberdeen
AB10 7FY

Auditor

KPMG LLP
37 Albyn Place
Aberdeen
AB10 1JB

Solicitor

Biggart Baillie
No 2 Lochrin Square
96 Fountainbridge
Edinburgh
EH3 9QA

Bankers

Barclays Bank
163-165 Union Street
Aberdeen
AB11 6SL

Directors' report

Principal Activities

The company's principal activity during the year was the provision of education, training and related consultancy services in topics that included engineering, management, health and design.

Directors

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

M McCall

H Mill

V Maehle – Resigned 31st October 2016

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

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies

By order of the board



Michael McCall
Director

Central Services Building
Garthdee Campus
Garthdee Road
Aberdeen AB10 7FY

15 December 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVATION LIMITED

We have audited the financial statements of Univation Limited for the year ended 31 July 2016 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice, including FRS102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland).

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 Statement of Directors' Responsibilities 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 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 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 matters 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVATION LIMITED
(continued)**

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 or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



David Derbyshire (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
37 Albyn Place
Aberdeen AB10 1JB

15 December 2016

Univation Limited
Annual report and financial statements
31 July 2016

Profit and Loss Account
for the year ended 31 July 2016

	<i>Note</i>	2016 £	2015 £
Turnover	2	427,973	1,559,657
Cost of sales		(360,295)	(1,123,752)
Gross profit		67,678	435,905
Administrative expenses		(34,458)	(39,085)
Operating profit		33,220	396,820
Other interest receivable and similar income	5	18,171	25,692
Interest payable and similar charges	6	(8,010)	(8,010)
Profit on ordinary activities before taxation		43,381	414,502
Tax on profit on ordinary activities	7	(8,676)	(191,650)
Profit for the financial year		34,705	222,852

All of the activities are continuing. The notes on pages 9 to 17 form and integral part of these financial statements.

The presentation of gift aid has been changed in the year between profit and loss and equity, as set out in note 14. Comparative financial information has been presented on a consistent basis. There is no change to reported net assets.

Univation Limited
Annual report and financial statements
31 July 2016

Balance Sheet
at 31 July 2016

	<i>Not e</i>	2016	2015
		£	£
Current assets			
Debtors	8	278,972	167,018
Cash at bank and in hand		951,168	1,255,848
		<u>1,230,140</u>	<u>1,422,866</u>
Creditors: amounts falling due within one year	9	(1,012,878)	(1,205,604)
		<u>217,262</u>	<u>217,262</u>
Net current assets			
		<u>217,262</u>	<u>217,262</u>
Total assets less current liabilities			
		<u>217,262</u>	<u>217,262</u>
Net assets			
		<u>217,262</u>	<u>217,262</u>
Capital and reserves			
Called up share capital	11	100,000	100,000
Profit and loss account		117,262	117,262
		<u>217,262</u>	<u>217,262</u>
Shareholders' funds			
		<u>217,262</u>	<u>217,262</u>

The notes on pages 9 to 17 form an integral part of these financial statements. These financial statements were approved by the board of directors on 15 December 2016 and were signed on its behalf by:

M McCall
Director



Company registered number: SC158742

Univation Limited
Annual report and financial statements
31 July 2016

Statement of Changes in Equity

	2016		2015	
	Called up Share capital £	Profit and loss account £	Called up Share capital £	Profit and loss account £
				Total equity £
				Total equity £
Balance at 1 August 2015	100,000	117,262	100,000	217,262
Comprehensive income for the period				
Profit for the year	-	34,705	-	222,852
Total comprehensive income for the period	-	34,705	-	222,852
Gift-aid payment (Note 14)	-	(43,381)	-	(280,924)
Current tax credit	-	8,676	-	58,072
Effect of Gift-aid	-	(34,705)	-	(222,852)
Balance at 31 July 2016	100,000	117,262	100,000	217,262

The notes on pages 9 to 17 form and integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Univation Limited (the “Company”) 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS102”) as issued in August 2014. The amendments to FRS102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The Company’s parent undertaking, Robert Gordon University includes the Company in its consolidated financial statements. The consolidated financial statements of Robert Gordon University are available to the public and may be obtained from Central Services Building, Garthdee Campus, Garthdee Road, Aberdeen AB10 7FY. 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:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Robert Gordon University include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The 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 accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

Notes *(continued)*

1 Accounting policies *(continued)*

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised 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. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

1.5 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties, except in respect of long term contracts where turnover represents the sales value of work completed in the year calculated on a percentage of the total contract value. The percentage figure is calculated using the cost to completion method where the costs incurred are taken as a percentage of the total expected costs for the contract.

Notes *(continued)*

1 Accounting policies *(continued)*

1.6 Expenses

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

1.7 Taxation

Tax on the profit or loss for the year comprises current 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.

Univation Limited
Annual report and financial statements
31 July 2016

Notes (continued)

2 Turnover

	2016	2015
	£	£
Rendering of services	424,157	1,555,952
Royalties	3,816	3,705
	<hr/>	<hr/>
Total turnover	427,973	1,559,657
	<hr/>	<hr/>
	2016	2015
	£	£
By activity		
Teaching	306,363	1,399,719
Consultancy	117,794	156,233
Royalties	3,816	3,705
	<hr/>	<hr/>
	427,973	1,559,657
	<hr/>	<hr/>
By geographical market		
UK	242,704	462,033
Africa	152,000	596,036
Russia	33,269	362,613
Asia	-	138,975
	<hr/>	<hr/>
	427,973	1,559,657
	<hr/>	<hr/>

3 Expenses and auditor's remuneration

Auditor's remuneration:

	2016	2015
	£	£
Audit of these financial statements	5,760	10,815
Amounts receivable by the company's auditor and its associates in respect of:		
Taxation compliance services	2,400	2,400
	<hr/>	<hr/>

Univation Limited
Annual report and financial statements
31 July 2016

Notes *(continued)*

4 Staff numbers and costs

The company had no employees during the year to 31 July 2016 (2015: none). The parent undertaking provided staff for the company during the year. Univation paid £nil (2015: £nil) in total for the services of the staff provided by the parent undertaking in the year.

None of the directors has a contract of service with the company and the three directors received £nil (2015: £nil) aggregate remuneration for acting as directors of the company during the year to 31 July 2016.

5 Other interest receivable and similar income

	2016 £	2015 £
Interest receivable on financial assets at amortised cost	18,171	25,692
Total interest receivable and similar income	18,171	25,692

Interest receivable and similar income includes income from group undertakings of £0(2015: £0).

6 Interest payable and similar charges

	2016 £	2015 £
Interest payable on financial liabilities at amortised cost	8,010	8,010
Total other interest payable and similar charges	8,010	8,010

Interest payable and similar charges includes interest payable on all other loans of £8,010 (2015:£8,010). Of the above amount £8,010 (2015:£8,010) was payable to group undertakings.

Univation Limited
Annual report and financial statements
31 July 2016

Notes (continued)

7 Taxation

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

	2016	2015
	£	£
<i>Current tax</i>		
Current tax on income for the period	8,676	191,650
Current tax credit in respect of gift aid payments	(8,676)	(58,072)
	<hr/>	<hr/>
Total current tax	-	133,578
	<hr/>	<hr/>
Total tax	-	133,578
	<hr/> <hr/>	<hr/> <hr/>

	2016		2015	
	£	£	£	£
	Current tax	Total tax	Current tax	Total tax
Recognised in Profit and loss account	8,676	8,676	191,650	191,650
Recognised directly in equity	(8,676)	(8,676)	(58,072)	(58,072)
	<hr/>	<hr/>	<hr/>	<hr/>
Total tax	-	-	133,578	133,578
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Analysis of current tax recognised in profit and loss

	2016	2015
	£	£
UK corporation tax due to gift aid charges	8,676	58,072
Foreign tax paid	-	133,578
	<hr/>	<hr/>
Total current tax recognised in profit and loss	8,676	191,650
	<hr/> <hr/>	<hr/> <hr/>

Univation Limited
Annual report and financial statements
31 July 2016

Notes *(continued)*

7 Taxation *(continued)*

Reconciliation of effective tax rate

	2016	2015
	£	£
Profit for the year	34,705	222,852
Total tax expense	8,676	191,650
Profit excluding taxation	43,381	414,502
Tax using the UK corporation tax rate of 20% (2015:20.67%)	8,676	85,677
Other permanent differences	-	(27,605)
Effect of tax rates in foreign jurisdictions	-	133,578
Total tax expense included in profit or loss	8,676	191,650

8 Debtors

	2016	2015
	£	£
Trade debtors	268,479	159,537
Amounts owed by group undertakings	9,884	6,872
Other debtors	609	609
	278,972	167,018

9 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	450	1,650
Amounts owed to group undertakings	641,929	925,145
Other creditors	-	225
Accruals and deferred income	370,499	278,584
	1,012,878	1,205,604

Notes (continued)

10 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2016 £	2015 £
Creditors falling due within less than one year		
Loan from parent	300,000	300,000
	<u>300,000</u>	<u>300,000</u>

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Repayment schedule	2016 £	2015 £
Loan from parent	£	Libor + 2%	Ongoing	On demand	300,000	300,000
					<u>300,000</u>	<u>300,000</u>

11 Capital and reserves

Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
100000 ordinary shares of £1 each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes *(continued)*

12 Related parties

The related parties of the company include the ultimate parent entity, Robert Gordon University. Exemption is taken from disclosure of transactions entered into between two or more members of a group, where subsidiaries are wholly owned. There were no other related parties with which the company has transacted.

13 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Robert Gordon University. The ultimate controlling party is Robert Gordon University.

14 Gift aid payment

	2016	2015
	£	£
Gift aid	43,381	280,924
	<hr/> 43,381 <hr/>	<hr/> 280,924 <hr/>

During the year the directors reconsidered the presentation of gift aid payments in the financial statements. Previously the directors followed the Charities Commission guidance, but now understand that further legal advice has been issued. As the directors now consider gift aid akin to a distribution rather than an expense, it is now presented outside the profit and loss account as an adjustment to reserves. This has resulted in an increase in the profit for the prior year by £222,852 to £222,852. The reclassification has no effect on net assets.