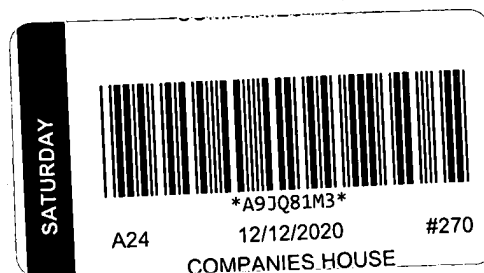


PORTSMOUTH TECHNOPOLE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020
REGISTERED NO: 04151164



PORTSMOUTH TECHNOPOLE LIMITED

Annual report and financial statements for the year ended 31 July 2020

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PORTSMOUTH TECHNOPOLE LIMITED

Directors and advisors

Chair

Ms BJ Topham

Directors

Professor GH Galbraith

Ms EL Woollard

Mrs SL Duckering (appointed 24 November 2020)

Professor R Nichol (appointed 24 November 2020)

Mr MC James (appointed 24 November 2020)

Company Secretary and Registered Office

Mr A Parry

University House

Winston Churchill Avenue

Portsmouth

Hampshire

England

PO1 2UP

Statutory Auditor

Deloitte LLP

Statutory Auditor

Abbots House

Abbey Street

Reading

RG1 3BD

United Kingdom

PORTSMOUTH TECHNOPOLE LIMITED

Directors' report for the year ended 31 July 2020

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

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. A going concern review for the company is produced on an annual basis and has been considered and approved by the directors. Further, University of Portsmouth has confirmed that it anticipates the entity continuing to operate, and will provide financial support if required for a period of no less than 12 months from the date of signing the accounts. The loan provided to Portsmouth Technopole Limited by the University during 2019/20 is an illustration of this support.

Principal activities

The profit and loss account for the year is set out on page 8. All the operations of the company are continuing.

Portsmouth Technopole Limited is a private company limited by shares and the principal activities of the company are the provision of serviced office accommodation and conference room hire at the Portsmouth Technopole Innovation Centre, Kingston Crescent, Portsmouth. Virtual office facilities are also provided.

Review of business and future activities

The Portsmouth Technopole Innovation Centre is currently operationally managed by a third party company, Oxford Innovation Limited (OI), and all income (from companies leasing space in the Technopole Centre) is collected in a customer account administered by OI. Expenditure is jointly managed with maintenance being managed directly through PTL since 24 March 2020, and non-maintenance operational expenditure continuing to be managed by OI through the client account.

Income in the year at £569,872 (2019: £720,274) has fallen significantly since prior year due to the Centre having shut down as a consequence of the Coronavirus pandemic during the period from 1st April to 15th June 2020, and customer licence fees being waived during that period. A significant loss is reported for the year of £158,807 (2019: £279,208 loss) primarily due to ongoing costs during the period of building shutdown, and high maintenance costs.

The centre is presently fully open, and most customers have returned. Whilst some customer exits have occurred, new customers have also come into the Centre and occupancy at 1 November 2020 stands at 75% (March 2020: 84%).

The managing agent contract with OI ended on 30th October 2020, and from this point forward, the management of the centre will be undertaken entirely by PTL, with support services provided on a cost sharing basis by the University of Portsmouth who is the ultimate parent of PTL. This enables the group to take advantage of synergies in procurement and services provision, to better understand and manage the finances of the company, and to further integrate the Technopole Innovation Centre into the UoP group and in particular into the University's Innovation Connect innovation centres umbrella brand. The directors of the company are continuing to develop strategies to improve the profitability of the centre.

In order to support regeneration of the business a loan has been agreed and put in place between UoP & PTL, with a total facility of £250,000, from which £200,000 has been drawn down at the year-end date, at which time PTL held a cash balance of £246,369.

The UK left the European Union on 31st January 2020, and a transition period is running until 31st

PORTSMOUTH TECHNOPOLE LIMITED

December 2020. Since the entity supplies primarily UK customers located in Portsmouth, the end of the transition period is not expected to directly affect the company.

Dividends

The directors do not recommend the payment of a dividend (2019: £nil). No gift aid payment was made during the period (2019: £44,101 to the University of Portsmouth).

Directors

The directors of the company who have held office in the period since 1 August 2019 until the date these financial statements were signed are set out on page 1.

Fixed assets

The company held fixed assets during the year totalling £2,591,891 (2019: £2,660,000).

Directors' qualifying third party indemnity insurance

Portsmouth Technopole Limited maintains Directors' and Officers' Liability Insurance for the benefit of its directors in respect of their duties as directors of the company. This group insurance is also for the benefit of directors of Technopole's parent company (Technológy Enterprises Portsmouth Limited), the ultimate parent company (the University of Portsmouth), and other subsidiaries owned by University of Portsmouth (University of Portsmouth Enterprises Limited, University of Portsmouth Services Limited, and ASTA Technology UK Limited).

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

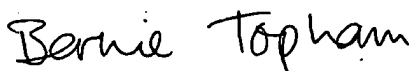
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

In preparing their report the directors have taken advantage of the disclosure exemptions available to small companies provided by the Companies Act 2006, including the exemption from preparing a Strategic Report.

Approved by the Board of Directors and signed on its behalf by:



Ms BJ Topham
Chair

Date: 9th December 2020

PORTSMOUTH TECHNOPOLE LIMITED

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law); 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PORTSMOUTH TECHNOPOLE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTSMOUTH TECHNOPOLE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Portsmouth Technopole Limited (the 'company'):

- 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 United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

PORTSMOUTH TECHNOPOLE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTSMOUTH TECHNOPOLE LIMITED

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

PORTSMOUTH TECHNOPOLE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTSMOUTH TECHNOPOLE LIMITED

Matters on which we are required to report by exception

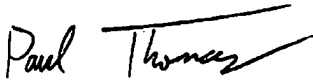
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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.



Paul Thomas, DPhil, MChem, ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom

9th December 2020

PORTSMOUTH TECHNOPOLE LIMITED

Profit and loss account for the year ended 31 July 2020

	Note	Year ended 31 July 2020 £	Year ended 31 July 2019 £
Turnover		569,872	720,274
Cost of sales		<u>(622,133)</u>	<u>(676,434)</u>
Gross profit		(52,261)	43,840
Administrative expenses		(107,311)	(97,313)
Impairment		<u>-</u>	<u>(226,155)</u>
Operating loss	2	(159,572)	(279,628)
Interest receivable and similar income	5	813	420
Interest payable	6	<u>(48)</u>	<u>-</u>
Loss before tax		(158,807)	(279,208)
Tax	7	<u>-</u>	<u>-</u>
Loss for the financial year		<u>(158,807)</u>	<u>(279,208)</u>

There has been no other comprehensive income, and accordingly no statement of comprehensive income has been prepared.

All the operations of the company are continuing.

PORTSMOUTH TECHNOPOLE LIMITED

Company Registration Number 04151164
Balance sheet as at 31 July 2020

	Note	31 July 2020 £	31 July 2019 £
Fixed assets			
Tangible assets	8	2,591,891	2,660,000
Current assets			
Debtors	9	64,449	74,449
Cash at bank and in hand		246,369	147,185
		310,818	221,634
Creditors: Amounts falling due within one year	10	(58,170)	(78,336)
Net current assets		252,648	143,298
Total assets less current liabilities		2,844,539	2,803,298
Creditors: Amounts falling due after more than one year	11	(200,048)	-
Net assets		2,644,491	2,803,298
Capital and reserves			
Called up share capital	13	1,915,850	1,915,850
Share premium account		251	251
Revaluation reserve		236,659	242,878
Profit and loss account		491,731	644,319
Shareholders' funds		2,644,491	2,803,298

The financial statements were approved by the Board of Directors and authorised for issue on 9th December 2020 and were signed on its behalf by:

Bernie Topham

Ms BJ Topham
 Chair

PORTSMOUTH TECHNOPOLE LIMITED

Statement of changes in equity for the year ended 31 July 2020

	Called-up share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 1 August 2018	1,915,850	251	479,534	730,972	3,126,607
Total Comprehensive Loss for the financial year	-	-	-	(279,208)	(279,208)
Total	1,915,850	251	479,534	451,764	2,847,399
Transfer from revaluation reserve	-	-	(236,656)	236,656	-
Gift aid paid	-	-	-	(44,101)	(44,101)
At 31 July 2019	1,915,850	251	242,878	644,319	2,803,298
At 1 August 2019	1,915,850	251	242,878	644,319	2,803,298
Total Comprehensive Loss for the financial year	-	-	-	(158,807)	(158,807)
Total	1,915,850	251	242,878	485,512	2,644,491
Transfer from revaluation reserve	-	-	(6,219)	6,219	-
Gift aid paid	-	-	-	-	-
At 31 July 2020	1,915,850	251	236,659	491,731	2,644,491

The profit and loss account represents cumulative profits or losses, net of dividends and gift aid paid.

The share premium account contains the premium arising on issue of equity shares, net of issue expenses.

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2020

1. Principal accounting policies

Portsmouth Technopole Limited is a private company limited by shares with company registration number 04151164 and registered address University House, Winston Churchill Avenue, Portsmouth, Hampshire, PO1 2UP. The company is registered and incorporated in England and Wales.

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

As a subsidiary undertaking of the University of Portsmouth, Portsmouth Technopole Limited meets the criteria of being a member of a public benefit entity group.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

Portsmouth Technopole Limited meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it. Portsmouth Technopole Limited is consolidated in the financial statements of its ultimate parent, the University of Portsmouth, which may be obtained at University House, Winston Churchill Avenue, Portsmouth, Hampshire, PO1 2UP. Exemptions have been taken in these separate company financial statements in relation to presentation of a cash flow statement. The equivalent disclosures are presented in the statements of the consolidated parent.

Going Concern

The company undergoes a full going concern review each year. Amongst other things, this includes consideration of budgets and management accounts, working capital requirements, outstanding legal issues and the stability of the cost base. The review was approved by the company's Board of Directors (December 2020). In their review the directors noted the loss made by the company. Further, University of Portsmouth has confirmed that it anticipates the entity continuing to operate, and will provide financial support if required for a period of no less than 12 months from the date of signing the accounts.

Further information on the company position in the light of the Covid 19 pandemic is available in the Directors' Report.

Turnover

Turnover is stated net of VAT and is related to the provision of serviced office accommodation and conference room hire at the Portsmouth Technopole Building, Kingston Crescent, Portsmouth. Virtual office facilities are also available.

Income from the sale of goods or services is credited to the profit and loss account when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Interest receivable

Interest income is recognised as received.

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2020 (continued)

Interest payable

Interest payable on the loan is accrued in line with the terms and conditions thereof.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. An annual review of buildings is undertaken to determine if there has been any impairment in the accounting year.

The land and buildings all come under a single lease with Portsmouth City Council running for 125 years from June 2002. Rent paid under the lease is contingent on revenue earned and is therefore put through the P&L as incurred.

Depreciation is provided on a straight line basis over the expected remaining useful lives of the individual components of the asset, as determined by a valuation exercise undertaken in July 2019:

Leasehold land – over the remaining life of the lease
Leasehold buildings – 44 years from 31/7/2019
Fixtures and fittings – 12 years from 31/7/2019
Plant and equipment – 10 years from 31/7/2019

Any additions to fixtures and fittings and plant and equipment will be depreciated dependent upon their expected life.

The revaluation reserve was created as result of historic valuations and is released over the life of the assets.

Gift aid

As a 100% subsidiary of the University of Portsmouth, Portsmouth Technopole Limited, at the discretion of the directors, remits gift aid to the University of Portsmouth annually. Gift Aid payment is reviewed against both cash and distributable reserves both at point of Board approval and prior to actual payment.

Tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Tax is not provided for in the case where there is a firm commitment and practice to remit taxable profits via the gift aid scheme.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2020 (continued)

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Cash flow statement

The company is exempt from the requirement of FRS 102 section 7 to produce a cash flow statement since it is a wholly owned subsidiary of a parent company which produces group financial statements incorporating a consolidated cash flow statement.

Leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances.

i) Significant judgements in applying the Company's accounting policies

The directors do not consider there to be any critical judgements that have been made in the process of applying the company's accounting policies that would have a significant effect on the amounts recognised in the financial statements.

ii) Key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The directors consider the following to be the estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next financial year.

The property is held at cost less accumulated depreciation, with Net Book Value having been adjusted in the 2018/19 accounts to a value as identified by a valuation report undertaken in July 2019, with a consequent impairment and offsetting release from the revaluation reserve. Further information is available in Note 8.

An impairment review was undertaken at 31st July 2020, and no requirement for further impairment was identified.

2. Operating loss

	2020	2019
	£	£
Operating loss is stated after charging:		
Management charge from University of Portsmouth	30,000	30,000
Fees payable to the company's auditor for the audit of the company's financial statements	6,380	5,700
Depreciation	68,109	64,615
Impairment	-	226,155

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2020 (continued)

Other services from the auditor:

Remuneration of the company's auditor for the provision of tax services for the company is £2,575 (2019: £2,575).

3. Directors' emoluments

In the current period no remuneration was paid to the directors in respect of services to the company. The directors of the company who have held office during the current year are employed by the University of Portsmouth, which pays them for services they provide to the University. The services they provide for the company are incidental to this role, and as such the remuneration receivable by the directors in respect of qualifying services to the company is nil (2019: £nil).

4. Employee information

There were no employees during the year (2019: nil).

5. Interest receivable and similar income

	2020	2019
	£	£
Bank interest receivable	813	420
	<u>813</u>	<u>420</u>

6. Interest payable and similar expenses

	2020	2019
	£	£
Loan interest payable	48	-
	<u>48</u>	<u>-</u>

Interest was paid of £48 (2019: nil) to the parent company in respect of a loan at the Bank of England base rate plus 1%.

7. Tax reconciliation

The tax charge comprises:

	2020	2019
	£	£
Current tax on profit	-	-
Deferred tax	-	-
Total tax on profit	<u>-</u>	<u>-</u>

The standard rate of tax applied to reported profit is 19% (2019: 19%). On 6 September 2016, the Finance Act 2016 was substantively enacted and provided for a reduction in the main rate of UK corporation tax to 17% from 1 April 2020. In the UK Budget of March 2020, it was announced that the reduction in the corporation tax rate would be withdrawn and the rate will now stay at 19%.

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2020 (continued)

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2020	2019
Loss before tax	(158,807)	(279,208)
Tax on profit at standard UK corporation tax rate of 19% (2019: 19%)	(30,173)	(53,050)
Effects of:		
Expenses not deductible	-	-
Deferred tax not provided	17,233	(2,193)
Depreciation not deductible	12,940	55,247
Gift aid	-	(4)
Total tax charge for the year	-	-

As at 31 July 2020 the company had unrecognised deferred tax assets at the closing rate of £27,224 (2019: £8,939) in relation to fixed asset timing differences and taxable losses carried forward.

8. Fixed assets

	Long Leasehold Land £	Long Leasehold Building £	Fixtures & Fittings £	Plant and Equipment £	Total £
Cost or valuation					
As at 1 August 2019	1,862,864	1,544,994	249,860	1,014,226	4,671,944
Additions	-	-	-	-	-
As at 31 July 2020	1,862,864	1,544,994	249,860	1,014,226	4,671,944
Accumulated depreciation and impairment					
As at 1 August 2019	(602,864)	(499,994)	(80,860)	(828,226)	(2,011,944)
Depreciation	(11,676)	(23,750)	(14,083)	(18,600)	(68,109)
Impairment	-	-	-	-	-
As at 31 July 2020	(614,540)	(523,744)	(94,943)	(846,826)	(2,080,053)
Net book value					
As at 31 July 2020	1,248,324	1,021,250	154,917	167,400	2,591,891
As at 1 August 2019	1,260,000	1,045,000	169,000	186,000	2,660,000

The property is held at cost less accumulated depreciation, with Net Book Value having been impaired in the 2018/19 accounts to a value as identified by valuation reports undertaken in July 2019.

The land and buildings all come under a single lease with Portsmouth City Council running for 125 years from June 2002.

Depreciation is applied on a straight line basis to the individual asset components in accordance with the policy outlined under Fixed Assets in Note 1.

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2020 (continued)

9. Debtors

Amounts falling due within one year	2020	2019
	£	£
Prepayments and accrued income	42,550	57,646
Other taxes	21,899	16,803
	<u>64,449</u>	<u>74,449</u>

10. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Amounts owed to parent	5,593	0
Accruals and deferred income	52,577	78,336
	<u>58,170</u>	<u>78,336</u>

11. Creditors: Amounts falling due after more than one year

Loan with parent:	2020	2019
	£	£
Due between one and two years	-	-
Due between two and five years	200,048	-
	<u>200,048</u>	<u>-</u>

Representing a variable rate secured loan facility of £250,000 at Bank of England base rate plus 1% repayable at the end of the loan term in July 2025. Security is by means of a floating debenture over the long lease of the land and buildings and other assets of Portsmouth Technopole Limited.

12. Rental income as lessor

At the balance sheet date, the company had contracted with tenants for the following future minimum license to occupy payments:

	2020	2019
	£	£
- within one year	86,175	54,557

Licenses to occupy are issued to tenants on a short term rolling contract basis with one to three-month notice periods.

13. Called up share capital

	2020	2019
	£	£
Authorised, allotted, called up and fully paid 1,915,850 Ordinary A Shares of £1 each	1,915,850	1,915,850

The company has one class of ordinary shares which has no right to fixed income.

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2020 (continued)

14. Related party transactions

The company has had material transactions with its ultimate parent, the University of Portsmouth. These transactions are eliminated in the Consolidated Financial Statements of the University of Portsmouth which are publicly available. Accordingly, the company has availed itself of the dispensation in FRS 102 s33 not to disclose such items in these financial statements. Balances are as a result of normal trading and are on normal commercial terms.

15. Ultimate parent and controlling party

The directors regard University of Portsmouth, a corporation registered under the Education Reform Act 1988, as the ultimate parent and controlling party. Technology Enterprises Portsmouth Limited is the immediate parent and has a 100% interest in the issued equity capital of the company at 31 July 2019.

Copies of the financial statements of the group can be obtained from University House, Winston Churchill Avenue, Portsmouth, Hampshire, PO1 2UP, its registered address.

These results are consolidated into the University of Portsmouth's (parent) financial statements, which is the smallest and largest group into which this company's results are consolidated.

16. Subsequent events

The directors do not consider that there are any post balance sheet events that would impact the values of assets or liabilities recognised in the balance sheet at period-end.

Until 30th October 2020 the building has been operated by an external agent Oxford Innovation. This agreement ended on 30th October 2020 and the management of the building has been brought in-house. The centre staff including the Centre Manager have transferred under TUPE arrangements to PTL.