

**ARTSCOM VENTURES LIMITED**

**REGISTRATION NUMBER: 5564316**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR THE YEAR ENDED 31 JULY 2015**

**Auditor**

**KPMG LL**

**15 Canada Square, London, E14 5GL**

**ARTSCOM VENTURES LIMITED**

**(COMPANY REGISTRATION NUMBER: 05564316)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015**

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# ARTSCOM VENTURES LIMITED

## OFFICERS AND ADVISERS

**Chairman:** Nigel Carrington

**Secretary:** Stephen Marshall

### **Directors**

Frances Corner  
Stephen Reid  
Christopher Wainwright  
Natalie Brett  
Jeremy Till

### **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  
HasilwoodHouse  
60 Bishopsgate  
London EC2N 4AW

## ARTSCOM VENTURES LIMITED

### DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 July 2015.

#### Business Review

The detailed results of the company are set out below.

|                                 | 2015           |               | 2014           |               |
|---------------------------------|----------------|---------------|----------------|---------------|
|                                 | Turnover       | Profit        | Turnover       | Profit        |
|                                 | £              | £             | £              | £             |
| Central Saint Martins           | 65,080         | 28,298        | 41,441         | 23,036        |
| London College of Fashion       | 21,377         | 5,553         | 39,900         | 26,701        |
| Chelsea, Camberwell & Wimbledon | 28,423         | 23,108        | 34,700         | 23,408        |
| Artscom Centre                  | -              | (4,961)       | -              | (6,600)       |
|                                 | <u>114,880</u> | <u>51,998</u> | <u>116,041</u> | <u>66,545</u> |

The company has had a successful year and has continued to develop 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.

## ARTSCOM VENTURES LIMITED

### 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 KPMGLLP 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  
11 November 2015

272 High Holborn  
London WC1V 7EY

## **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 2015 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/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 July 2015 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.

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

### 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.



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

26 November 2015

**ARTSCOM VENTURES LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2015**

|                                      | <i>Notes</i> | <b>2015<br/>£</b> | <b>2014<br/>£</b> |
|--------------------------------------|--------------|-------------------|-------------------|
| <b>Turnover</b>                      | 1(b)         | 114,880           | 116,041           |
| <b>Cost of sales</b>                 |              | (57,921)          | (42,896)          |
| <b>Gross profit</b>                  |              | 56,959            | 73,145            |
| Administration expenses              |              | (4,961)           | (6,600)           |
| <b>Profit on ordinary activities</b> | 2            | 51,998            | 66,545            |
| Interest receivable                  | 4            | 572               | 382               |
| <b>Profit for the year</b>           |              | 52,570            | 66,927            |
| Deed of covenant(charge)/credit      | 6            | (52,570)          | 30,926            |
| Taxation                             |              | -                 |                   |
| <b>Profit retained for the year</b>  | 11           | -                 | 97,853            |



**ARTSCOM VENTURES LIMITED**

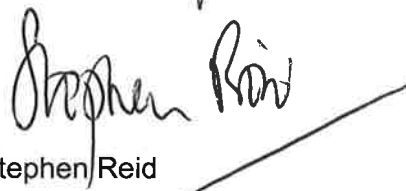
**BALANCE SHEET  
AS AT 31 JULY 2015**

|   |              | <b>2015</b>          | <b>2014</b>          |
|---|--------------|----------------------|----------------------|
|   |              | <b>£</b>             | <b>£</b>             |
| <b>CURRENT ASSETS</b>   | <b>Notes</b> |                      |                      |
| Debtors   | 8            | 95,625               | 153,463              |
| Cash at bank and in hand                                      |              | <u>260,224</u>       | <u>179,634</u>       |
|   |              | 355,849              | 333,097              |
| <br><b>CREDITORS: AMOUNTS FALLING DUE<br/>WITHIN ONE YEAR</b> | <br>9        | <br><u>(255,106)</u> | <br><u>(232,354)</u> |
| <br><b>Net assets</b>   |              | <br><u>100,743</u>   | <br><u>100,743</u>   |
| <br><b>Capital and reserves</b>                               |              |                      |                      |
| Called up share capital                                       | 10           | 2                    | 2                    |
| Profit and loss account                                       | 11           | <u>100,741</u>       | <u>100,741</u>       |
| <br><b>Shareholders' equity</b>                               | <br>11       | <br><u>100,743</u>   | <br><u>100,743</u>   |

These financial statements were approved on 11 November 2015 by the Board of Directors and signed on its behalf by:

  
Nigel Carrington

Chairman

  
Stephen Reid

Director

## ARTSCOM VENTURES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015

#### 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) 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. Fees are recognised when the service is provided. Income is shown net of value added tax and trade discounts.

##### **(c) 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.

**ARTSCOM VENTURES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2015**

**2. PROFIT ON ORDINARY ACTIVITIES**

Profit on ordinary activities is stated after charging:

|  | <b>2015</b> | <b>2014</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| <b>Administration expenses</b>         |             |             |
| Auditors' remuneration- audit services | 440         | 440         |
|  | <u>440</u>  | <u>440</u>  |

**3. DIRECTOR'S REMUNERATION**

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

**4. INTEREST RECEIVABLE**

|                          | <b>2015</b> | <b>2014</b> |
|--------------------------|-------------|-------------|
|                          | <b>£</b>    | <b>£</b>    |
| Bank interest receivable | 572         | 382         |
|                          | <u>572</u>  | <u>382</u>  |

**5. STAFF**

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

|                       | <b>2015</b>   | <b>2014</b>   |
|-----------------------|---------------|---------------|
|                       | <b>£</b>      | <b>£</b>      |
| Wages and salaries    | 24,459        | 23,583        |
| Social security costs | 5,605         | 4,405         |
|                       | <u>30,064</u> | <u>27,988</u> |

**ARTSCOM VENTURES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2015**

**6. PAYMENT UNDER DEED OF COVENANT**

|                                | <b>2015</b>   | <b>2014</b>     |
|--------------------------------|---------------|-----------------|
|                                | <b>£</b>      | <b>£</b>        |
| Adjustment to previous periods | –             | (97,853)        |
| Deed of covenant charge        | 52,570        | 66,927          |
| Charge for the current year    | <u>52,570</u> | <u>(30,926)</u> |

**7. FIXED ASSETS INVESTMENTS**

|                                      | <b>HK\$</b> | <b>£</b> |
|--------------------------------------|-------------|----------|
| At 1 August 2014 and at 31 July 2015 | <u>1</u>    | <u>-</u> |

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

**ARTSCOM VENTURES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2015**

**8. DEBTORS**

|                                    | <i>Notes</i> | <b>2015</b> | <b>2014</b> |
|------------------------------------|--------------|-------------|-------------|
|                                    |              | <b>£</b>    | <b>£</b>    |
| Trade debtors                      |              | 91,209      | 102,470     |
| Amount due from group undertakings |              | -           | 46,500      |
| Other taxation and social security |              | 369         | 446         |
| Other debtors                      |              | 4,047       | 4,047       |
| Accrued income                     |              | -           | -           |
|                                    |              | 95,625      | 153,463     |

**9. CREDITORS**

|                                   | <i>Notes</i> | <b>2015</b> | <b>2014</b> |
|-----------------------------------|--------------|-------------|-------------|
|                                   |              | <b>£</b>    | <b>£</b>    |
| Trade creditors                   |              | -           | 1,476       |
| Amount owed to group undertakings |              | 216,641     | 218,467     |
| Accruals                          |              | 38,465      | 12,411      |
|                                   |              | 255,106     | 232,354     |

**10. SHARE CAPITAL**

|                            | <i>Authorised</i>                         |             |             |             |
|----------------------------|---|-------------|-------------|-------------|
|                            | <b>2015</b>                               | <b>2014</b> | <b>2015</b> | <b>2014</b> |
|                            | <b>£</b>                                  | <b>£</b>    | <b>£</b>    | <b>£</b>    |
| Ordinary shares of £1 each | 1,000,000                                 | 1,000,000   |             |             |
|                            | <i>Allotted, called up and fully paid</i> |             |             |             |
|                            | <b>2015</b>                               | <b>2014</b> | <b>2015</b> | <b>2014</b> |
|                            | <b>No.</b>                                | <b>No.</b>  | <b>£</b>    | <b>£</b>    |
| Ordinary shares of £1 each | 2   | 2           | 2           | 2           |

**ARTSCOM VENTURES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2015**

**11. RECONCILIATION OF SHAREHOLDERS' MOVEMENTS**

|                     | <i>Share capital</i><br>£ | <i>Profit and<br/>loss account</i><br>£ | <i>Total</i><br>£ |
|---------------------|---------------------------|---|-------------------|
| At 31 July 2014     | 2                         | 100,741                                 | 100,743           |
| Profit for the year | -                         | -                                       | -                 |
| At 31 July 2015     | 2                         | 100,741                                 | 100,743           |

**12. 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.

**13. 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.