



Kent MAN Limited  
(A company limited by guarantee)  
Annual report and accounts  
for the year ended 31 July 2004

**Registered Number 04416782**

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for the year ended 31 July 2004  
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# **Kent MAN Limited (a company limited by guarantee)**

## **Directors and advisors for the year ended 31 July 2004**

### **Directors**

Dr John Shemilt (Chair of Board)

Mr John Robinson

Mr Paul Kentish

Professor Christopher Bounds

Professor Keith Mander

Mr Richard Mingo

### **Secretary**

Mr Martin Tallontire

### **Auditors**

PricewaterhouseCoopers LLP

First Point

Buckingham Gate

Gatwick

RH6 0PP

### **Solicitors**

Girlings Solicitors

Ashford House

County Square

Ashford

Kent TN23 1YB

### **Registered office**

Canterbury Christ Church University College

North Holmes Road

Canterbury

Kent

CT1 1QU

### **Registered number**

04416782

# **Kent MAN Limited (a company limited by guarantee)**

## **Directors' report for the year ended 31 July 2004**

The directors present their report and the audited financial statements of the company for the year ended 31 July 2004.

### **Legal status**

The company is limited by guarantee. The members of the company are Higher Education Institutions in Kent.

### **Principal activities**

The principal activity of the company is the provision of network facilities for further and higher education institutions in Kent.

### **Review of business and future developments**

The directors consider the company's performance for the year and its financial position at the year end to be satisfactory.

During the past financial year the development of the Kentish MAN network has continued. The risks associated with the operation of the network are constantly under review and give weight to priorities when making proposals for funding to improve or extend the infrastructure. The Executive Committee reviews the risk register regularly and reports to the Board on its recommendations. Funding for developments has come from the Kent New Technology Institute (KNTI) to improve access from Further Education establishments and from UKERNA to fund some 'Quick Wins' to improve reliability and resilience. News was received of substantial capital funding to provide upgrades to the core network and a procurement sub-committee was set up by the Board to carry this forward in 2004/5.

### **Results for the year**

The company's expenditure equalled the income received during the year.

### **Directors and their interests**

The directors who held office during the year are given below:

Dr John Shemilt (Chair of Board)

Professor Christopher Bounds

Mr Paul Kentish

Mr Keith Mander

Mr Richard Mingo

Mr John Robinson

### **Use of Public Funds**

The directors confirm that payments received either directly or through UKERNA from the higher and further education funding councils have been applied for the purposes for which they were provided.

# **Kent MAN Limited (a company limited by guarantee)**

## **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 July 2004 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

Approved by the Board of Directors **on 24 February 2005** and signed on its behalf by:

**Dr John Shemilt**  
**Chairman**

# **Kent MAN Limited (a company limited by guarantee)**

## **Independent auditors' report to the members of Kent Man Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

### **Basis of audit opinion**

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 July 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

### **PricewaterhouseCoopers LLP**

#### **Chartered Accountants and Registered Auditors**

Gatwick

24 February 2005

## Kent MAN Limited (a company limited by guarantee)

### Profit and loss account for the year ended 31 July 2004

	Note	Year to 31 July 2004	15 April 2002 to 31 July 2003
		£	£
Turnover – continuing operations	2	334,394	435,880
Administration expenses		(334,394)	(435,880)
<b>Profit on ordinary activities before taxation</b>	3	-	-
Tax on profit on ordinary activities	6	-	-
<b>Retained profit for the financial year / period</b>	11	-	-

# Kent MAN Limited (a company limited by guarantee)

## Balance sheet as at 31 July 2004

	Note	2004	2003
		£	£
<b>Fixed assets</b>			
Computer equipment	7	67,617	-
<b>Current assets</b>			
Debtors	8	519,497	122,737
Cash at bank and in hand		-	-
		<b>519,497</b>	<b>122,737</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(537,420)</b>	<b>(122,737)</b>
<b>Net current liabilities</b>		<b>(17,923)</b>	-
<b>Total assets less current liabilities</b>		<b>49,694</b>	-
<b>Creditors: amounts falling due after more than one year</b>	10	<b>(49,694)</b>	-
<b>Net Assets</b>		-	-
<b>Capital and reserves</b>			
Profit and loss account	11	-	-
<b>Total funds</b>		-	-

The financial statements were approved by the board of directors on 24 February 2005 and were signed on its behalf by:

**Dr John Shemilt**  
**Director**

# Kent MAN Limited (a company limited by guarantee)

## Notes to the financial statements for the year ended 31 July 2004

### 1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

#### Research and development

The company had no expenditure on Research & Development in the year to 31 July 2004.

#### Fixed Assets

Fixed assets consist entirely of computer hardware and software, and are depreciated on a straight line basis over 4 years.

#### Government Grants

Grants received to finance the purchase of fixed assets are treated as deferred capital grants and amortised to the profit and loss account over the useful economic life of the related asset to offset the depreciation charge on the assets acquired. The amortisation of deferred capital grants to the profit and loss account is reflected within turnover. Grants received to finance the purchase of revenue assets are treated as revenue grants, being released to the profit and loss account when expenditure is incurred. Grants received but not allocated for the period are disclosed within the Creditors figure.

### 2 Turnover

Turnover and profit are attributable to one class of business activity of the company undertaken in the United Kingdom. Turnover consists of:

	Year to 31 July 2004	15 April 2002 to 31 July 2003
	£	£
Amortisation of deferred capital grants	4,074	-
Grant funding	292,555	362,243
Membership subscriptions	37,765	73,637
	<b>334,394</b>	<b>435,880</b>

## Kent MAN Limited (a company limited by guarantee)

### 3 Profit on ordinary activities before taxation

	Year to 31 July 2004	15 April 2002 to 31 July 2003
	£	£
Profit on ordinary activities before taxation is stated after charging		
Depreciation	4,074	-
Directors liability insurance	1,575	1,294
Auditors' fees	3,100	3,000

Fees paid to PricewaterhouseCoopers LLP for non-audit services in the UK were £nil.

### 4 Directors' emoluments

None of the directors received emoluments during the year.

### 5 Employee information

The company did not employ any members of staff during the year.

### 6 Tax on profit on ordinary activities

	Year to 31 July 2004	15 April 2002 to 31 July 2003
	£	£
<b>Taxation on the profit for the year</b>		
UK corporation tax at 0%	-	-
Deferred tax	-	-
Prior year under/(over) provision	-	-
	-	-

## Kent MAN Limited (a company limited by guarantee)

### 7 Fixed Assets

	<b>Computer Equipment</b>
	<b>£</b>
Cost as at 1 August 2003	-
Additions	<u>71,691</u>
Cost as at 31 July 2004	<u>71,691</u>
Accumulated depreciation as at 1 August 2003	-
Charge for year	<u>4,074</u>
Accumulated depreciation as at 31 July 2004	<u>4,074</u>
<b>Net book value at 31 July 2003</b>	<b>-</b>
<b>Net book value at 31 July 2004</b>	<b><u>67,617</u></b>

### 8 Debtors

	<b>Year to 31 July 2004</b>	<b>15 April 2002 to 31 July 2003</b>
	<b>£</b>	<b>£</b>
VAT	-	25,469
Other debtors	-	3,525
Canterbury Christ Church University College	448,207	-
Prepayments and accrued income	<u>71,290</u>	<u>93,743</u>
	<u>519,497</u>	<u>122,737</u>

## Kent MAN Limited (a company limited by guarantee)

### 9 Creditors – amounts falling due within one year

	Year to 31 July 2004	15 April 2002 to 31 July 2003
	£	£
Canterbury Christ Church University College	-	90,670
VAT	21,006	-
Accruals and deferred income	269,638	32,067
Deferred revenue grants	228,853	-
Deferred capital grants due in less than one year	17,923	-
	537,420	122,737

### 10 Creditors – amounts falling due after more than one year

	31 July 2004	31 July 2003
	£	£
Deferred Capital Grants	49,694	-

### 11 Reserves

	Profit and loss account
	£
At 1 August 2003	-
Retained profit for the financial year	-
At 31 July 2004	-

## Kent MAN Limited (a company limited by guarantee)

### 12 Related party transactions

The company received income in the form of members subscriptions from the following organisations during the year:

	<b>Year to 31 July 2004</b>	<b>15 April 2002 to 31 July 2003</b>
	<b>£</b>	<b>£</b>
Canterbury Christ Church University College	<b>8,768</b>	<b>19,836</b>
Imperial College at Wye	<b>4,046</b>	<b>11,772</b>
Kent Institute of Art and Design	<b>7,419</b>	<b>20,603</b>
University of Greenwich	<b>4,046</b>	<b>11,772</b>
University of Kent	<b>6,070</b>	<b>17,070</b>
	<b>30,349</b>	<b>81,053</b>

An amount of £7,416 is included within membership subscriptions as part of turnover for 2003/4, but shown in the table above in the 2002/3 column, being payment of subscriptions carried forward from the previous year.

Canterbury Christ Church University College is contracted by Kent Man Limited to run its Network Operation Centre. Amounts totalling £85,000 (15 April 2002 to 31 July 2003: £100,000) were made to the University College during the year for this service.