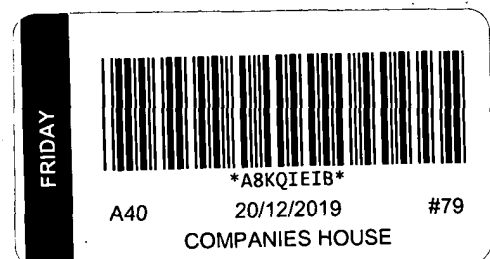


PORTSMOUTH TECHNOPOLE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

REGISTERED NO: 04151164



PORTSMOUTH TECHNOPOLE LIMITED

Annual report and financial statements for the year ended 31 July 2019

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PORTSMOUTH TECHNOPOLE LIMITED

Directors and advisors

Chair

Ms BJ Topham

Directors

Professor GH Galbraith
Ms EL Woollard

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 2019

The directors present their annual report and the audited financial statements for the year ended 31 July 2019.

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. Further details in respect of going concern are in note 1 to these financial statements.

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 operationally managed by a third party company, Oxford Innovation Limited (OI), and all recurrent costs and income (from companies leasing space in the Technopole Centre) are collected in a customer account administered by OI.

Detailed spend and income information is provided by Oxford Innovation and forms the basis of the annual budget. The Board of Technology Enterprises Portsmouth Limited (100% owner of Portsmouth Technopole Limited) meets regularly during the year to discuss the centre's current performance and future prospects with representatives from Oxford Innovation.

Income in the year at £720,274 (2018: £737,823) has fallen slightly since prior year largely due to lower receipts from ancillary services. A significant loss is reported for the year of £279,208 (2018: £8,963 loss) primarily due to an impairment charge of £226,155 which has been recognised on the value of the building as a result of a review of the valuation of plant and equipment, as well as high maintenance costs having been incurred during the year.

The directors of the company are continuing to develop strategies to improve the profitability of the centre.

Dividends

The directors do not recommend the payment of a dividend (2018: £29,886). A gift aid payment of £44,101 (2018: £nil) was made to the University of Portsmouth during the period.

Directors

The directors of the company who have held office in the period since 1 August 2018 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 £2,660,000 (2018: £2,950,770).

PORTSMOUTH TECHNOPOLE LIMITED

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.

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: 19 December 2019

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 2019 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 14.

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.

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

PORTSMOUTH TECHNOPOLE LIMITED

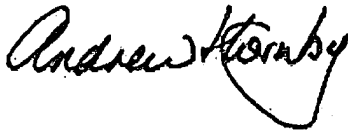
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTSMOUTH TECHNOPOLE LIMITED

- 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.



Andrew Hornby FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom

19 December 2019

PORTSMOUTH TECHNOPOLE LIMITED

Profit and loss account for the year ended 31 July 2019

| | Note | Year ended 31 July 2019 £ | Year ended 31 July 2018 £ |
|--|------|---------------------------------|---------------------------------|
| Turnover | | 720,274 | 737,823 |
| Cost of sales | | <u>(676,434)</u> | <u>(641,952)</u> |
| Gross profit | | 43,840 | 95,871 |
| Administrative expenses | | (97,313) | (104,926) |
| Impairment | | <u>(226,155)</u> | <u>0</u> |
| Operating loss | 2 | (279,628) | (9,055) |
| Interest receivable and similar income | 5 | <u>420</u> | <u>0</u> |
| Loss before tax | | (279,208) | (9,055) |
| Tax | 6 | <u>0</u> | <u>92</u> |
| Loss after tax | | <u>(279,208)</u> | <u>(8,963)</u> |

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

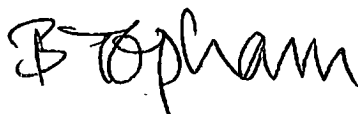
All the operations of the company are continuing.

PORTSMOUTH TECHNOPOLE LIMITED

Company Registration Number 04151164
Balance sheet as at 31 July 2019

| | Note | 31 July 2019 £ | 31 July 2018 £ |
|---|------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 7 | 2,660,000 | 2,950,770 |
| Current assets | | | |
| Debtors | 8 | 74,449 | 52,856 |
| Cash at bank and in hand | | 147,185 | 246,068 |
| | | <u>221,634</u> | <u>298,924</u> |
| Creditors: Amounts falling due within one year | 9 | (78,336) | (123,087) |
| Net current assets | | <u>143,298</u> | <u>175,837</u> |
| Total assets less current liabilities | | <u>2,803,298</u> | <u>3,126,607</u> |
| Net assets | | <u>2,803,298</u> | <u>3,126,607</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 1,915,850 | 1,915,850 |
| Share premium account | | 251 | 251 |
| Revaluation reserve | | 242,878 | 479,534 |
| Profit and loss account | | 644,319 | 730,972 |
| Shareholders' funds | | <u>2,803,298</u> | <u>3,126,607</u> |

The financial statements were approved by the Board of Directors and authorised for issue on 19 December 2019 and were signed on its behalf by:



Ms BJ Topham
 Chair

PORTSMOUTH TECHNOPOLE LIMITED

Statement of changes in equity for the year ended 31 July 2019

| | Called-up share capital £ | Share premium account £ | Revaluation reserve £ | Profit and loss account £ | Total £ |
|--------------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|------------------|
| At 1 August 2017 | 1,915,850 | 251 | 490,035 | 759,320 | 3,165,456 |
| (Loss) for the financial year | - | - | - | (8,963) | (8,963) |
| Total | 1,915,850 | 251 | 490,035 | 750,357 | 3,156,493 |
| Transfer from revaluation reserve | - | - | (10,501) | 10,501 | - |
| Dividends paid | - | - | - | (29,886) | (29,886) |
| At 31 July 2018 | 1,915,850 | 251 | 479,534 | 730,972 | 3,126,607 |
| At 1 August 2018 | 1,915,850 | 251 | 479,534 | 730,972 | 3,126,607 |
| (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 |

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

The share premium reserve 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 2019

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 principle 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.

The validity of the assumption depends upon the continued support of the University of Portsmouth and this support has been confirmed by the Board of Governors of the University. Consequently, the directors believe that it is appropriate for the financial statements to be prepared on a going concern basis.

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 2019). 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.

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.

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 income is recognised as received.

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

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2019 (continued)

accounting year.

Depreciation is provided on a straight line basis over the expected remaining useful life, as follows:

- Leasehold land – over the remaining life of the lease
- Leasehold buildings – over the remaining life of the lease
- Fixtures and fittings – depreciated over 12 years
- Plant and equipment – depreciated over 10 years

Any additions to fixtures and fittings and plant 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.

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.

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2019 (continued)

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 valuation reports undertaken in July 2019, with a consequent impairment and offsetting release from the revaluation reserve.

2. Operating loss

| | 2019 | 2018 |
|---|---------|--------|
| | £ | £ |
| Operating (loss) / profit 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 | 5,700 | 5,550 |
| Depreciation | 64,615 | 64,615 |
| Impairment | 226,155 | 0 |

Other services from the auditor:

Remuneration of the company's auditor for the provision of tax services for the company is £2,575 (2018: £3,150).

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 (2018: £nil).

4. Employee information

There were no employees during the year (2018: nil).

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2019 (continued)

5. Interest receivable and similar income

| | 2019 | 2018 |
|---------------------------------|-------------|-------------|
| | £ | £ |
| <i>Bank interest receivable</i> | 420 | 0 |
| | 420 | 0 |

6. Tax reconciliation

The tax charge comprises:

| | 2019 | 2018 |
|-----------------------|-------------|-------------|
| | £ | £ |
| Current tax on profit | 0 | 0 |
| Deferred tax | 0 | 0 |
| Total tax on profit | 0 | 0 |

The standard rate of tax applied to reported profit is 19% (2018: 19%). The applicable tax rate has changed following the substantive enactment of the Finance Act 2016, on 19 September 2016. The Finance Act 2016 provides a reduction in the main rate of corporation tax to 17% from 1 April 2020.

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:

| | 2019 | 2018 |
|--|-------------|-------------|
| Loss before tax | (279,208) | (9,055) |
| Tax on profit at standard UK corporation tax rate of 19% (2018: 19%) | (53,050) | (1,720) |
| Effects of: | | |
| Expenses not deductible | 0 | 107 |
| Deferred tax not provided | (2,193) | (2,675) |
| Depreciation in excess of capital allowances | 55,247 | 12,277 |
| Gift aid | (4) | (7,989) |
| Total tax charge for the year | 0 | 0 |

As at 31 July 2019 the company had unrecognised deferred tax assets at the closing rate of £8,939 (2018: £10,902) in relation to fixed asset timing differences.

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2019 (continued)

7. Fixed assets

| | Leasehold land £ | Leasehold building £ | Fixtures & Fittings £ | Plant and Equipment £ | Land and Buildings £ | Total £ |
|---|------------------------|----------------------------|-----------------------------|-----------------------------|----------------------------|--------------------|
| Cost or valuation | | | | | | |
| As at 31 July 2018 | 0 | 0 | 0 | 0 | 4,671,944 | 4,671,944 |
| Componentisation as per valuation of 31 July 2019 | 1,862,864 | 1,544,994 | 249,860 | 1,014,226 | (4,671,944) | 0 |
| | <u>1,862,864</u> | <u>1,544,994</u> | <u>249,860</u> | <u>1,014,226</u> | <u>0</u> | <u>4,671,944</u> |
| Depreciation | | | | | | |
| As at 31 July 2018 | 0 | 0 | 0 | 0 | (1,721,174) | (1,721,174) |
| Depreciation | | | | | (64,615) | (64,615) |
| Impairment | 0 | 0 | 0 | 0 | (226,155) | (226,155) |
| Componentisation as per valuation of 31 July 2019 | (602,864) | (499,994) | (80,860) | (828,226) | 2,011,944 | 0 |
| | <u>(602,864)</u> | <u>(499,994)</u> | <u>(80,860)</u> | <u>(828,226)</u> | <u>0</u> | <u>(2,011,944)</u> |
| Net book value | | | | | | |
| As at 31 July 2019 | <u>1,260,000</u> | <u>1,045,000</u> | <u>169,000</u> | <u>186,000</u> | <u>0</u> | <u>2,660,000</u> |
| As at 31 July 2018 | 0 | 0 | 0 | 0 | 2,950,770 | 2,950,770 |

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 valuation reports undertaken in July 2019, and there being a consequent impairment (and offsetting release from the revaluation reserve as shown in the statement of changes in equity on page 10).

As a result of the building survey, the value held in the books has been componentised to allow for differentiated rates of depreciation to be applied going forward.

Remaining lives for future depreciation will be adjusted in line with the valuation. The leasehold land and building will be depreciated over the remaining life of the lease. Any additions to fixtures and fittings and plant will be depreciated dependent upon their expected life.

8. Debtors

| | 2019 £ | 2018 £ |
|--|---------------|---------------|
| Amounts falling due within one year | | |
| Trade debtors | 57,646 | 52,856 |
| Other taxes | 16,803 | 0 |
| | <u>74,449</u> | <u>52,856</u> |

9. Creditors

| | 2019 £ | 2018 £ |
|--|---------------|----------------|
| Amounts falling due within one year | | |
| Accruals and deferred income | 78,336 | 121,997 |
| Other taxes and social security | 0 | 1,090 |
| | <u>78,336</u> | <u>123,087</u> |

PORTSMOUTH TECHNOPOLE LIMITED

Notes to the financial statements for the year ended 31 July 2019 (continued)

10. Rental income as lessor

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

| | 2019 | 2018 |
|-------------------|--------|--------|
| | £ | £ |
| - within one year | 54,557 | 90,321 |

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

11. Called up share capital

| | 2019 | 2018 |
|--|-----------|-----------|
| | £ | £ |
| 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.

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.

12. 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.

13. 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.

14. 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.