

**ARTSCOM VENTURES LIMITED**  
**REGISTRATION NUMBER: 5564316**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR THE YEAR ENDED 31 JULY 2016**

**Auditor**

**KPMG LLP**

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

**ARTSCOM VENTURES LIMITED**

**(COMPANY REGISTRATION NUMBER: 05564316)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016**

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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

Danielle Salvadori (appointed from 23 November 2015)

### **Registered Office**

272 High Holborn

London

WC1V 7EY

### **Auditor**

KPMG LLP

Chartered Accountants

15 Canada Square

London

E14 5GL

### **Banker**

Lloyds TSB Bank plc

39 Threadneedle Street

London

EC2R 8AU

### **Insurer**

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 2016.

#### Business Review

The detailed results of the company are set out below.

	2016		2015	
	Turnover	Profit	Turnover	Profit
	£	£	£	£
Central Saint Martins	53,046	31,435	65,080	28,298
London College of Fashion	82,200	26,509	21,337	5,553
Chelsea, Camberwell & Wimbledon	36,150	27,643	28,423	23,108
Artscom Centre	-	(31,923)	-	(4,961)
	<u>171,396</u>	<u>53,664</u>	<u>114,880</u>	<u>51,998</u>

The company has had a successful year and has continued to develop overseas activities mainly in China and the UAE.

#### 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), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 Auditor**

Pursuant to Section 487 of Companies Act 2006, the auditor 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  
16 November 2016



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 2016 set out on pages 7 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and 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 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 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](http://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 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.



**Fleur Nieboer (Senior Statutory Auditor)**

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

*Chartered Accountants*

15 Canada Square

Canary Wharf

London, E14 5GL

*23 November 2016*

**ARTSCOM VENTURES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2016**

	<i>Notes</i>	<b>2016</b> <b>£</b>	<b>2015</b> <b>£</b>
<b>Turnover</b>	1(b)	171,396	114,880
<b>Cost of sales</b>		(85,809)	(57,921)
<b>Gross profit</b>		85,587	56,959
Administration expenses		(31,923)	(4,961)
<b>Profit on ordinary activities</b>	2	53,664	51,998
Interest receivable	4	842	572
<b>Profit for the year</b>		54,506	52,570
Taxation	8	(10,901)	(10,514)
<b>Profit retained for the year</b>		43,605	42,056

The accompanying notes form part of financial statements.



**ARTSCOM VENTURES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**

	<b>Called up Share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Balance at 1 August 2014	2	100,741	100,743
<b>Total comprehensive income for the year</b>			
Profit for the year	-	42,056	42,056
Deed of covenant charge		(52,570)	(52,570)
Tax effect of deed of covenant charge		10,514	10,514
Total comprehensive income for the year	-	-	-
<b>Balance at 31 July 2015</b>	2	100,741	100,743
<b>Total comprehensive income for the year</b>			
Profit for the year	-	43,605	43,605
Deed of covenant charge		(54,506)	(54,506)
Tax effect of deed of covenant charge		10,901	10,901
Total comprehensive income for the year	-	-	-
<b>Balance at 31 July 2016</b>	2	100,741	100,743

The accompanying notes form part of financial statements.

ARTSCOM VENTURES LIMITED

BALANCE SHEET  
AS AT 31 JULY 2016

		2016	2015
		£	£
<b>CURRENT ASSETS</b>	<b>Notes</b>		
Debtors	9	119,748	95,625
Cash at bank and in hand		381,579	260,224
		<u>501,327</u>	<u>355,849</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	10	<u>(400,584)</u>	<u>(255,106)</u>
<b>Net assets</b>		<u>100,743</u>	<u>100,743</u>
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Profit and loss account		<u>100,741</u>	<u>100,741</u>
<b>Shareholders' equity</b>		<u>100,743</u>	<u>100,743</u>

These financial statements were approved on 16 November 2016 by the Board of Directors and signed on its behalf by:



Nigel Carrington

Chairman



Stephen Reid

Director

The accompanying notes form part of financial statements.

**ARTSCOM VENTURES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2016**

**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 Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The financial statements have been prepared on the historical cost basis.

The Company has applied the exemptions available under FRS 102, 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 the University of the Arts London, the Company has taken advantage of the exemption contained in FRS 102 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). The consolidated financial statements of University of the Arts London, within which this Company is included, can be obtained from University of the Arts London, 272 High Holborn, London WC1V 7EY.

There were no adjustment as a result of implementing FRS 102.

**(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.

**(d) 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.

**ARTSCOM VENTURES LIMITED**

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

**FOR THE YEAR ENDED 31 JULY 2016**

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.

**2. PROFIT ON ORDINARY ACTIVITIES**

Profit on ordinary activities is stated after charging:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration- audit services	440	440
Management Charge payable to holding company	<u>20,568</u>	<u>-</u>

**3. DIRECTOR'S REMUNERATION**

The Managing Director of the company resigned at the beginning of the year and received no remuneration from the company. The other directors received no remuneration for their services.

**4. INTEREST RECEIVABLE**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	<u>842</u>	<u>572</u>

**ARTSCOM VENTURES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2016**

**5. STAFF**

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

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Wages and salaries	18,665	24,459
Social security costs	4,817	5,605
	<u>23,482</u>	<u>30,064</u>

**6. PAYMENT UNDER DEED OF COVENANT**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Adjustment to previous periods	—	—
Deed of covenant charge	54,506	52,570
Charge for the current year	<u>54,506</u>	<u>52,570</u>

**7. FIXED ASSETS INVESTMENTS**

	<b>HK\$</b>	<b>£</b>
At 1 August 2015 and at 31 July 2016	<u>1</u>	<u>-</u>

<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

**ARTSCOM VENTURES LIMITED**

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

**FOR THE YEAR ENDED 31 JULY 2016**

**8. TAXATION**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	54,506	52,570
Tax at 20% (2015: 20%)	10,901	10,514
Current tax charge for the year	<u>10,901</u>	<u>10,514</u>
Tax impact of Deed of Covenant	<u>(10,901)</u>	<u>(10,514)</u>
Recognised in Statement of Comprehensive Income	10,901	10,514
Recognised in Statement of Changes in Equity	<u>(10,901)</u>	<u>(10,514)</u>
Total tax to be relieved in future periods	<u>-</u>	<u>-</u>

**9. DEBTORS**

	<i>Notes</i>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Trade debtors		75,957	91,209
Amount due from group undertakings		10,545	-
Other taxation and social security		33,246	369
Other debtors		-	4,047
Accrued income		-	-
		<u>119,748</u>	<u>95,625</u>

**10. CREDITORS**

	<i>Notes</i>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Trade creditors		9,548	-
Amount owed to group undertakings		284,102	216,641
Accruals		106,934	38,465
		<u>400,584</u>	<u>255,106</u>

**ARTSCOM VENTURES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2016**

**11. SHARE CAPITAL**

	<i>Authorised</i>	
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

	<i>Allotted, called up and fully paid</i>			
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>	<b>£</b>	<b>£</b>
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

**12. RELATED PARTY TRANSACTIONS**

No transactions were identified which should be disclosed under Financial Reporting Standard 102, Related Party Disclosures.

**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.