

UAL VENTURES LIMITED
(FORMERLY ARTSCOM VENTURES LIMITED)
REGISTRATION NUMBER: 5564316
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 JULY 2017

Auditor
KPMG LLP
15 Canada Square, London, E14 5GL

UAL VENTURES LIMITED

**(COMPANY REGISTRATION NUMBER: 05564316)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017**

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UAL VENTURES LIMITED

OFFICERS AND ADVISERS

Chairman

Nigel Carrington

Secretary

Stephen Marshall (resigned 15 November 2017)

Zioge Smith (appointed 15 November 2017)

Directors

Frances Corner (resigned 15 November 2017)

Stephen Reid

Christopher Wainwright (resigned 8 September 2017)

Natalie Brett

Jeremy Till (resigned 15 November 2017)

Danielle Salvadori

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

Hasilwood House

60 Bishopsgate

London EC2N 4AW

UAL VENTURES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 July 2017. The Company changed its name from Artscom Ventures Limited to UAL Ventures Limited on 15 November 2017.

Business Review

The detailed results of the company are set out below.

	2017		2016	
	Turnover	Profit	Turnover	Profit
	£	£	£	£
Central Saint Martins	68,782	36,192	53,046	31,435
London College of Fashion	115,801	43,751	82,200	26,509
Chelsea, Camberwell & Wimbledon	36,142	25,185	36,150	27,643
UAL Ventures Centre	-	(2,718)	-	(31,923)
	<u>220,725</u>	<u>102,410</u>	<u>171,396</u>	<u>53,664</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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

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.

UAL VENTURES LIMITED

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



Zioge Smith
Company Secretary
15 November 2017

272 High Holborn
London WC1V 7EY

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

Opinion

We have audited the financial statements of UAL Ventures Limited ("the company") for the year ended 31 July 2017 which comprise the Profit and Loss Account, Statement of Changed in Equity, and Balance Sheet and related notes, including the accounting policies in note 1

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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

We have nothing to report in these respects.

UAL VENTURES LIMITED

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Fleur Nieboer (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, Canary Wharf, London, E14 5GL

Date: 28 November 2017

UAL VENTURES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2017

		2017	2016
	<i>Notes</i>	£	£
Turnover	1(b)	220,725	171,396
Cost of sales		(89,110)	(85,809)
Gross profit		<u>131,615</u>	<u>85,587</u>
Administration expenses		(29,205)	(31,923)
Profit on ordinary activities	2	<u>102,410</u>	<u>53,664</u>
Interest receivable	4	60	842
Profit for the year		<u>102,470</u>	<u>54,506</u>
Taxation	8	(20,141)	(10,901)
Profit retained for the year		<u>82,329</u>	<u>43,605</u>

The accompanying notes form part of these financial statements.

UAL VENTURES LIMITED
STATEMENT OF CHANGES IN EQUITY

	Called up Share capital £	Profit and loss account £	Total £
Balance at 1 August 2015	2	100,741	100,743
Total comprehensive income for the year			
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	-	-	-
Balance at 31 July 2016	2	100,741	100,743
Total comprehensive income for the year			
Profit for the year	-	82,329	82,329
Deed of covenant charge		(102,516)	(102,516)
Tax effect of deed of covenant charge		20,141	20,141
Total comprehensive income for the year	-	(46)	(46)
Balance at 31 July 2017	2	100,695	100,697

The accompanying notes form part of these financial statements.

UAL VENTURES LIMITED

BALANCE SHEET AS AT 31 JULY 2017

		2017	2016
		£	£
CURRENT ASSETS	Notes		
Debtors	9	37,519	119,748
Cash at bank and in hand		<u>206,797</u>	<u>381,579</u>
		244,316	501,327
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(143,619)</u>	<u>(400,584)</u>
Net assets		<u>100,697</u>	<u>100,743</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account		<u>100,695</u>	<u>100,741</u>
Shareholders' equity		<u>100,697</u>	<u>100,743</u>

These financial statements were approved on 15 November 2017 by the Board of Directors and signed on its behalf by:



Nigel Carrington

Chairman

Stephen Reid



Director

The accompanying notes form part of these financial statements.

UAL VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

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 exemption available under FRS 102, to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements. It has also taken advantage of the exemption contained in FRS 102 to not disclose 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 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 prevailing 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.

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.

UAL VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2017

2. PROFIT ON ORDINARY ACTIVITIES

Profit on ordinary activities is stated after charging:

	2017	2016
	£	£
Auditor's remuneration – audit services	918	440
Management charge payable to holding company	<u>26,487</u>	<u>20,568</u>

3. DIRECTOR'S REMUNERATION

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

4. INTEREST RECEIVABLE

	2017	2016
	£	£
Bank interest receivable	<u>60</u>	<u>842</u>

UAL VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2017

5. STAFF

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

	2017	2016
	£	£
Wages and salaries	20,708	18,665
Social security costs	5,521	4,817
	26,229	23,482

6. PAYMENT UNDER DEED OF COVENANT

	2017	2016
	£	£
Adjustment to previous periods	46	-
Deed of covenant charge for current year	102,470	54,506
	102,516	54,506

7. FIXED ASSETS INVESTMENTS

	HK\$	£
At 1 August 2016 and at 31 July 2017	1	-

Subsidiary	Country of incorporation	Type of shares	Proportion of voting rights and shares held	Nature of business
UAL Ventures (China) Limited	Hong Kong	Ordinary	100	Not trading

UAL VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2017

8. TAXATION

	2017 £	2016 £
Profit on ordinary activities before tax	102,410	54,506
Tax at 19.66% (2016: 20%)	20,141	10,901
Current tax charge for the year	<u>20,141</u>	<u>10,901</u>
Tax impact of Deed of Covenant	<u>(20,141)</u>	<u>(10,901)</u>
Recognised in Statement of Comprehensive Income	20,141	10,901
Recognised in Statement of Changes in Equity	<u>(20,141)</u>	<u>(10,901)</u>
Total tax to be relieved in future periods	<u>-</u>	<u>-</u>

9. DEBTORS

	2017 £	2016 £
Trade debtors	15,177	75,957
Amount due from group undertakings	-	10,545
Other taxation and social security	<u>22,342</u>	<u>33,246</u>
	<u>37,519</u>	<u>119,748</u>

10. CREDITORS

	2017 £	2016 £
Trade creditors	435	9,548
Amount due to group undertakings	112,169	284,102
Accruals and deferred income	<u>31,015</u>	<u>106,934</u>
	<u>143,619</u>	<u>400,584</u>

UAL VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2017

11. SHARE CAPITAL

	Authorised	
	2017 £	2016 £
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

	Allotted, called up and fully paid			
	2017 No.	2016 No.	2017 £	2016 £
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.