# AMRC Management Limited

## Financial Statements
## For the year ended 31 July 2018



Company number 06178502

# Company information

| | |
|---|---|
| **Company registration number:** | **06178502** |
| **Registered office:** | AMRC with Boeing<br>Wallis Way<br>Catcliffe<br>Rotherham<br>South Yorkshire<br>S60 5TZ |
| **Directors:** | H J Dingle<br>I M Chambers |
| **Secretary:** | I M Chambers |
| **Bankers:** | Lloyds Bank |
| **Auditors:** | KPMG LLP<br>Chartered Accountants and<br>Registered Auditors |

# Index to the financial statements

## Report of the directors

The directors present their report together with financial statements for the year ended 31 July 2018. The directors have applied the small company's exemption not to prepare a strategic report.

### Principal activity

The principle activity of the Company during the period was that of a holding company.

### Business review and Going Concern

The loss for the year after taxation amounted to £1,698 (2017 £2,750).

No dividend has been paid during the year (2017: £90,000).

The results for the year and the Company's financial position at the end of the year are shown in the attached Financial Statements.

The directors have reviewed the future operations of the Company for the year to 31 July 2018 and together with current resources believe the Company is well positioned and will continue in operational existence for the foreseeable future. For this reason the Company will continue to adopt the going concern basis in the preparation of its Financial Statements.

### Post balance sheet events

In December 2018 AMRC Management Ltd sold their £20 investment in Advanced Aerospace Assembly ltd to the University of Sheffield for £2,000.

### Directors

The directors who held office during the year are as follows:
H J Dingle
I M Chambers

No director had, during or at the end of the year, a material interest in any contract which was significant in relation to the Company's business.

### 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 as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

BY ORDER OF THE BOARD

H J Dingle

*Director*

14 February 2019

*Registered Office:*
AMRC with Boeing
Wallis Way
Catcliffe
Rotherham
South Yorkshire
S60 5TZ

## 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 AMRC MANAGEMENT LTD

### Opinion

We have audited the financial statements of AMRC Management Limited ("the company") for the year ended 31st July 2018 which comprise the Balance Sheet, Statement of Profit and Loss, and the related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st July 2018 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.

### The impact of uncertainties due to Britain 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, such as recoverability of debtor balances 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 all possible future implications for a company and this is particularly the case in relation to Brexit.

### Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### Directors' report

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

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

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

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

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

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

**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.

**Clare Partridge (Senior Statutory Auditor)**
**for and on behalf of KPMG LLP, Statutory Auditor**
*Chartered Accountants*
1 Sovereign Square
Leeds
LS1 4DA

22 March 2019

## Profit and loss account

| | Note | **2018** £ | 2017 £ |
|---|---|---|---|
| **Turnover** | | - | - |
| Cost of sales | | - | - |
| **Gross Profit** | | - | - |
| Administrative expenses and other operating charges | | **(1,742)** | (4,316) |
| **Operating Loss** | | **(1,742)** | (4,316) |
| Interest receivable and similar income | 2 | **44** | 1,566 |
| Profit on sale of investment | | - | - |
| **Profit /(Loss) on ordinary activities before taxation** | 1 | **(1,698)** | (2,750) |
| Tax on profit on ordinary activities | 4 | - | - |
| **Profit/(Loss) for the financial year** | | **(1,698)** | (2,750) |

The notes on pages 12 to 17 form part of the Financial Statements.

## Statement of Changes in Equity

| | Equity Share Capital | Profit and loss account | Total Equity |
|---|---|---|---|
| | £ | £ | £ |
| Balance at 1st August 2016 | 100 | 101,541 | 101,641 |
| Total comprehensive income for the period Profit / (loss) | - | (2,750) | (2,750) |
| Dividend | - | (90,000) | (90,000) |
| Balance at 31st July 2017 | **100** | **8,791** | **8,891** |
| Balance at 1st August 2017 | 100 | 8,791 | 8,891 |
| Total comprehensive income for the period Profit / (loss) | - | (1,698) | (1,698) |
| Dividend | - | - | - |
| Balance as at 31st July 2018 | **100** | **7,093** | **7,193** |

The notes on pages 12 to 17 form part of the Financial Statements.

## Balance sheet

| | Note | 2018 £ | 2017 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Investments | 6 | **20** | 20 |
| **Current assets** | | | |
| Debtors | 7 | **280** | 216 |
| Cash at bank and in hand | | **8,835** | 10,331 |
| | | **9,115** | 10,547 |
| **Creditors:** amounts falling due within one year | 8 | **(1,942)** | (1,676) |
| **Net current asset** | | **7,173** | 8,871 |
| **Net assets** | | **7,193** | 8,891 |
| **Capital and reserves** | | | |
| Called up share capital | 9 | **100** | 100 |
| Profit and loss account | | **7,093** | 8,791 |
| **Shareholders' funds** | | **7,193** | 8,891 |

The financial statements were approved by the Board of Directors on 14 February 2019 and were signed on its behalf by:

H J Dingle
*Director*

The notes on pages 12 to 17 form part of the Financial Statements.

## Principal accounting policies

### Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014.

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

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of The University of Sheffield which can be obtained from The University of Sheffield, Firth Court, Western Bank, Sheffield, S10 2TN. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) No cash flow statement has been presented for the company
(b) Disclosures in respect of share-based payments have not been presented.

The financial statements have been prepared in accordance with accounting standards and under the historical cost accounting rules.

### Turnover

Turnover is the total amount receivable by the company for goods supplied and service provided, excluding VAT and trade discounts. Turnover is recognised in the period in which goods are supplied and services provided. All turnover relates to the company's principal activity and is generated in the United Kingdom.

### Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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

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

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

### Going concern

The accounts have been prepared on a going concern basis which the directors believe to be appropriate.

## Notes to the financial statements

### 1 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging.

| | 2018 £ | 2017 £ |
|---|---|---|
| Auditors' remuneration | **1,435** | 1,400 |

### 2 Interest receivable and similar income

| | 2018 £ | 2017 £ |
|---|---|---|
| Other interest receivable | **44** | 1,566 |
| | **44** | 1,566 |

### 3 Remuneration of directors

During the year no directors (2018 no directors) received any remuneration.

The average number of persons employed by the company (excluding directors) was nil (2017: nil).

## 4 Taxation on profit on ordinary activities

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

| | **2018** | | 2017 | |
|---|---|---|---|---|
| | **£** | **£** | £ | £ |
| *Current tax* | | | | |
| Current tax on income for the period | | | | |
| Adjustments in respect of prior periods | - | | - | |
| Total current tax | | | | |
| *Deferred tax (see note 5)* | | | | |
| Origination and reversal of timing differences | - | | - | |
| Change in tax rate | - | | - | |
| Total deferred tax | | - | | - |
| Total tax | | - | | - |

**Reconciliation of effective tax rate**

| | **2018** | 2017 |
|---|---|---|
| | **£** | £ |
| Profit for the year | **(1,698)** | (2,750) |
| Total tax expense | - | - |
| Profit excluding taxation | **(1,698)** | (2,750) |
| Tax using the UK corporation tax rate of 19.00% (2017: 19.67%) | **(323)** | (541) |
| Effect of tax rates in foreign jurisdictions | - | - |
| Difference in tax rate on gain on sale of discontinued operation | - | - |
| Non-deductible expenses | - | 472 |
| Tax exempt revenues | - | - |
| Recognition of previously unrecognised tax losses | - | - |
| Current year losses for which no deferred tax asset was recognised | **288** | (76) |
| Reduction in tax rate on deferred tax balances | **35** | 145 |
| Under / (over) provided in prior years | - | - |
| Total tax expense included in profit or loss | - | - |

### 5 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

| | Assets | | Liabilities | | Net | |
|---|---|---|---|---|---|---|
| | **2018** | 2017 | **2018** | 2017 | **2018** | 2017 |
| | **£** | £ | **£** | £ | **£** | £ |
| Accelerated capital allowances | **-** | - | **-** | - | **-** | - |
| Unused tax losses | **(1,117)** | (829) | | | **(1,117)** | (829) |
| Tax (assets) / liabilities | | | | | | |
| Net of tax liabilities/(assets) | | | | | | |
| Net tax (assets) / liabilities | **(1,117)** | (829) | | | **(1,117)** | (829) |

Deferred tax is provided at 17.00% due to the uncertainty that the losses will be utilised in the foreseeable future. No deferred tax asset is recognised in the balance sheet.

### 6 Investments

| | 2018 | 2017 |
|---|---|---|
| | £ | £ |
| *Investments in Associated Companies* | | |
| At 1 August 2017 | **20** | 20 |
| Acquisitions | **-** | - |
| Disposals | **-** | - |
| At 31 July 2018 | **20** | 20 |

The company holds a 20% stake in Advanced Aerospace Assembly Ltd.

### 7 Debtors

| | 2018 | 2017 |
|---|---|---|
| | £ | £ |
| Amounts owed by group undertakings | **280** | 216 |
| | **280** | 216 |

## 8 Creditors: amounts falling due within one year

| | 2018 | 2017 |
|---|---|---|
| | £ | £ |
| Accruals and deferred income | **1,726** | 1,676 |
| Amounts owed to group undertakings | **216** | |
| | **1,942** | 1,676 |

## 9 Share capital

| | 2018 | 2017 |
|---|---|---|
| | £ | £ |
| *Authorised* | | |
| 1,000 ordinary shares of £1 each | **1,000** | 1,000 |
| *Allotted and called up* | | |
| 100 ordinary shares of £1 each | **100** | 100 |

## 10 Capital commitments

The company had no outstanding capital commitments at the year end.

## 11 Transactions with related parties

There were no transactions with related parties during the year.

No dividend was paid during the year (2017: £90,000).

## 12 Ultimate parent undertaking

The directors consider that the ultimate parent undertaking and controlling related party of this company is The University of Sheffield, by virtue of its 100% shareholding in the company. The consolidated accounts of this group may be obtained from the University of Sheffield, Firth Court, West Bank, Sheffield, S10 2TN.