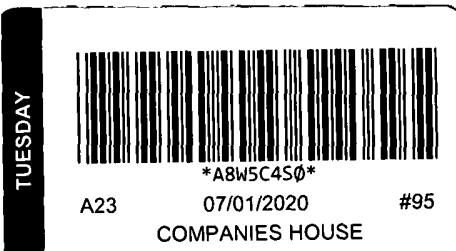


**North-West Wales Management  
Development Centre Limited**

Annual report and financial statements

Registered number 5473157

31 July 2019



## **Contents**

Directors and advisors for the year ended 31 July 2019	2
Strategic report	3
Directors' report	4
Statement of directors' responsibilities in respect of the strategic report, the director's report and the financial statements	5
Independent auditor's report to the members of North-West Wales Management Development Centre Limited	6
Profit and loss account	8
Balance sheet	9
Statement of changes in equity	10
Notes	11

## **Directors and advisors for the year ended 31 July 2019**

### **Directors**

Prof John Hughes (Chair) (resigned 31 December 2018)  
Prof Edward PM Gardener (resigned 31 July 2019)  
Prof Sian Hope (Chair)  
Prof Jonathan M Williams  
Mr David Williams (resigned 13 January 2019)  
Mr Mike Davies

### **Secretary**

Mr Carl Shipton

### **Registered Office**

The Management Centre  
College Road  
Bangor  
LL57 2DG

### **Auditor**

KPMG LLP  
One Snowhill  
Snowhill Queensway  
Birmingham  
B4 6GH

### **Solicitor**

Weightmans LLP  
100 Old Hall Street  
Liverpool  
L32 9QJ

### **Banker**

Santander Bank plc  
236 High Street  
Bangor  
Gwynedd  
LL57 1PA

## **Strategic report**

The directors present their strategic report for the company for the year ended 31 July 2019.

### **Review of the business**

The company is a wholly owned subsidiary of Bangor University. The principal activities of the company are:

- to provide the venue, support and facilitation of the design and delivery by the University, its strategic partners and local organisations of: certified courses for management professionals; post experience executive courses for public and private sector clients; open access management programmes; professional courses in management, finance and accounting, personnel management, marketing and others; Continuous Professional Development; and courses in leadership and management for the SME sector. In this context, the Management Centre also provides residential conferencing facilities both for regional and national business, professional and academic institutions; and
- to manage and deliver on behalf of the University, Bangor Business School and the Chartered Bank Institute the blended-delivery (Chartered Banker MBA) CBMBA programme and its derivatives for banking and financial services professionals worldwide.

### **Results and performance**

The results of the company for the year, as set out on pages 8 and 9, show a loss on ordinary activities after tax of £142,715 (2018 loss: £101,068). A sustained focus on cost reduction, new income generation combined with continued growth in student numbers to the CBMBA programme have been important again this year as the company aims to make improvements in its financial performance. The company closed the year with net liabilities of £1,195,460 (2018: £1,052,745) and continues to receive a guarantee of support from Bangor University.

### **Strategy**

The company's 2018/19 five year financial plan targets continued growth in profitability through a combination of sustained cost control, improving efficiency, developing complementary new business and growth in student numbers on the CBMBA programme.

### **Business environment**

The company operates in both a regional and internationally competitive market place and works closely with both Bangor University and other partners on a national and international basis, to both develop and market its facilities and courses to ensure that targeted growth is achieved.

### **Key performance indicators**

The Board is focused on the company achieving the targets set out in the five year financial plan for both of its two main business areas (the Venue and the CBMBA programme). The main scalable growth for the company is in the CBMBA market, and the company operates a business model across both of its business areas to achieve this growth.

The Board closely monitors the progress of the company on a quarterly basis by reference to both profitability and operating cash flows.

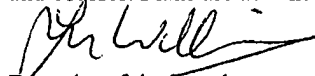
### **Principal risks and uncertainties**

The principal risks facing the company are:

- Competition in the market for professional training courses and conferencing facilities;
- Sustaining and growing business profitability and protecting the cash base.

### **Future developments**

The company will continue to work with the University and its partners in developing and marketing both its facilities and courses. Plans are advanced for CBMBA to be licenced under the UK bank apprenticeship scheme.



By order of the board  
**Professor J Williams**  
Director

Bangor, Wales  
12 November 2019

## **Directors' report**

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

### **Going Concern**

The directors have assessed the foreseeable future of the company and are confident about its ability to substantially improve its financial performance. Forecasts and budgets are prepared and will be regularly monitored and revised to reflect changing climates. The directors consider it appropriate for the financial statements to be prepared on a going concern basis given the financial support that will continue to be provided by Bangor University for at least the next twelve months.

### **Results and dividends**

The loss for the year, after taxation, amounted to £142,715 (2018 loss: £101,068).

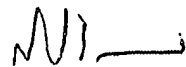
### **Directors and their interests**

The directors of the Company who held office during the year are listed on page 1. None of the directors had any interests in the shares of the Company at 31 July 2019 or at any time during that period.

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware: and each director has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



**Mr M Davies**

Director  
The Management Centre  
College Road  
Bangor  
LL57 2DG

Bangor, Wales

12 November 2019

## **Statement of directors' responsibilities in respect of the strategic report, the director's report and the financial statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## Independent auditor's report to the members of North-West Wales Management Development Centre Limited

### Opinion

We have audited the financial statements of North-West Wales Management Development Centre Limited ("the company") for the year ended 31 July 2019 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of 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.

### The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or possible future implications for a company and this is particularly the case in relation to Brexit.

### Going concern

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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

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

### Strategic Report and Directors' report

The directors are responsible for the 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 strategic report and 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:

**Independent auditor's report to the members of North-West Wales Management Development Centre Limited (continued)**

- we have not identified material misstatements in the strategic report and 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 have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 5, 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](http://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.



Mike Rowley (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
One Snowhill  
Snow Hill Queensway  
Birmingham B4 6GH

19 December 2019



**Profit and loss account**  
*For the year ended 31 July 2019*

	<i>Note</i>	<b>2019</b>	2018
		£	£
Turnover	2	3,258,966	3,421,179
Cost of sales		(1,614,378)	(1,624,588)
<b>Gross profit</b>		<u>1,644,588</u>	<u>1,796,591</u>
Administrative expenses		(1,670,357)	(1,798,511)
<b>Operating profit</b>		<u>(25,769)</u>	<u>(1,920)</u>
Interest receivable and similar income		607	963
Interest payable and similar charges	6	(117,553)	(100,111)
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>(142,715)</u>	<u>(101,068)</u>
Taxation	7	<u>0</u>	<u>0</u>
<b>Profit/(loss) for the financial year</b>	15	<u><u>(142,715)</u></u>	<u><u>(101,068)</u></u>

All operations are continuing.

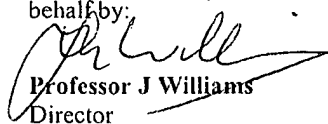
The company has no recognised profits and losses other than those presented above and therefore no other comprehensive income statement has been presented.

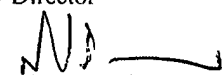
## Balance sheet

*At 31 July 2019*

	<i>Note</i>	2019	2018
		£	£
<b>Fixed assets</b>			
Intangible assets	8	33,923	16,737
Tangible assets	9	5,962,931	6,346,240
		<u>5,996,854</u>	<u>6,362,977</u>
<b>Current assets</b>			
Stocks		7,648	6,957
Debtors	10	889,011	880,770
Cash at bank and in hand		300,821	191,673
		<u>1,197,480</u>	<u>1,079,400</u>
<b>Creditors: amounts falling due within one year</b>	11	(4,246,000)	(3,946,066)
<b>Net current liabilities</b>		<u>(3,048,520)</u>	<u>(2,866,666)</u>
<b>Total assets less current liabilities</b>		<u>2,948,334</u>	<u>3,496,311</u>
<b>Creditors: amounts falling due after more than one year</b>	12	(4,143,793)	(4,549,056)
		<u>(1,195,460)</u>	<u>(1,052,745)</u>
<b>Net liabilities</b>		<u>(1,195,460)</u>	<u>(1,052,745)</u>
<b>Capital and reserves</b>			
Called up share capital	14	1	1
Profit and loss account	15	(1,195,461)	(1,052,746)
<b>Shareholders' deficit</b>	16	<u>(1,195,460)</u>	<u>(1,052,745)</u>

These financial statements were approved by the board of directors on 12 November 2019 and were signed on its behalf by:

  
**Professor J Williams**  
 Director

  
**Mr M Davies**  
 Director

## Statement of changes in equity

	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 August 2017	1	(951,678)	(951,677)
Profit and loss account		(101,068)	(101,068)
<b>Balance at 31 July 2018</b>	<b>1</b>	<b>(1,052,746)</b>	<b>(1,052,745)</b>
	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 August 2018	1	(1,052,746)	(1,052,745)
Profit and loss account		(142,715)	(142,715)
<b>Balance at 31 July 2019</b>	<b>1</b>	<b>(1,195,461)</b>	<b>(1,195,460)</b>

## Notes

*(Forming part of the financial statements)*

### 1 Accounting policies

North-West Wales Management Development Centre 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 (FRS 102) as issued in August 2014.

In these financial statements, North West Wales Development Centre Limited 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 disclosures for:

- the Cash Flow Statement and related notes; and
- key management personnel compensation

As the consolidated financial statements of Bangor University 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

#### *Accounting convention*

The financial statements are prepared under the historical cost basis convention and in accordance with applicable Accounting standards in the United Kingdom.

A summary of the more important accounting policies is set out below.

#### *Critical accounting estimates and judgements*

There are no critical accounting estimates and judgements other than relating to the bad debt provision. The recoverability of all debtor balances is reviewed and assessed and a provision is made in respect of debtors whose recoverability is, in the view of the Company, doubtful. Changes in the bad debt provision are recognised in the Profit and Loss Account. Debtors are recorded in the balance sheet net of the bad debt provision. Where, in the Company's judgement, there is no possibility of the debtor being recovered, the debtor balance is written off, with a corresponding reduction to the bad debt provision.

#### *Going concern*

Notwithstanding net current liabilities of £3,048,520 as at 31 July 2019 and a loss for the year then ended of £142,715 and net cash inflows for the year of £109,147, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through its existing cash balances and funding from its immediate parent, Bangor University, to meet its liabilities as they fall due for that period. Those forecasts are dependent on Bangor University not seeking repayment of the amounts currently due to the group short term creditors, which at 31 July 2019 amounted to £3,056,631, and providing additional financial support during that period. Bangor University 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, other than the continuing repayment of the original Barclays loan balance of £2,190,631 which was fully repaid by Bangor University on 4 July 2019 on behalf of the company. 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.

### ***Tangible fixed assets***

Tangible fixed assets are stated at cost less accumulated depreciation.

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:

- buildings 25 years
- plant and equipment 5 years

The policy was amended in 2010/11 when the useful life was expected to be over 25 years (50 years previously), this is due to an agreement reached with the University. The remaining useful life is currently 16 years.

### ***Intangible assets***

#### ***Development costs***

Costs incurred on product development relating to design and development of new or enhanced products are capitalised as intangible assets when it is probable that the development will result in a product which is commercially viable. The expenditure capitalised is direct and external labour costs with all other development costs recognised as an expense as incurred. Capitalised product development expenditure is subject to regular impairment review and is stated at cost less any accumulated impairment losses.

Capitalised product expenditure – straight line basis over 3 years.

### ***Stocks***

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete, slow moving and defective stocks.

## Notes (continued)

### *Turnover*

Turnover represents the invoiced amount of goods sold and services provided (stated net of value added tax) during the year.

### *Cash flow statement*

The company has taken advantage of the disclosure exemption under FRS 102 for a qualifying entity.

### *Pension costs and other post-retirement benefits*

A large number of the company's employees are members of National Employment Savings Trust Pension Scheme. Contributions payable to the pension scheme are charged to the profit and loss account in the period to which they relate.

One staff member is a member of the University Superannuation Scheme. The company is a separate member of this scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

### *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.

## 2 Turnover

	2019	2018
	£	£
Rendering of services	3,258,966	3,421,179
Total turnover	<u>3,258,966</u>	<u>3,421,179</u>
Turnover by activity		
Professional training	1,100,328	1,268,215
Facilities, accommodation and catering	2,158,638	2,152,964
Total turnover	<u>3,258,966</u>	<u>3,421,179</u>
By geographical market		
Overseas and rest of world	990,295	1,141,393
United Kingdom	2,268,671	2,279,786
Total turnover	<u>3,258,966</u>	<u>3,421,179</u>

## Notes (continued)

### 3 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2019	2018
	£	£
Amounts receivable by the company's auditors in respect of:		
Audit of financial statements	10,740	8,340
Taxation compliance services	2,592	2,592
	<u>13,332</u>	<u>10,932</u>

### 4 Staff numbers and costs

The average FTE number of persons employed by the company (including directors) during the year was as follows:

	2019	2018
Administration	59	62
	<u>59</u>	<u>62</u>

The aggregate payroll costs of these persons were as follows:

	2019	2018
	£	£
Wages and salaries	1,246,446	1,242,320
Social security costs	96,475	101,146
Other pension costs	32,798	27,335
	<u>1,375,719</u>	<u>1,370,801</u>

### 5 Directors' remuneration

	2019	2018
	£	£
The directors' aggregate emoluments, including pension contributions, in respect of qualifying services were:		
Aggregate emoluments	4,111	8,940
	<u>4,111</u>	<u>8,940</u>

There was one director paid by the company for services as a director and the highest paid director received directors' emoluments of £4,111 (2018: £8,940). In addition directors emoluments of £30,304 (2018: £30,304) are paid by the parent company, Bangor University.

## Notes (continued)

### 6 Interest payable and similar charges

	2019	2018
	£	£
Interest payable on bank loans	43,941	36,255
Interest payable to parent undertaking	73,612	63,856
	<u>117,553</u>	<u>100,111</u>

### 7 Taxation

#### Factors affecting the tax charge for the current period

	2019	2018
	£	£
Profit / (loss) on ordinary activities before tax	(142,715)	(101,068)
Tax on profit / (loss) on ordinary activities at standard rate of corporation tax in the UK of 19.00% (prior year 19.00%)	(27,116)	(19,203)
<i>Effects of:</i>		
Fixed asset differences	70,036	70,541
Expenses not deductible for tax purposes	66	1,674
Income not taxable for tax purposes	(26,144)	(26,144)
Group relief surrendered/(claimed)	(80)	(160)
Deferred tax not recognised	(16,762)	(26,708)
Current tax charge for period	<u>0</u>	<u>0</u>

The potential deferred tax asset of £711,403 (2018: £730,813) has not been recognised on the grounds that there is insufficient evidence that the asset will be recoverable.



**Notes (continued)**

**8 Intangible assets**

	Development Costs £	Totals £
<b>COST</b>		
At 1 August 2018	394,093	394,093
Additions	45,286	45,286
<b>At 31 July 2019</b>	<u><u>439,379</u></u>	<u><u>439,379</u></u>
<b>DEPRECIATION</b>		
At 1 August 2018	377,356	377,356
Charge for year	28,100	28,100
<b>At 31 July 2019</b>	<u><u>405,456</u></u>	<u><u>405,456</u></u>
<b>NET BOOK VALUE</b>		
<b>At 31 July 2019</b>	<u><u>33,923</u></u>	<u><u>33,923</u></u>
<b>At 31 July 2018</b>	<u><u>16,737</u></u>	<u><u>16,737</u></u>

*Amortisation and impairment charge*

The amortisation charge is recognised in the following line items in the profit and loss account:

	2019 £	2018 £
Cost of sales	28,100	19,737
	<u><u>28,100</u></u>	<u><u>19,737</u></u>

## Notes (continued)

### 9 Tangible fixed assets

	Leasehold Improvements £	Equipment £	Totals £
<b>COST</b>			
At 1 August 2018	11,021,227	1,415,275	12,436,502
Additions	0	15,480	15,480
<b>At 31 July 2019</b>	<b>11,021,227</b>	<b>1,430,755</b>	<b>12,451,982</b>
<b>DEPRECIATION</b>			
At 1 August 2018	4,709,642	1,380,620	6,090,262
Charge for year	371,270	27,519	398,789
<b>At 31 July 2019</b>	<b>5,080,912</b>	<b>1,408,139</b>	<b>6,489,051</b>
<b>NET BOOK VALUE</b>			
<b>At 31 July 2019</b>	<b>5,940,315</b>	<b>22,616</b>	<b>5,962,931</b>
<b>At 31 July 2018</b>	<b>6,311,585</b>	<b>34,655</b>	<b>6,346,240</b>

### 10 Debtors

	2019 £	2018 £
Trade debtors	765,625	775,727
Amounts owed by group undertakings	22,021	12,026
Prepayments	38,831	22,506
Accrued Income	8,315	17,656
Other Debtors	54,219	52,855
	<b>889,011</b>	<b>880,770</b>

**Notes (continued)**

**11 Creditors: amounts falling due within one year**

	2019	2018
	£	£
Bank loans	0	302,009
Trade creditors	54,691	29,969
Amounts owed to parent undertaking	3,056,630	2,451,122
Premium on lease revision due to parent undertaking	137,600	137,600
Taxation and social security	20,791	22,700
Other creditors	68,144	72,476
Accruals	233,613	218,934
Deferred income	674,531	711,256
	<u>4,246,000</u>	<u>3,946,066</u>

**12 Creditors: amounts falling after more than one year**

	2019	2018
	£	£
Bank loans	0	2,189,627
Amounts owed to parent undertaking	1,888,622	0
Premium on Lease Revision due to parent undertaking	2,064,000	2,201,600
Deferred income	191,171	157,829
	<u>4,143,793</u>	<u>4,549,056</u>

During 2010/11 the North West Wales Management Development Centre Limited entered into an arrangement with Bangor University to vary the terms of the lease on certain premises occupied by the company. The variation required a payment of £3,440,000 to be made by Bangor University to the company, and this receipt is credited to the Profit and Loss Account on a straight line basis over the remaining term of the lease.

On 4 July 2019 Bangor University repaid in full the Barclays loan balance of £2,190,631 on behalf of the North West Management Development Centre Limited. The loan will be repaid to Bangor University at the same rate as agreed at the Board Meeting on 30 September 2019..

## Notes (continued)

### 13 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost. During the year, Bangor University fully repaid the balance on the Barclays loan account. The balance is now owed to Bangor University and included in amounts owed to parent undertaking.

	2019	2018
	£	£
<b>Creditors falling due more than one year</b>		
Bank loans	0	2,189,627
	<u>0</u>	<u>2,189,627</u>
<b>Creditors falling due within less than one year</b>		
Bank loans	0	302,009
	<u>0</u>	<u>302,009</u>

Included within creditors falling due in more than more year are amounts repayable after five years of £x (2018: 981,589).

Terms and debt repayment schedule:

	Currency	Nominal interest rate	Year of maturity	2019	2018
				£	£
Loan – Facility A	£GBP	1% margin	2026	0	2,491,636
Loan – Facility B	£GBP	1.75% margin	2017	0	0
				<u>0</u>	<u>2,491,636</u>

### 14 Capital and reserves

	2019	2018
	£	£
<b>Authorised</b>		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
1 ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

### 15 Profit and loss account

	2019	2018
	£	£
At 1 August 2018	(1,052,746)	(951,678)
Loss for the financial year	(142,715)	(101,068)
	<u>(1,195,461)</u>	<u>(1,052,746)</u>
<b>At 31 July 2019</b>	<b>(1,195,461)</b>	<b>(1,052,746)</b>

## Notes (continued)

### 16 Reconciliation of movement in shareholder's deficit

	2019	2018
	£	£
At 1 August 2018	(1,052,745)	(951,677)
Loss for the financial year	(142,715)	(101,068)
	<u>          </u>	<u>          </u>
At 31 July 2019	(1,195,460)	(1,052,745)
	<u>          </u>	<u>          </u>

### 17 Financial commitments

Operating lease rentals are payable as follows:

	2019	2018
	£	£
Less than one year	220,000	220,000
Between one and five years	940,000	920,000
More than five years	3,110,000	3,350,000
	<u>          </u>	<u>          </u>
	4,270,000	4,490,000
	<u>          </u>	<u>          </u>

During the year £220,000 was recognised as an expense in the profit and loss account in respect of operating leases.

### 18 Capital commitments

There were no capital commitments outstanding at the year-end.

### 19 Related parties

Transactions involving external organisations which a member of the Board is also a member of the Board are set out below:

	Income	Expenditure	Debtor as at 31 July 2019	Creditor as at 31 July 2019
	£	£	£	£
Group Llandrillo Menai	47,112	260	526	0

### 20 Ultimate parent company

The company is wholly owned by Bangor University, a Registered Charity (charity number 1441565). Copies of the parents' consolidated financial statements may be obtained from the Finance Office, Bangor University, College Road, Bangor, Gwynedd, LL57 2DG.