

ARTSCOM VENTURES LIMITED
REGISTRATION NUMBER: 5564316
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

Auditor

KPMG LLP

15 Canada Square, London, E14 5GL

(COMPANY REGISTRATION NUMBER: 05564316)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

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OFFICERS AND ADVISERS

Chairman: Nigel Carrington

Secretary: Stephen Marshall

Directors

Frances Corner

Stephen Reid

Christopher Wainwright

Natalie Brett (appointed 02/12/2012)

Jeremy Till (appointed 13/12/2012)

Hamish Clifton (resigned 22/08/2013)

Registered Office

272 High Holborn

London

WC1V 7EY

Auditors

KPMG LLP

Chartered Accountants

15 Canada Square

London

E14 5GL

Bankers

Lloyds TSB Bank plc

39 Threadneedle Street

London

EC2R 8AU

Insurers

UMAL, UM Association (Special Risks) Limited and UM Services Limited

Hasilwood House

60 Bishopsgate

London EC2N 4AW

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 July 2013.

Business Review

The detailed results of the company are set out below.

	2013		2012	
	Turnover	Profit	Turnover	Profit
	£	£	£	£
Central St Martins College of Art & Design	99,134	52,872	37,141	16,815
London College of Fashion	84,300	45,172	171,587	83,455
Chelsea, Camberwell & Wimbledon	39,500	27,111	-	-
Artscom Centre	-	4,453	27,736	7,515
	<u>222,934</u>	<u>129,608</u>	<u>236,464</u>	<u>107,785</u>

The company has achieved a successful second year in operation having built on its overseas activities mainly in China and Argentina.

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).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 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.

DIRECTORS' REPORT (CONTINUED)

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.

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 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 auditors are aware of that information.

Principal Activity

The principal activity of the company during the year has been the provision of training, consultancy and non-accredited short course offerings overseas.

Dividend

The directors do not recommend payment of a dividend.

External Auditors

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

Directors

The directors of the company during the year are as set out on page 2. The directors held no interests in the Company during the year.

By order of the Board



Stephen Marshall
Company Secretary

272 High Holborn
London
WC1V 7E

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTSCOM VENTURES LIMITED

We have audited the financial statements of Artscom Ventures Limited for the year ended 31 July 2013 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 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/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 2013 and of its result 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTSCOM VENTURES 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.



Chris Wilson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, London, E14 5GL

27 November 2013

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2013

	<i>Notes</i>	2013 £	2012 £
Turnover	1(c)	222,934	236,464
Cost of sales		(79,044)	(100,732)
Gross profit		<u>143,890</u>	<u>135,732</u>
Administration expenses	2	14,282	28,091
Profit on ordinary activities		<u>129,608</u>	<u>107,641</u>
Interest receivable	4	269	144
Profit for the year		<u>129,877</u>	<u>107,785</u>
Payment under deed of covenant	6	(112,242)	(80,758)
Taxation	7	(17,635)	(27,027)
Profit retained for the year	12	<u><u>-</u></u>	<u><u>-</u></u>

No operations were discontinued during the year.

There were no gains or losses for the year other than those shown in the profit and loss account

BALANCE SHEET

AS AT 31 JULY 2013

		2013	2012
	Notes	£	£
CURRENT ASSETS			
Debtors	9	122,378	84,491
Cash at bank and in hand		103,875	118,060
		<u>226,253</u>	<u>202,551</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	10	<u>(223,362)</u>	<u>(199,660)</u>
Net assets		<u>2,891</u>	<u>2,891</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	<u>2,889</u>	<u>2,889</u>
Shareholders' equity	12	<u>2,891</u>	<u>2,891</u>

These financial statements were approved on 13 November 2013 by the Board of Directors and signed on its behalf by:


Nigel Carrington

Chairman


Stephen Reid

Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to these financial statements.

(a) Basis of Preparation

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

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 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.

As the Company is a wholly owned subsidiary of University of the Arts London, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

(b) Going concern

On the basis of their assessment of the company's financial position and resources, the directors believe that the company is well placed to manage its business risks. Therefore the company's directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

(c) Turnover

Turnover for the year is derived primarily from operations overseas. It represents short course tuition fees and the provision of other activities generically related to the provision of educational consultancy services. It is shown net of value added tax and trade discounts.

(d) Foreign currencies

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. The assets and liabilities of the overseas operations are translated at the rate of exchange ruling at the balance sheet date. Income and expense items are translated at the average exchange rate for the period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

2. PROFIT ON ORDINARY ACTIVITIES

Profit on ordinary activities is stated after charging:

	2013	2012
	£	£
Administration expenses		
Auditors' remuneration- audit services	550	420

3. DIRECTOR'S REMUNERATION

The directors received no remuneration from the company during the year.

4. INTEREST RECEIVABLE

	2013	2012
	£	£
Bank interest receivable	269	144

5. STAFF

There were no operations and administrative staff employed during the year. Teaching staff costs were:

	2013	2012
	£	£
Wages and salaries	33,263	25,750
Social security costs	5,226	3,165
	38,489	28,905

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

6. PAYMENT UNDER DEED OF COVENANT

	2013	2012
	£	£
Payment to University of the Arts London		
Charge for the current year	112,242	80,758
	112,242	80,758

7. TAXATION

	2013	2012
	£	£
Withholding tax	17,365	27,027
Total tax charge for year	17,365	27,027

Withholding tax of £17,365 (2012: £27,027) resulted from activities in Argentina.

The company has not incurred a UK corporation tax charge in the year due to its policy of gift aiding all taxable profits to University of the Arts London. The payment under deed of covenant for the year ended 31 July 2013 was £112,242 (2012: £80,758).

8. FIXED ASSETS INVESTMENTS

	HK\$	£
At 1 August 2012 and at 31 July 2013	1	-

<i>Subsidiary</i>	<i>Country of incorporation</i>	<i>Type of shares</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
UAL Ventures (China) Limited	Hong Kong	Ordinary	100	Business development and consultancy

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

9. DEBTORS

	2013	2012
	£	£
Amounts due from group undertakings	46,500	42,898
Trade debtors	64,356	40,709
Other taxation and social security	122	884
Accrued income	11,400	-
	122,378	84,491

10. CREDITORS

	2013	2012
	£	£
Amounts owed to group undertakings	219,239	197,201
Trade creditors	-	201
Accruals	4,123	2,258
	223,362	199,660

11. SHARE CAPITAL

	<i>Authorised</i>	
	2013	2012
	£	£
Ordinary shares of £1 each	1,000,000	1,000,000

	<i>Allotted, called up and fully paid</i>			
	2013	2012	2013	2012
	No.	No.	£	£
Ordinary shares of £1 each	2	2	2	2

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2013

12. RECONCILIATION OF SHAREHOLDERS' MOVEMENTS

	<i>Share capital</i> £	<i>Profit and loss account</i> £	<i>Total</i> £
At 31 July 2012	2	2,889	2,891
Profit for the year	-	-	-
At 31 July 2013	2	2,889	2,891

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with other members of the University of the Arts London group.

14. ULTIMATE HOLDING COMPANY

The ultimate holding company is the University of the Arts London. Copies of the financial statements of the University of the Arts London may be obtained from the University of the Arts London, 272 High Holborn, London WC1N 3LA.