

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2018
REGISTERED NUMBER 08001042**



UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

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UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements of the company for the year ended 31 July 2018.

Principal activities

The principal purpose and activity of the business is to manage the University's London Campus in Canary Wharf. University of Sunderland London Campus Limited is a wholly owned subsidiary of the University of Sunderland.

Directors and directors' interests

The directors who held office during the year and subsequent to the year-end were as follows:

Mr S. C. Knight	
Mr S. J. Newitt	(resigned on 8 February 2018)
Mr A. Hardie	(appointed on 8 February 2018)
Mr B. Dale	(appointed on 11 July 2018)

The directors had no disclosable interest in the shares of the company during the year.

Business Review

The company continues to provide a fully serviced campus for the University of Sunderland London Campus operation in Canary Wharf. The key aspiration for the Campus is to offer a high quality student experience, in an efficient operating model, across a small number of defined professional programmes to international students.

Distributions

The company will make a gift aid payment of £374,819 to the parent company for 2018 (2017: £1,253,869).

In the Statement of Changes in Equity for the year ended 31 July 2018, a gift aid credit of £21,387 (2017: payment of £24,617) is recognised as an additional distribution, in respect of the prior year.

Principal risks and uncertainties

The Company continues to operate in a rapidly changing external environment with a focus into the local and regional economy. The pressure on Company turnover and profitability is expected to remain and the business risks will continue to be monitored and mitigated within the University Risk Management Plan.

Key Performance Indicators

The key performance indicators for the Company focus on preservation of the University's tax and charitable status. There is an aim to widen the commercial client base for potential funding and to allow the University to maximise its opportunities for Work Based Learning.

The Board of Governors manage the University of Sunderland's group operations on a consolidated basis. For this reason, the directors believe that analysis using key performance indicators for University of Sunderland London Campus Limited as a standalone company is not meaningful or appropriate. The development, performance and position of the University of Sunderland is explained in the University group accounts.

Political contributions

The Company made no political contributions or incurred any political expenditure during the current or preceding year.

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

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 aware, there is no relevant audit information of which the Company's auditor is unaware; and the directors have 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 auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.



Mr B. Dale
Director

Date: 22 NOVEMBER 2018

University of Sunderland London Campus Limited
University of Sunderland
4th Floor, Edinburgh Building
Chester Road
Sunderland
SR1 3SD

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

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;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

Opinion

We have audited the financial statements of University of Sunderland London Campus Limited ("the company") for the year ended 31 July 2018 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2018 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 that report 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 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:

- 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 LONDON CAMPUS LIMITED (CONTINUED)

Directors' responsibilities

As explained more fully in their statement set out on page 4, 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.

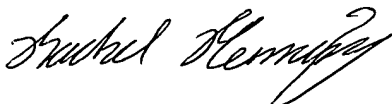
Auditor's responsibilities

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.



Rachel Fleming (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside House
Newcastle upon Tyne
NE1 3DX

Date: 26 November 2018

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2018**

		2018	2017
	Note	£	£
Turnover	2	5,954,697	6,026,970
Cost of sales		(3,452,357)	(2,714,392)
		<hr/>	<hr/>
Gross profit		2,502,340	3,312,578
Administrative expenses		(2,169,097)	(2,064,230)
Interest receivable and other similar income	3	480	2,139
		<hr/>	<hr/>
Profit on ordinary activities before taxation	4	333,723	1,250,487
Tax on profit on ordinary activities	6	(73,231)	(250,060)
		<hr/>	<hr/>
Profit for the financial year		260,492	1,000,427
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income for the financial year		260,492	1,000,427
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED
REGISTERED NUMBER 08001042

BALANCE SHEET
AS AT 31 JULY 2018

		2018		2017	
	Note	£	£	£	£
Fixed assets					
Tangible assets	7		305,458		80,070
Current assets					
Debtors	8	1,046,452		743,895	
Cash at bank and in hand		43,884		96,985	
		<u>1,090,336</u>		<u>840,880</u>	
Creditors: Amounts falling due within one year	9	<u>(1,376,726)</u>		<u>(877,876)</u>	
Net current liabilities			(286,390)		(36,996)
Provisions for liabilities and charges	10		(13,354)		(11,572)
Net assets			<u>5,714</u>		<u>31,502</u>
Capital and reserves					
Called-up share capital	11		1		1
Profit and loss account			5,713		31,501
Shareholders' funds			<u>5,714</u>		<u>31,502</u>

These financial statements were approved by the Board of Directors on 22 NOVEMBER 2018 and were signed on its behalf by:



Mr B. Dale
Director

The accompanying notes form part of these financial statements.

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2018**

	Called up Share Capital		Profit & Loss Reserve	Total Equity
	£		£	£
Balance at 1 August 2016	1		58,001	58,002
Comprehensive income for the year				
Profit for the year	-	1,000,427		1,000,427
Other comprehensive income	-	-		-
Total comprehensive income for the year	-		1,000,427	1,000,427
Transactions with owners, recorded directly in equity				
Gift aid payment	-	(1,278,486)		(1,278,486)
Current tax credit	-	251,559		251,559
Total contributions by and distributions to owners	-		(1,026,927)	(1,026,927)
Balance at 31 July 2017	1		31,501	31,502
Balance at 1 August 2017	1		31,501	31,502
Comprehensive income for the year				
Profit for the year	-	260,492		260,492
Other comprehensive income	-	-		-
Total comprehensive income for the year	-		260,492	260,492
Transactions with owners, recorded directly in equity				
Gift aid payment	-	(353,432)		(353,432)
Current tax credit	-	67,152		67,152
Total contributions by and distributions to owners	-		(286,280)	(286,280)
Balance at 31 July 2018	1		5,713	5,714

The accompanying notes form part of these financial statements.

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

University of Sunderland London Campus Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

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’s parent undertaking, University of Sunderland includes the Company in its consolidated financial statements. The consolidated financial statements of University of Sunderland are available to the public and may be obtained from the University of Sunderland’s website or the Director of Finance, Second Floor, Edinburgh Building, City Campus, University of Sunderland, Chester Road, Sunderland SR1 3SD. 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:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of University of Sunderland include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosure:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

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

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

Notwithstanding net current liabilities of £286,390 as at 31 July 2018, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The company is dependent on the University of Sunderland not seeking repayment of the amounts currently due to the group and providing additional financial support during that period. The University of Sunderland has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting policies (continued)

1.3 Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases.

Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described at 1.8 below.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- plant and equipment 5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.5 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting policies (continued)

1.5 Impairment (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.6 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Defined benefit plans

The Company's employees are members of a group wide defined benefit pension plan. As there is no contractual agreement or stated group policy for charging the net defined benefit cost of the plan to participating entities, the net defined benefit cost of the pension plan and the net defined benefit liability are recognised fully by the entity which is legally responsible for the plan, which is University of Sunderland. The Company then recognises a cost equal to its contribution payable for the period.

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting policies (continued)

1.7 Turnover

The turnover shown in the profit and loss account represents amounts receivable during the period, exclusive of Value Added Tax. The turnover consists of income from the University of Sunderland for the provision of a serviced campus at Canary Wharf.

Turnover is recognised in respect of operating activities for which the Company in substance rather than legal form, acting as the Principal rather than Agent in the transaction, has exposure to the significant risks and benefits of the transactions.

1.8 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred 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.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Turnover

	2018 £	2017 £
Rendering of services	5,954,697	6,026,970

All turnover is derived in the UK.

3. Interest receivable and other similar income

	2018 £	2017 £
Bank interest receivable	480	2,139

4. Expenses and auditor's remuneration

Included in profit are the following:

	2018 £	2017 £
Operating lease rentals	590,000	590,000
Auditor's remuneration:		
Audit	6,000	6,000
Taxation compliance services	2,132	2,132

5. Particulars of employees

Average staff numbers (full time equivalent)

	2018 Number	2017 Number
Academic and administrative staff	87	60
	£	£
Staff costs		
Salaries	2,901,564	2,296,839
Social security costs	389,017	328,369
Other pension costs	134,551	88,689
Severance payments	-	493
	3,425,132	2,714,390

The directors received no emoluments from University of Sunderland London Campus Limited during the period (2017: £nil).

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. Tax on profit on ordinary activities

Total tax expense recognised in the profit and loss account, other comprehensive income and equity:

	2018 £	2017 £
<i>Current tax</i>		
Current tax on income for the period	4,297	-
Total current tax	4,297	-
<i>Deferred tax</i>		
Timing differences	1,782	(1,499)
Total deferred tax	1,782	(1,499)
Total tax	6,079	(1,499)

	2018 Current tax £	2018 Deferred tax £	2018 Total tax £	2017 Current tax £	2017 Deferred tax £	2017 Total tax £
Recognised in Profit and loss account	71,449	1,782	73,231	251,559	(1,499)	250,060
Recognised directly in equity	(67,152)	-	(67,152)	(251,559)	-	(251,559)
Total tax	4,297	1,782	6,079	-	(1,499)	(1,499)

Reconciliation of effective tax rate

	2018 £	2017 £
Profit for the year	260,492	1,000,427
Tax expense for the period	73,231	250,060
Profit excluding taxation	333,723	1,250,487
Tax using the UK corporation tax rate of 19.00% (2017: 19.67%)	63,407	245,970
Expenses not deductible for tax purposes	14,097	1,593
Adjustments to tax charge in respect of previous periods	(4,064)	4,923
Adjust closing deferred tax to average rate of 19.00% (2017: 19.67%)	(209)	(760)
Movement in deferred tax not previously recognised	-	(1,666)
Total tax expense included in profit or loss	73,231	250,060

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Tangible fixed assets

	Leasehold Improvements £	Plant and equipment £	Total £
Cost or valuation			
At 1 August 2017	-	115,879	115,879
Additions	209,573	39,614	249,187
At 31 July 2018	<u>209,573</u>	<u>155,493</u>	<u>365,066</u>
Accumulated depreciation			
At 1 August 2017	-	35,809	35,809
Charge for the year	-	23,799	23,799
At 31 July 2018	<u>-</u>	<u>59,608</u>	<u>59,608</u>
Net book value			
At 31 July 2018	<u>209,573</u>	<u>95,885</u>	<u>305,458</u>
At 31 July 2017	<u>-</u>	<u>80,070</u>	<u>80,070</u>

8. Debtors

	2018 £	2017 £
Trade debtors	27,885	8,824
Amounts owed by group undertakings	496,373	482,137
Other debtors	146,604	145,111
Prepayments	375,590	107,823
	<u>1,046,452</u>	<u>743,895</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade payables	36,459	334,984
Amounts owed to group undertakings	6,132	1,270
Accruals	1,070,179	358,614
Taxation and social security	207,220	162,893
Other creditors	56,736	20,115
	<u>1,376,726</u>	<u>877,876</u>

UNIVERSITY OF SUNDERLAND LONDON CAMPUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Provisions for liabilities and charges

	2018 £	2017 £
Provision at beginning of the year	11,572	13,071
Deferred tax charge / (credit) for the year	1,782	(1,499)
	<u>13,354</u>	<u>11,572</u>

The elements of the provision for deferred tax are as follows:

	2018 £	2017 £
Fixed asset timing differences	16,300	13,612
Other short term timing differences	(2,946)	(2,040)
	<u>13,354</u>	<u>11,572</u>

11. Share capital

	2018 £	2017 £
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

12. Lease obligations

Total rentals payable under non-cancellable operating leases:

	Land & Buildings	
	2018 £	2017 £
Payable during the year	590,000	590,000
Future minimum lease payments due:		
Not later than 1 year	590,000	590,000
Later than 1 year and not later than 5 years	245,930	835,930
Later than 5 years	-	-
At 31 July	<u>835,930</u>	<u>1,425,930</u>

13. Related party disclosures

The company is controlled by and is a wholly owned subsidiary of the University of Sunderland.