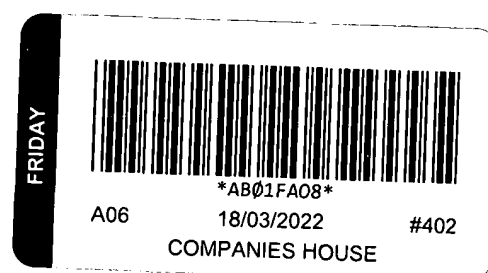


**North-West Wales Management  
Development Centre Limited**

Annual report and financial statements

Registered number 5473157

31 July 2021



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## **Directors and advisors for the year ended 31 July 2021**

### **Directors**

Professor Sian Hope (resigned 31 December 2020)  
Dr Kevin Mundy  
Professor Andrew Edwards

### **Secretary**

Mr Carl Shipton

### **Registered Office**

The Management Centre  
College Road  
Bangor  
LL57 2DG

### **Auditor**

KPMG LLP  
1 St Peter's Square  
Manchester  
M2 3AE

### **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 2021.

### **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 Banker Institute the blended-delivery (Chartered Banker MBA) CBMBA programme and its derivatives for banking and financial services professionals worldwide.

### **Results and performance**

The venue was closed due to the COVID-19 pandemic from 23 March 2020 only reopening between 4 September 2020 and 10 October 2020 before reopening again on 26 May 2021. The CBMBA programme continued to deliver to students online however and was transferred to the ownership of the University on 1 August 2021. 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 £122,250 (2020 loss: £338,839). The company closed the year with net liabilities of £1,656,549 (2020: £1,534,299) and continues to receive a guarantee of support from Bangor University.

### **Covid-19 pandemic**

The company has maximised the use of the HM Government's Job Retention Scheme throughout in order to retain its staff until such a time as the business could resume hospitality trading. Whilst at the same time staff have worked from home during the year to support the business and the continued delivery of the CBMBA programme.

### **Business environment**

The company operates in both a regional and internationally competitive marketplace 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.

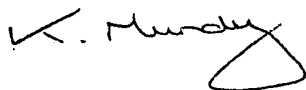
### **Key performance indicators**

The Board 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.
- The impact of the pandemic on customer confidence in the venue for training courses, conferencing, accommodation and hospitality facilities within HM Government guidelines and ever-changing regulations.



By order of the board  
**Dr Kevin Mundy**  
Director

Bangor, Wales  
8 February 2022

## **Directors' report**

The directors present their report and the audited financial statements of the company for the year ended 31 July 2021.

### **Going Concern**

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

The directors 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 severe but plausible downsides, the company will have sufficient funds, through 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 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 for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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

### **Results and dividends**

The loss for the year, after taxation, amounted to £122,250 (2020 loss: £338,839).

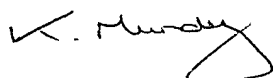
### **Directors and their interests**

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 2021 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



**Dr Kevin Mundy**

Director  
The Management Centre  
College Road  
Bangor  
LL57 2DG

Bangor, Wales  
8 February 2022

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 2021 which comprise the Profit and Loss Account, Balance Sheet, 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 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

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

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

## **Fraud and breaches of laws and regulations – ability to detect**

### *Identifying and responding to risks of material misstatement due to fraud*

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

- Enquiring of directors as to the Company’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.

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

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we considered there to be a risk of fraud relating to income being recorded in the incorrect period.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to income or reserves that may be indicative of manipulation.

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

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

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

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

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

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, anti-bribery and certain aspects of company legislation recognising the nature of the Company’s activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.



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

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

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

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

### **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.



**Timothy Cutler (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
1 St Peter's Square,  
Manchester,  
M2 3AE

15 February 2022

**Profit and loss account**  
*For the year ended 31 July 2021*

	<i>Note</i>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Turnover</b>	2	<b>2,682,896</b>	2,699,688
Cost of sales		<b>(1,092,736)</b>	(1,309,194)
<b>Gross profit</b>		<b>1,590,160</b>	1,390,494
Administrative expenses		<b>(1,565,207)</b>	(1,581,892)
<b>Operating profit/(loss)</b>		<b>24,953</b>	(191,398)
Interest receivable and similar income		<b>0</b>	731
Interest payable and similar charges	6	<b>(147,203)</b>	(148,172)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>(122,250)</b>	(338,839)
Taxation	7	<b>0</b>	0
<b>Profit/(loss) for the financial year</b>	14	<b>(122,250)</b>	(338,839)

All operations are continuing.

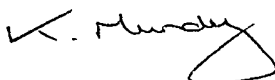
The company has no recognised profits and losses other than those presented above and therefore no other comprehensive income statement has been presented.

**Balance sheet**  
*At 31 July 2021*

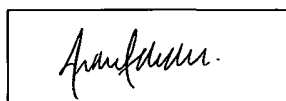
	<i>Note</i>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Intangible assets	8	10,409	22,187
Tangible assets	9	5,273,270	5,630,385
		<u>5,283,679</u>	<u>5,652,572</u>
<b>Current assets</b>			
Stocks		6,992	4,305
Debtors	10	300,913	248,369
Cash at bank and in hand		749,694	390,360
		<u>1,057,599</u>	<u>643,034</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(4,483,449)</u>	<u>(4,126,706)</u>
<b>Net current liabilities</b>		<u>(3,425,850)</u>	<u>(3,483,672)</u>
<b>Total assets less current liabilities</b>		<u>1,857,829</u>	<u>2,168,900</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>(3,514,378)</u>	<u>(3,703,199)</u>
<b>Net liabilities</b>		<u>(1,656,549)</u>	<u>(1,534,299)</u>
<b>Capital and reserves</b>			
Called up share capital	13	1	1
Profit and loss account	14	<u>(1,656,550)</u>	<u>(1,534,300)</u>
<b>Shareholders' deficit</b>	15	<u>(1,656,549)</u>	<u>(1,534,299)</u>

These financial statements were approved by the board of directors on 8 February 2022 and were signed on its behalf by:

**Dr Kevin Mundy**  
Director



**Professor Andrew Edwards**  
Director



## Statement of changes in equity

	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 August 2019	1	(1,195,461)	(1,195,460)
Profit and loss account		(338,839)	(338,839)
<b>Balance at 31 July 2020</b>	<b>1</b>	<b>(1,534,300)</b>	<b>(1,534,299)</b>
	Called up Share capital	Profit and loss account	Total equity
	£	£	£
Balance at 1 August 2020	1	(1,534,300)	(1,534,299)
Profit and loss account		(122,250)	(122,250)
<b>Balance at 31 July 2021</b>	<b>1</b>	<b>(1,656,550)</b>	<b>(1,656,549)</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 £3,425,850 as at 31 July 2021 and a loss for the year then ended of £122,250 and net cash inflows for the year of £359,334, 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. Bangor University has indicated its intention to continue to make available such funds as are needed by 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.

## Notes (continued)

### *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 14 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 allowances for obsolete, slow moving, and defective stocks

### *Financial Instruments*

The company has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement, and disclosure of financial instruments.

Financial assets and liabilities are recognised when the company becomes party to the contractual provision of the instrument, and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *Financial assets*

Basic financial assets include trade and other receivables, cash and cash equivalents, and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Trade and other debtors are recognised initially at transaction price plus attributable transactions costs.

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of the ownership of the asset are transferred to another party.

#### *Financial liabilities*

Basic financial liabilities include trade and other payables, bank loans, and intra-group loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

## Notes (continued)

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price less attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

### **Turnover**

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

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.

Professional training fee income is stated gross of any expenditure which is not a discount and credited to the Profit and Loss Account over the period in which students are studying on a straight-line basis. Where the amount of the fee is reduced, for example, by way of a discount for prompt payment or other form of waiver, income receivable is shown net of such reductions. Student deposits to guarantee their place on the course are recognised immediately.

Income from facilities, accommodation and catering activities is credited to the Profit and Loss Account when the company becomes entitled to the income and represents the amount receivable for goods supplied or services rendered at the point of delivery.

### **Coronavirus Job Retention Scheme**

This is a government grant which has been accounted for in accordance with Section 24 of FRS 102. The company has used the performance model to recognise the grant and, as such, the income from the grant has been recognised on a straight line basis over the furlough period for each relevant employee.

The company has accounted for the associated staff costs within expenditure. Staff costs for those employees placed on furlough have not been netted off against the grant.

### **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.



## **Notes (continued)**

### **2 Turnover**

	2021	2020
	£	£
Rendering of services	2,682,896	2,699,688
Total turnover	<u>2,682,896</u>	<u>2,699,688</u>
Turnover by activity		
Professional training	1,189,690	1,078,445
Facilities, accommodation and catering	1,493,206	1,621,243
Total turnover	<u>2,682,896</u>	<u>2,699,688</u>
By geographical market		
Overseas and rest of world	1,130,205	1,024,523
United Kingdom	1,552,691	1,675,165
Total turnover	<u>2,682,896</u>	<u>2,699,688</u>

## Notes (continued)

### 3 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2021	2020
	£	£
Amounts receivable by the company's auditors in respect of:		
Audit of financial statements	14,000	12,600
Taxation compliance services	2,160	2,592
	<u>16,160</u>	<u>15,192</u>

### 4 Staff numbers and costs

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

	2021	2020
Administration	42	50
	<u>42</u>	<u>50</u>

The aggregate payroll costs of these persons were as follows:

	2021	2020
	£	£
Wages and salaries	1,065,140	1,066,830
Social security costs	84,943	85,755
Other pension costs	32,964	33,539
	<u>1,183,047</u>	<u>1,186,124</u>

### 5 Directors' remuneration

	2021	2020
	£	£
The directors' aggregate emoluments, including pension contributions, in respect of qualifying services were:		
Aggregate emoluments	0	5,195
	<u>0</u>	<u>5,195</u>

No directors were paid by the company for services as a director and the highest paid director received directors' emoluments of £0 (2020: £5,195).

**Notes (continued)**

**6 Interest payable and similar charges**

	2021	2020
	£	£
Interest payable on bank loans	0	0
Interest payable to parent undertaking	147,203	148,172
	<u>147,203</u>	<u>148,172</u>

**7 Taxation**

Factors affecting the tax charge for the current period

	2021	2020
	£	£
Profit / (loss) on ordinary activities before tax	(122,250)	(338,839)
	<u>          </u>	<u>          </u>
Tax on profit / (loss) on ordinary activities at standard rate of corporation tax in the UK of 19.00% (prior year 19.00%)	(23,227)	(64,379)
<i>Effects of:</i>		
Fixed asset differences	72,969	72,299
Expenses not deductible for tax purposes	0	35
Income not taxable for tax purposes	(26,144)	(26,144)
Group relief surrendered/(claimed)	14,036	0
Remeasurement of deferred tax for changes in tax rates	(243,585)	0
Deferred tax not recognised	205,951	18,189
	<u>          </u>	<u>          </u>
Current tax charge for period	0	0

The potential deferred tax asset of £1,014,939 (2020: £808,687) 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 2020	450,019	450,019
Additions	10,296	10,296
<b>At 31 July 2021</b>	<b>460,315</b>	<b>460,315</b>
<b>DEPRECIATION</b>		
At 1 August 2020	427,832	427,832
Charge for year	22,074	22,074
<b>At 31 July 2021</b>	<b>449,906</b>	<b>449,906</b>
<b>NET BOOK VALUE</b>		
<b>At 31 July 2021</b>	<b>10,409</b>	<b>10,409</b>
At 31 July 2020	22,187	22,187

#### *Amortisation and impairment charge*

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

	2021 £	2020 £
Cost of sales	22,074	22,376
	<b>22,074</b>	<b>22,376</b>

## Notes (continued)

### 9 Tangible fixed assets

	Leasehold Improvements £	Equipment £	Totals £
<b>COST</b>			
At 1 August 2020	11,036,905	1,469,772	12,506,677
Additions	0	37,658	37,658
<b>At 31 July 2021</b>	<b>11,036,905</b>	<b>1,507,430</b>	<b>12,544,335</b>
<b>DEPRECIATION</b>			
At 1 August 2020	5,453,162	1,423,130	6,876,292
Charge for year	372,250	22,523	394,773
<b>At 31 July 2021</b>	<b>5,825,412</b>	<b>1,445,653</b>	<b>7,271,065</b>
<b>NET BOOK VALUE</b>			
<b>At 31 July 2021</b>	<b>5,211,493</b>	<b>61,777</b>	<b>5,273,270</b>
At 31 July 2020	5,583,743	46,642	5,630,385

### 10 Debtors

	2021 £	2020 £
Trade debtors	136,957	143,614
Amounts owed by group undertakings	0	0
Prepayments	68,270	53,192
Accrued income	43,029	0
Other debtors	52,657	51,563
	<b>300,913</b>	<b>248,369</b>

**Notes** *(continued)*

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

	<b>2021</b>	2020
	£	£
Trade creditors	41,780	17,441
Amounts owed to parent undertaking	3,586,379	3,387,187
Premium on lease revision due to parent undertaking	137,600	137,600
Taxation and social security	23,297	22,184
Other creditors	4,042	7,954
Accruals	307,400	206,896
Deferred income	382,951	347,444
	<hr/>	<hr/>
	<b>4,483,449</b>	<b>4,126,706</b>
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2021</b>	2020
	£	£
Amounts owed to parent undertaking	1,662,115	1,737,617
Premium on lease revision due to parent undertaking	1,788,800	1,926,400
Deferred income	63,463	39,182
	<hr/>	<hr/>
	<b>3,514,378</b>	<b>3,703,199</b>
	<hr/> <hr/>	<hr/> <hr/>

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 of £137,600 per annum over the remaining term of the lease.

Due to the COVID-19 pandemic and closure of the venue only one quarterly loan repayment has been paid to the University during the year..

**Notes** *(continued)*

**13 Capital and reserves**

	<b>2021</b>	2020
	<b>£</b>	£
<b>Authorised</b>		
100 ordinary shares of £1 each	<b>100</b>	100
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
1 ordinary shares of £1 each	<b>1</b>	1
	<u>          </u>	<u>          </u>

**14 Profit and loss account**

	<b>2021</b>	2020
	<b>£</b>	£
At 1 August 2020	<b>(1,534,300)</b>	(1,195,461)
Loss for the financial year	<b>(122,250)</b>	(338,839)
	<u>          </u>	<u>          </u>
<b>At 31 July 2021</b>	<b>(1,656,550)</b>	(1,534,300)
	<u>          </u>	<u>          </u>

**Notes (continued)**

**15 Reconciliation of movement in shareholder's deficit**

	2021	2020
	£	£
At 1 August 2020	(1,534,299)	(1,195,460)
Loss for the financial year	(122,250)	(338,839)
	<hr/>	<hr/>
At 31 July 2021	(1,656,549)	(1,534,299)
	<hr/>	<hr/>

**16 Financial commitments**

Operating lease rentals are payable as follows:

	2021	2020
	£	£
Less than one year	240,000	220,000
Between one and five years	960,000	960,000
More than five years	2,630,000	2,870,000
	<hr/>	<hr/>
	3,830,000	4,050,000
	<hr/>	<hr/>

During the year £220,000 was recognised as an expense in the profit and loss account in respect of operating leases and from 1 August 2021 the annual operating lease will increase to £240,000.

**17 Capital commitments**

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

**18 Related parties**

There are no related party transactions to report at the year-end.

**19 Post balance sheet event**

On 1 August 2021 the company transferred to Bangor University the management and administration of the CBMBA programme. Most staff working on the programme were also transferred by TUPE transfer. The consideration given by the University for the programme was £5.5m.

**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.