

UAL SHORT COURSES LIMITED
REGISTRATION NUMBER: 2361261
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

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

UAL SHORT COURSES LIMITED
(COMPANY REGISTRATION NUMBER: 2361261)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

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UAL SHORT COURSES LIMITED
OFFICERS AND ADVISERS

Chairman: Sir Nigel Carrington

Company Secretary: Zioge Smith

Directors: Natalie Brett
Danielle Salvadori
Stephen Reid (resigned on 26.08.2020)
Heather Francis (appointed on 01.07.2020)

Registered Office: 272 High Holborn
London
WC1V 7EY

External Auditor: KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

Internal Auditor: PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Banker: Lloyds Bank
39 Threadneedle Street
London
EC2R 8AU

Solicitor: CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place
78 Cannon Street
London EC4N 6AF

Insurer: UM Association Limited and Hasilwood Management Services Limited
5 St. Helen's Place
London EC3A 6AB

UAL SHORT COURSES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 July 2020.

Principal Activity

The principal activity of the company is to act as a trading subsidiary of University of the Arts London specialising in short courses and related educational services. University of the Arts London is made up of the following constituent colleges:

Camberwell College of Arts
Chelsea College of Arts
Wimbledon College of Arts
Central Saint Martins
London College of Fashion
London College of Communication

Dividends

The directors do not recommend payment of a dividend (2019: nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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;
- 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 SHORT COURSES LIMITED
DIRECTORS' REPORT (CONTINUED)

Disclosure of Information to Auditor

The directors in 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 directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

External Auditors

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

By order of the Board



Zioge Smith
Company Secretary

24 November 2020

272 High Holborn
London
WC1V 7EY

UAL SHORT COURSES LIMITED
STRATEGIC REPORT

Business Review

The results of the company are set out below:

	2020		2019	
	Turnover £	Profit £	Turnover £	Profit £
Camberwell, Chelsea and Wimbledon	1,182,164	10,769	1,910,348	392,331
Central Saint Martins	3,464,281	(124,301)	5,669,364	791,484
London College of Fashion	1,766,725	(166,751)	2,592,913	126,864
London College of Communication	960,310	(25,710)	1,115,941	123,007
Short Courses Centre	133,137	(898,072)	-	(1,727,295)
Future Creatives	11,312	(103,621)	-	-
	7,517,929	(1,307,686)	11,288,566	(293,609)

The company reported an underlying loss for the year of £411,686 prior to accounting for year-end pension adjustments of £896,000 resulting in an overall deficit of 1,307,686. The company suffered a fall in income due to the Covid-19 pandemic as a significant number of its courses were cancelled from April onwards due to the closure of University buildings. The directors would like to acknowledge the efforts made by staff during this unusual year.

Risks and Uncertainties

UAL Short Courses Limited is a wholly owned subsidiary of University of the Arts London. It provides short courses using the University and College brands and as such many risks and uncertainties are linked to those facing the University. The Financial Statements of the University of the Arts London are publicly available on the University website.

The directors acknowledge their responsibilities as set out in the Statement of Responsibilities, including that they are responsible for the Company's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The University has a fully embedded risk management process and policy which identifies and manages the key risks associated to University group as a whole. Risks and associated migrating factors affecting the group are regularly monitored and reviewed.

Future Developments

The company will continue to deliver and develop its short course provision and act as a trading subsidiary of University of the Arts London for the foreseeable future.

By order of the Board



Zioge Smith
Company Secretary

24 November 2020

272 High Holborn
London
WC1V 7EY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UAL SHORT COURSES LIMITED

Opinion

We have audited the financial statements of UAL Short Courses Limited (“the company”) for the year ended 31 July 2020 which comprise the Profit and Loss Account and Other Comprehensive Income, Statement of Changes 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 2020 and of its loss 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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

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 a year from the date of approval of the financial statements. In our evaluation of the directors’ conclusions, we considered the inherent risks to the company’s business model and analysed how those risks might affect the company’s financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor’s report is not a guarantee that the company will continue in operation.

Strategic report and directors’ report

The directors are responsible for the strategic report and 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 strategic report and 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 strategic report and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UAL SHORT COURSES LIMITED (CONTINUED)

Directors' responsibilities

As explained more fully in their statement set out on page 2, 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
London
E14 5GL

27 November 2020

UAL SHORT COURSES LIMITED
PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2020

	Note	2020 £	2019 £
Turnover	1 (c)	7,517,929	11,288,566
Cost of sales		(2,516,937)	(4,151,361)
Gross profit		5,000,992	7,137,205
Administration expenses		(6,256,610)	(7,166,230)
Interest receivable	2	3,020	4,307
Other operating income		-	2,946
Operating loss	3	(1,252,598)	(21,772)
Interest payable	7	(55,000)	(34,000)
Loss before taxation		(1,307,598)	(55,772)
Taxation (charge)/credit	8	(88)	(237,837)
Loss after tax		(1,307,686)	(293,609)
Other comprehensive income			
Actuarial loss in respect of pension scheme		(4,260,000)	(392,000)
Total comprehensive loss for the year		(5,567,686)	(685,609)

No operations were discontinued during the year.

The accompanying notes form part of these financial statements.

UAL SHORT COURSES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2020

	Called up Share capital £	Profit and loss account £	Total £
Balance at 1 August 2018	100	-	100
Total comprehensive loss for the year			
Loss for the year	-	(293,609)	(293,609)
Actuarial loss in respect of pension scheme	-	(392,000)	(392,000)
Total comprehensive loss for the year	-	(685,609)	(685,609)
Balance at 31 July 2019	100	(685,609)	(685,509)
Total comprehensive loss for the year			
Loss for the year	-	(1,307,686)	(1,307,686)
Actuarial loss in respect of pension scheme	-	(4,260,000)	(4,260,000)
Total comprehensive loss for the year	-	(5,567,686)	(5,567,686)
Balance at 31 July 2020	100	(6,253,295)	(6,253,195)

The accompanying notes form part of these financial statements.

UAL SHORT COURSES LIMITED
(COMPANY REGISTRATION NUMBER: 2361261)

BALANCE SHEET
AS AT 31 JULY 2020

	Note		2020		2019
		£	£	£	£
NON CURRENT ASSETS					
Debtors	9		3,228,033		5,265,293
CURRENT ASSETS					
Debtors	9	158,656		132,578	
Cash at bank and in hand		172,009		421,666	
			330,665		554,244
TOTAL ASSETS			3,558,698		5,819,537
CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR	10		(1,975,893)		(3,825,046)
NET ASSETS EXCLUDING PENSION LIABILITY			1,582,805		1,994,491
Pension Liability	7		(7,836,000)		(2,680,000)
NET (LIABILITIES)/ASSETS INCLUDING PENSION LIABILITY			(6,253,195)		(685,509)
CAPITAL AND RESERVES					
Called up share capital	11		100		100
PROFIT AND LOSS RESERVE					
Profit and loss reserve excluding Pension Liability	12	1,582,705		1,994,391	
Pension Liability	7	(7,836,000)		(2,680,000)	
			(6,253,295)		(685,609)
SHAREHOLDERS FUNDS - EQUITY			(6,253,195)		(685,509)

These financial statements were approved on 24 November 2020 by the Board of Directors and signed on its behalf by:



Sir Nigel Carrington
Chairman



Heather Francis
Director

The accompanying notes form part of these financial statements.

UAL SHORT COURSES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 have been applied.

The financial statements have been prepared on the historical cost basis.

The Company has applied the exemption available under FRS 102, relating to 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. 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.

(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. The board have considered a strategy and business plan to return the business to profitability in the medium term which is considered to be reasonable and realistic. The company has considered its liquidity for a period of twelve months from the signing of the financial statements which indicate that, taking into account of severe but plausible downsides, including changes arising from the Covid-19 pandemic, the directors are of the opinion that the company will have sufficient funds to meet its liabilities as they fall due for that period. Consequently the company continues to adopt the going concern basis in preparing its financial statements.

(c) Turnover

Turnover for the year is derived primarily from operations in the United Kingdom, although many clients are drawn from overseas. It represents short course tuition fees, trading activities generically related to the provision of educational services and the sale of artwork. Fee income is recognised when the service is provided. It is shown net of value added tax and trade discounts.

(d) Taxation

Tax on the profit or loss for the year comprises the current tax charge. 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 SHORT COURSES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (CONTINUED)

(e) Pension Schemes

Retirement benefits to employees of the company is a funded defined benefit scheme. Under defined benefit plans, the company has an obligation to provide agreed benefits to current and former employees who are members of the scheme, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the company. Accordingly, the company recognises a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets, which is an area of significant estimation within the accounts and the factors determining the estimates are disclosed in note 7. The calculation is performed by a qualified actuary using the projected unit credit method.

In response to the UK Government's 2019 announcement to make changes to RPI from 2030, a change in methodology has been applied to the calculation of the CPI rate underpinning the valuation of the pension schemes Defined Benefit Obligations (DBO). We estimate the impact of this change in methodology to be a £1,328,000 increase in the total pension liabilities balance, as the CPI assumption is now 0.2% higher than it would have been under the methodology adopted as at 31 July 2019". For further details on the CPI rate used see Note 7.

(f) Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the Company. Any unused benefits are accrued and measured as the additional amount the Company expects to pay as a result of the unused entitlement.

(g) Subsequent events

The Company has evaluated subsequent events and determined that there have been no events that have occurred since the balance sheet date would require adjustments or disclosure in the financial statements.

2. INTEREST RECEIVABLE

	2020	2019
	£	£
Bank interest	3,020	4,307
	<hr/>	<hr/>
	3,020	4,307
	<hr/>	<hr/>

UAL SHORT COURSES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3. PROFIT ON ORDINARY ACTIVITIES

Profit on ordinary activities is stated after charging:

	2020	2019
	£	£
Auditor's remuneration for audit work (exclusive of VAT)	9,050	8,890
Management charge payable to holding company	898,042	1,501,874
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4. DIRECTORS' REMUNERATION

The Directors are engaged and remunerated by the University and do not receive additional remuneration for their services to the company (2019: nil).

5. PAYMENT UNDER DEED OF COVENANT

No payments have been made under deed of covenant due the company having no reserves available. Where relevant, payments are made under the deed of covenant dated 31 July 2007 as a donation to University of the Arts London, which has charitable status.

6. STAFF

Operations and administrative staff numbers during the year were 46 (2019: 50). Staff costs including teaching staff are as follows:

	2020	2019
	£	£
Wages and salaries	4,977,676	5,626,862
Social security costs	394,828	502,440
Pension costs	1,338,683	1,428,940
	<hr/>	<hr/>
	6,711,187	7,558,242
	<hr/>	<hr/>

UAL SHORT COURSES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7. PENSIONS

Pension schemes

Retirement benefits to employees of the company are provided by the London Pension Fund Authority (LPFA) under the Local Government Pension Scheme (LGPS), a defined benefit scheme which is externally funded and contracted out of the State Earnings Related Pension Scheme. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll.

Contributions are determined by qualified actuaries on the basis of triennial valuations using the projected unit method.

The LGPS is a funded defined benefit scheme, providing benefits based on final pensionable pay with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 July 2020 was £826,000 of which employers' contributions totalled £556,000 and employees' contributions totalled £270,000. The agreed contribution rate for the period was 14.96% from 1 April 2018 and between 5.5% to 12.5% for employees (depending on earnings) throughout and for future periods.

The material assumptions used by the actuary were:

	2020 %	2019 %
RPI increases	2.8	3.1
CPI Increases	2.0	2.1
Salary increases	2.25	2.35
Pension increases	2.0	2.1
Discount rate	1.5	2.8

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are

	Males	Females
Current Pensioners	22.1 years	24.8 years
Future Pensioners	23.0 years	26.0 years

UAL SHORT COURSES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7. PENSIONS (CONTINUED)

Scheme assets

The assets in the LGPS and the expected rate of return were:

	2020		2019		2018	
	Long-Term Return %	Fund Value £	Long-Term Return %	Fund Value £	Long-Term Return %	Fund Value £
Equities	2	7,437,000	12	7,488,000	6	7,051,000
Target Return Portfolio	2	3,279,000	12	3,491,000	6	2,574,000
Infrastructure	2	953,000	12	788,000	6	578,000
Property	2	1,276,000	12	1,252,000	6	893,000
Cash	2	935,000	12	725,000	6	533,000
		<hr/>		<hr/>		<hr/>
Total market value of assets		13,880,000		13,744,000		11,629,000
		<hr/>		<hr/>		<hr/>

The following amounts at 31 July 2020 were measured in accordance with the requirements of FRS 102.

Analysis of the amount in Statement of Comprehensive Income

	2020 £	2019 £
Return on fund assets in excess of interest	(67,000)	1,057,000
Other actuarial (losses) on assets	(867,000)	-
Change in demographic assumptions	26,000	828,000
Change in financial assumptions	(4,154,000)	(2,277,000)
Experience gain on defined benefit obligation	802,000	-
	<hr/>	<hr/>
Actuarial (loss) recognised in Statement of Comprehensive Income	(4,260,000)	(392,000)
	<hr/>	<hr/>

UAL SHORT COURSES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7. PENSIONS (CONTINUED)

Expense recognised in the profit and loss account

	2020 £	2019 £
Current service costs	(1,379,000)	(1,270,000)
Net interest on the net defined liability	(55,000)	(34,000)
Administration expenses	(18,000)	(15,000)
	<hr/>	<hr/>
Total expense recognised in profit or loss	(1,452,000)	(1,319,000)
	<hr/>	<hr/>

Analysis of movement in the present value of the scheme liabilities

	2020 £	2019 £
At 1 August	16,424,000	13,102,000
Current service costs	1,379,000	1,270,000
Interest cost	380,000	370,000
Contributions by members	270,000	274,000
Estimated benefits paid net of transfers in	(63,000)	(41,000)
Experience (gain) on defined benefit obligation	(802,000)	-
Change in financial assumptions	4,154,000	2,277,000
Change in demographic assumptions	(26,000)	(828,000)
	<hr/>	<hr/>
Liability in scheme at end of year	21,716,000	16,424,000
	<hr/>	<hr/>

Analysis of movement in the market value of the scheme assets

	2020 £	2019 £
At 1 August	13,744,000	11,629,000
Interest on assets	325,000	336,000
Expected return on assets	(67,000)	1,057,000
Other actuarial (losses)	(867,000)	-
Employer contributions	556,000	504,000
Members contributions	270,000	274,000
Estimated benefits paid net of transfers in and including unfunded	(63,000)	(41,000)
Administration expenses	(18,000)	(15,000)
	<hr/>	<hr/>
Surplus in scheme at end of year	13,880,000	13,744,000
	<hr/>	<hr/>

UAL SHORT COURSES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

8. Taxation	2020	2019
	£	£
Corporation tax on total taxable profits for the year	-	144,253
	<hr/>	<hr/>
Tax charge for the year	-	144,253
	<hr/>	<hr/>
Current tax charge for the year	-	144,253
Under/(over) provision in respect of prior years	88	93,584
	<hr/>	<hr/>
Tax charge/(credit) for the year	88	237,837
	<hr/>	<hr/>
9. DEBTORS (NON CURRENT AND CURRENT)	2020	2019
	£	£
Trade debtors	9,099	71,736
Amount owed by holding company*	3,228,033	5,265,293
Amount owed by group company	2,892	-
Other debtors	26,974	13,406
Prepayments	85,730	47,436
Accrued income	33,961	-
	<hr/>	<hr/>
	3,386,689	5,397,871
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* The amount owed by holding company has been treated as a non-current asset on the balance sheet as it is unlikely to be repaid within one year.

UAL SHORT COURSES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	219,210	118,883
Amount owed to group company	-	20,355
Taxation and social security	67,396	364,552
Other creditors	101,703	175,962
Accruals	304,022	444,937
Deferred income	1,283,562	2,700,357
	1,975,893	3,825,046

11. SHARE CAPITAL

	2020	2019
	£	£
Authorised :		
100 Ordinary shares of £1 each	100	100
	100	100
Share capital allotted, called up and fully paid :		
100 Ordinary shares of £1 each	100	100
	100	100

12. GENERAL RESERVES

Movements on the general reserves during the year were as follows:

	2020	2019
	£	£
Opening profit and loss reserve excluding pension liability	1,994,391	1,473,000
Loss for the year	(1,307,686)	(293,609)
Pension movement for the year transferred to pension reserve	896,000	815,000
	1,582,705	1,994,391

UAL SHORT COURSES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

13. RECONCILIATION OF NET DEBT

	2020
	£
Net funds 1 August 2019	421,666
Movement in cash and cash equivalents	(249,657)
Net funds 31 July 2020	172,009
 Change in net funds	 (249,657)

Analysis of net funds

	2020	2019
	£	£
Cash and cash equivalents	172,009	421,666
 Net funds	 172,009	 421,666

14. ULTIMATE HOLDING COMPANY

The ultimate holding company is University of the Arts London. Copies of the financial statements of University of the Arts London may be obtained from University of the Arts London, 272 High Holborn, London WC1V 7EY.

15. RELATED PARTY TRANSACTIONS

The company's ultimate holding company is University of the Arts London. Due to the nature of the University's and Company's operations and the composition of the Company Directors, it is inevitable that transactions will take place with organisations in which a Director may have an interest. All transactions involving organisations in which a Director may have an interest are conducted at arm's length and in accordance with the University's financial regulations and normal procurement procedures.

During the year there were no related party transactions which require separate disclosure.