# Directors' report and financial statements

For the year ended 31 July 2023

Registered number 6580862

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### **Directors' Report and Financial Statements**

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#### Directors' report

The directors present their directors' report and financial statements for the year ended 31 July 2023.

#### **Principal activities**

The Company is a commercial entity established to support the University of Central Lancashire's international strategic objectives. The Company provides consultancy support to the University in order to:

- Develop international business to underpin the University's ambition to be a modern, world class and innovative university;
- Manage the direct investment and oversee the ongoing development of the UCLan Cyprus branch campus.
- Develop opportunities around innovation and enterprise that supports enhancing the University's growing international reputation in these areas.

#### **Business review**

The University's international strategy remains an integral part of our business while it does not currently intend to develop any further branch campuses.

Progress in Uclan Cyprus remains steady. There were 1,085 students enrolled at the campus in 2022/23, compared with 924 in the prior year. Academic standards remain high and the campus continues to attract positive support from the Cypriot government.

UCLan Technology (Shenzhen) Limited continues to focus on developing innovation and enterprise opportunities, including some innovative CPD developments in the use of social media platforms to deliver online curriculum design.

The process of closing UCLan Lanka (Private) Ltd is continuing as is the legal case relating to the ended venture in Thailand.

Uclan (Overseas) Limited (UOL) owns a 10% investment in Genetel Bioventures Limited that has been written down in full in prior years. Genetel have an 11.41% interest in Prenetics Global Limited, a company listed on the NASDAQ as the result of a merger which took place on 18 May 2022. On that basis UOL's share of Genetel's investment in Prenetics at the share price of \$0.72 at close of business on 31 July 2023 (2022: \$4.00) would be worth \$659,297.87 (2022: \$3,682,714) or £512,801.89 (2022: £3,076,363). Due to the nature of these investments, UOL is unable to influence Genetel in order to realise this value and therefore the value of the investment in Genetel has not been increased to reflect this.

#### Results

Turnover for the year amounted to £690,148 (£530,122 in 2022) the majority of which was earned through the provision of consultancy services to the University of Central Lancashire. The Company made profit of £67,581 (£31,642 in 2022)

#### **Directors**

The directors who held office during the year were as follows:

G Baldwin

**G** Charles

R Connor

None of the directors who held office at the end of the year had any disclosable interest in the shares of the Company.

#### Directors' report (continued)

#### Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

#### **Auditor**

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

#### By order of the board

I Fisher

**Company Secretary** 

Harris Building

University of Central Lancashire

Preston

PR1 2HE

11 December 2023

# 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 applicable law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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;
- 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.

#### Independent auditor's report to the members of Uclan (Overseas) Limited

#### **Opinion**

We have audited the financial statements of Uclan (Overseas) Limited ("the company") for the year ended 31 July 2023 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity 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 2023 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

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").

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.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material
  uncertainty related to events or conditions that, individually or collectively, may cast significant doubt
  on the company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the company will continue in operation.

#### Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Group Audit Committee and Company Secretary as to the company's high-level
  policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any
  actual, suspected or alleged fraud.
- Reading Board and Group audit committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not rebut the fraud risk related to revenue recognition due to the nature of the company's foreign operations.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the
  identified entries to supporting documentation. These included those posted by senior finance
  management and journals posted to cash and turnover that were considered outside of the normal
  course of business; and
- Sample testing of turnover to check whether it has been recorded accurately and in the correct period.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and UK and overseas taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **Directors' Report**

The directors are responsible for the other information, which comprises the Directors' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information 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 that report for the financial year, is consistent with the financial statements; and
- in our opinion that report has 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:

- the company has not kept adequate accounting records 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.

#### Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors (who are also the directors of the company for the purposes of company law) 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 <a href="https://www.frc.org.uk/auditorsresponsibilities">www.frc.org.uk/auditorsresponsibilities</a>.

#### 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Debra Chamberlain (Senior Statutory Auditor) for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 St. Peter's Square
Manchester
M2 3AE

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12 December 2023

# Profit and Loss Account for the year ended 31 July 2023

Continuing Operations			
	Note	2023	2022
		£	£
Turnover		690,148	530,122
Cost of sales		(394,682)	(355,496)
Gross profit	-	295,466	174,626
Administrative expenses	2,4	(385,423)	(238,334)
Operating profit	2	(89,957)	(63,708)
Other interest receivable and similar income	5	175,111	111,975
Interest payable and similar charges	6	-	(235)
Profit on ordinary activities before tax	-	85,154	48,032
Tax on profit on ordinary activities	7	(17,573)	(16,390)
Profit for the financial year	- -	67,581	31,642

#### **Balance Sheet**

As at 31 July 2023

	Note	Ac at 21 I	2022	As at 31 J	uly 2022
	Note	As at 31 J £	uly. 2023 £	AS at 313	uly 2022 £
Fixed Assets					
Investments			-		-
Current assets					
Debtors	10	143,297		99,197	
Cash at bank and in hand		1,302,093		1,252,921	
	•	1,445,390	•	1,352,118	
Creditors: Amounts falling due within one year	11 .	(131,851)		(65,823)	
Net current assets			1,313,539		1,286,295
Net assets			1,313,539		1,286,295
Capital and reserves					
Called up share capital	12		1,000,000		1,000,000
Profit and loss account			313,539		286,295
Shareholders funds			1,313,539		1,286,295

These financial statements were approved by the board of directors on 11 December 2023 and were signed on its behalf by:

**G Baldwin** 

Graham Balelevin

Director

G Charles Director

Cosellas

Company registered number: 6580862

# **Statement of Changes in Equity**

for the year ended 31 July 2023

	Share Capital	Profit & Loss Account	Total
	£	£	£
Balance at 1 August 2021	1,000,000	294,318	1,294,318
Total comprehensive income for the year			
Profit for the year	-	31,642	31,642
Transactions recorded directly in equity			
Gift-aid payment	-	(39,665)	(39,665)
Balance at 31 July 2022	1,000,000	286,295	1,286,295
Balance at 1 August 2022	1,000,000	286,295	1,286,295
Total comprehensive income for the year			
Profit for the year	-	67,581	67,581
Gift-aid payment	<del>-</del>	(40,337)	(40,337)
Balance at 31 July 2023	1,000,000	313,539	1,313,539

#### Notes (forming part of the financial statements)

#### 1. Accounting policies

Uclan (Overseas) Limited is a company limited by shares, and incorporated and domiciled in the UK.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 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 Section 400 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.

These financial statements were 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 presentation currency of these financial statements is sterling.

The Company has reflected amendments permitted under FRS102 paragraphs 29.14A and 29.22A which relate to gift-aid payments made within charitable groups which have been adopted.

The Company's ultimate parent undertaking, the University of Central Lancashire Higher Education Corporation includes the Company in its consolidated financial statements. The consolidated financial statements of the University of Central Lancashire Higher Education Corporation are available to the public and may be obtained from the University Chief Finance Officer, University of Central Lancashire, Harris Building, Preston, PR1 2HE. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes.
- Key management personnel compensation

#### Fixed assets & investments

The Company does not have any tangible fixed assets. Equipment costing less than £10,000 per individual item is written off to the profit and loss account in the year of acquisition.

The Company's fixed assets are its investments in subsidiaries and other companies. Investments in subsidiary undertakings, associates and joint ventures are stated at cost less impairment.

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax. Turnover represents the service fee charged to the University of Central Lancashire.

#### Cost of sales & administrative expenses

The consultancy contract with the University of Central Lancashire is based on costs incurred on projects to which a mark-up is added. Costs specifically identified as relating to overseas projects are treated as a cost of sales. All other costs are treated as administrative expenses.

#### **Notes** (continued)

#### 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.

#### **Taxation**

The charge for taxation is based on the profit/(loss) for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

#### Cash at bank and in hand

Cash comprises cash in hand and deposits repayable on demand, less overdrafts repayable on demand.

#### Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors plan for a period of 12 months from the date of approval of these financial statements which indicates that, taking account of severe but plausible downsides, including changes arising from global economic price rises, the company will have sufficient funds, to meet its liabilities as they fall due for that period.

The directors therefore continue to adopt the going concern basis in preparing the annual financial statements.

#### 2. Notes to the profit and loss account

·	2023	2022
	£	£
Profit on ordinary activities before taxation is stated after charging:		
Amounts written off loans to group undertakings	111,538	109,171
Auditor's remuneration for audit services	10,000	2,215
Taxation services	2,400	2,220
Legal fees	108,766	_
(Profit)/loss on foreign exchange	(38,829)	235

#### 3. Remuneration of directors

None of the directors received any emoluments during the year (2022: £Nil). All of the directors are employed by the University of Central Lancashire.

### **Notes** (continued)

#### 4. Staff numbers and costs

The Company did not directly employ any staff (2022: Nil). All staff resources are purchased from the University of Central Lancashire.

#### 5. Other interest receivable and similar income

2023	2022
£	£
136,282	111,975
38,829	
175,111	111,975
	£ 136,282 38,829

Interest receivable in the current year includes interest accrued on the working capital facility provided to Uclan Cyprus. Interest will continue to be accrued until the cash flow position of UCLan Cyprus is able to service the debt.

#### 6. Interest payable and similar charges

	2023	2022
	£	£
Foreign exchange losses	-	235

#### 7. Taxation charge

Analysis of tax charge / (credit) for the period	2023	2022
	£	£
Current tax:		
UK Corporation tax	-	-
Double taxation relief	-	-
Foreign taxation	17,573	16,390
Total current tax charge / (credit)	17,573	16,390

### **Notes** (continued)

7.	Taxation charge (continued)		
		2023	2022
		£	£
	Profit on ordinary activities before tax	85,154	48,032
	Tax on profit on ordinary activities at standard CT rate of 21.01% (2022:19%)	17,887	9,126
	Effects of:		
	Expenses not deductible for tax purposes	990	1,797
	Amounts (charged)/credited directly to STRGL or otherwise transferred	(15,105)	(7,617)
	Amounts related to other comprehensive Other permanent differences	(3,691)	(3,114)
	Fixed asset difference	(40)	(153)
	Group relief surrendered / (claimed)		-
	Foreign tax credits	17,573	16,390
	Remeasurement of deferred tax for changes in tax rates	7	13
	Adjust opening/closing deferred tax rate		
	Deferred tax not recognised	(48)	(52)
	Total current tax charge for the period	17,573	16,390

There is a deferred tax asset as at 31 July 2023 of £34,031 (2022: £34,079) which has not been recognised, because it is unlikely to crystallise.

#### **Notes** (continued)

#### 8. Fixed asset investments

The companies in which the Company has an interest in at the year-end are as follows:

	Country of Incorporation	Principle Activity	Percentage of Shares Held	Valu Shares	
				2023	2022
Subsidiary undertakings				£	£
Uclan (HK) Limited	Hong Kong	Holding Company	100%	-	-
Uclan Lanka (Private) Limited	Sri Lanka	Dormant	100%	-	-
Uclan Technology (Shenzhen) Limited *	China	Research	100%	. •	-
Other investments					
Uclan Cyprus Limited	Cyprus	Higher Education	51%	-	-
Uclan (Thailand) Company Limited	Thailand	Dormant	49%	-	-
Genetel Bioventures Limited	Hong Kong	Research	10%	-	· -

<sup>\*</sup> subsidiary of Uclan (HK)

The Company undertook a review of all of its investments in overseas subsidiaries in 2014 and considered it prudent and appropriate to make full provision for the value of these investments in its financial statements. These provisions may be reversed or revised in the future if it is considered appropriate to do so.

#### 9. Debtors: amounts falling due after one year

	2023	2022
	£	£
Amounts owed by group undertakings	4,996,543	4,885,005
Less provision for impairment	(4,996,543)	(4,885,005)

Following a review by the company of all its balances due from overseas subsidiaries in 2014, the Company considered it prudent and appropriate to make full provision for the value of these amounts. These provisions may be reversed or revised in the future if it is considered appropriate to do so. The provisions for these balances has resulted in a charge in the year of £111,538 (2022: £109,171).

### **Notes** (continued)

10.	Debtors: amounts falling due within one year		
		2023	2022
		£	£
	Amounts owed by parent company	143,297	79,747
	Deferred expenditure	-	19,450
		143,297	99,197
11.	Creditors: amounts falling due within one year		
		2023	2022
		£	£
	Amounts owed to group undertakings	117,451	60,945
	Accruals and deferred income	14,400	4,878
•		131,851	65,823
12.	Called up share capital		
		2022	2022
	Allotted, called up	2023 £	2022 £
	Ordinary shares of £1 each	1,000,000	1,000,000
	•	1,000,000	1,000,000

#### 13. Accounting estimates and judgements

The Company has reviewed the operations of its subsidiaries and has formed the opinion that the investments in these subsidiaries are unlikely to generate a return nor are the inter-company balances due from these companies likely to be repaid in the foreseeable future. Both values have therefore been fully impaired.

#### **Notes** (continued)

# 14. Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a wholly owned subsidiary undertaking of Centralan Holdings Limited incorporated in England and Wales. The ultimate parent company is the University of Central Lancashire Higher Education Corporation incorporated in England and Wales. In accordance with s33.1a of FRS 102, Related Party Disclosures, the Company is exempt from disclosing details of arrangements with other companies in the University of Central Lancashire group.

The largest and smallest group in which the results of the Company are consolidated is that headed by the University of Central Lancashire Higher Education Corporation. The consolidated financial statements of the University may be obtained from:

University Chief Finance Officer University of Central Lancashire Harris Building Preston PR1 2HE