

Registered number: 02424721

LYNXVALE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2016

MONDAY



A22

A5M74TY9

19/12/2016

#245

COMPANIES HOUSE

CONTENTS

DIRECTORS AND ADVISORS	2
STRATEGIC REPORT	3
DIRECTORS' REPORT	4
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LYNXVALE LIMITED	6
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016	8
NOTES TO THE FINANCIAL STATEMENTS	11

LYNXVALE LIMITED

DIRECTORS AND ADVISORS

DIRECTORS

Ms L Thompson
Ms B Weston
Mr S Hutson

COMPANY SECRETARY

Dr J W Nicholls

REGISTERED OFFICE

The Old Schools
Trinity Lane
Cambridge
Cambridgeshire
CB2 1TS

REGISTERED NUMBER

02424721 (England and Wales)

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditors
Abacus House
Castle Park
Cambridge
Cambridgeshire
CB3 0AN

BANKERS

Barclays Bank plc
St Andrew's Street
Cambridge
Cambridgeshire
CB2 3PZ

STRATEGIC REPORT

The directors present their strategic report on the Company for the year ended 31 July 2016.

Review of the Company

During the year of review the Board have accepted the following projects:

- UKRIC Building
- Cavendish III
- University Library – Off Site Storage
- Central Range of Buildings at the New Museums site
- Refurbishment of Bay 13 of the former Laboratory of Molecular Biology

During the year 9 projects (2015: 7) reached practical completion.

At 31 July 2016 the company had 10 projects in progress (2015: 12), and 5 projects in design (2015: 7). The contract value of these projects is in the region of £245.8m (2015: £257.7m).

Key performance indicators

Management uses a range of performance measures to monitor and manage the business. These are monitoring the projects against budget, programme and quality. The main financial key performance indicators are turnover and gross profit. The management also use a range of the non-financial measures to judge progress of a project: reviewing the programme and the quality status of the individual projects.

Results and dividends

As shown in the profit and loss account on page 9 of the financial statements, the company's turnover has decreased (2015: increased) from the prior year. Gross profit has also decreased (2015: increased) as a result.

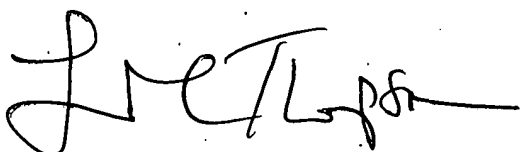
The balance sheet, on page 11 of the financial statements, shows that the company's financial position at the year end, in net assets terms, is consistent with the prior year.

The result for the financial year amounted to £nil (2015: £nil). The directors will make a gift aid payment to the University of Cambridge of £728,841 (2015: £988,015).

Future Developments

No significant changes in the principal activities are anticipated.

ON BEHALF OF THE BOARD



L Thompson
Director
15 December 2016

DIRECTORS' REPORT

The directors' present their report and audited financial statements of the Company for the year ended 31 July 2016.

Future developments

No significant changes in the principal activities are anticipated.

Dividends

The directors do not recommend payment of a dividend (2015: Nil).

Directors

The changes to the membership of the Board of Directors during the year were as follows:

Mr K Sykes	resigned	29 January 2016
Mrs M B Gardiner	resigned	22 November 2016
Ms B Weston	appointed	07 October 2015
Mr S Hutson	appointed	02 February 2016

The directors who held office during the year and up to the date of signing the financial statements is given below:

Ms L Thompson
Ms B Weston
Mr S Hutson

Directors' indemnity statement

Directors' and Officers' Liability insurance was purchased and maintained throughout the year and was in force on the date of approval of the financial statements for the benefit of the directors and officers of the company. The Directors' and Officers' liability insurance is a qualifying third party indemnity provision.

Principal risks and uncertainties

The key business risk is a financial risk due to the Company having a shortage of funds from the parent undertaking. The objectives and policies that are in place to reduce the financial risk of the company is to choose projects that are low risk and to recoup expenditure from the parent undertaking on a timely basis. The measures taken by Lynxvale Limited mean that financial risks are devolved out of the Company.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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, the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and applicable law).

DIRECTORS' REPORT (CONTINUED)

Statement of directors' responsibilities (continued)

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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

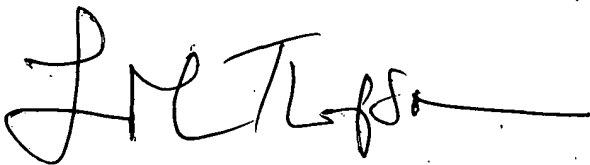
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In the case of each director in office at the date the director's report is approved:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that he ought to have taken as director's in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'L Thompson', followed by a long horizontal flourish.

L Thompson

Director

15 December 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LYNXVALE LIMITED

Report on the financial statements

Our opinion

In our opinion, Lynxvale Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 July 2016 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 July 2016;
- the Profit and Loss Account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example, in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LYNXVALE LIMITED (CONTINUED)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of director's responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Martha Cannon (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge
15 December 2016

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016

Profit and loss account for the year ended 31 July 2016

	Note	2016 £	2015 £
Turnover	5	77,105,418	102,592,608
Cost of sales		(76,347,123)	(101,576,259)
Gross profit		758,295	1,016,349
Administrative expenses			
Gift Aid payable to the University of Cambridge		(728,841)	(988,015)
Other administrative (expenses)/income		(31,091)	7,714
Total administrative expenses		(759,932)	(980,301)
Other operating expenses		-	(38,682)
Operating expense	6	(1,637)	(2,634)
Interest receivable and similar income	8	1,637	2,634
Result on ordinary activities before taxation		-	-
Tax on result on ordinary activities	9	-	-
Total comprehensive result for the year		-	-

All results derive from continuing operations.

There is no material difference between the result on ordinary activities before taxation and the retained result for the financial years stated above and their historical cost equivalents.

There is no other comprehensive income, other than those passing through the profit and loss account and therefore no separate statement of total comprehensive income has been presented.

LYNXVALE LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016

Statement of changes in equity for the year ended 31 July 2016

	Called-up share capital £	Retained earnings £	Total equity £
Balance as at 1 August 2014	100	-	100
Total comprehensive income for the year	-	-	-
Balance as at 1 August 2015	100	-	100
Total comprehensive income for the year	-	-	-
Balance as at 31 July 2016	100	-	100

LYNXVALE LIMITED

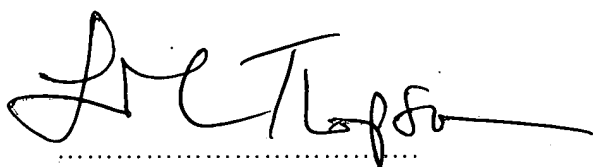
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016

Balance sheet as at 31 July 2016

	Note	2016 £	2015 £
Current assets			
Debtors	10	19,622,778	14,792,544
Cash at bank and in hand		221,815	715,961
		19,844,593	15,508,505
Creditors: amounts falling due within one year	11	(19,844,493)	(15,508,405)
Net current Assets		100	100
Net assets		100	100
Capital and reserves			
Called-up share capital	12	100	100
Retained earnings		-	-
Total equity		100	100

The notes on page 11 to 16 are an integral part of these financial statements.

The financial statements on pages 9 to 16 were authorised for issue by the board of directors on 15 December 2016 and were signed on its behalf by:



L Thompson
Director

Lynxvale Limited
Registered Number: 02424721

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The Company's principal activity is to undertake building projects and to provide Design and Build construction and development services.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The Old Schools, Trinity Lane, Cambridge, CB2 1TS.

2. Statement of compliance

The financial statements of Lynxvale Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006. The impact of the transition to FRS 102 can be seen in note 16.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements. Details of the transition to FRS 102 are disclosed in note 16.

a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

b) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity.
- (ii) from disclosing transactions with other wholly owned Group companies as stated in paragraph 3.1A of FRS 102: Related party disclosures.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

c) Foreign currency

(i) Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

d) Revenue recognition

(i) *Construction Contracts*

Revenue is recognised at cost plus an agreed margin, such that estimated revenue attributable to the stage of completion, less provision for any known or anticipated losses is recognised in the profit and loss account. Where costs exceed income the sums are included under debtors as amounts recoverable on contracts.

(ii) *Interest Income*

Interest income is recognised using the effective interest rate method.

e) Deferred Income

Deferred income relates to amounts received in advance from clients for services that have not been performed at the balance sheet date.

f) Construction contracts

Construction costs in respect of long-term contracts are expensed as incurred, on an accruals basis.

g) Financial Instruments

(i) *Financial assets*

Basic financial assets, including trade and other debtors, cash and bank balances, are 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.

(ii) *Financial Liabilities*

Basic financial liabilities, including trade and other creditors, are recognised at transaction price, unless the arrangement constitutes a financing transaction, where a debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4. Critical accounting judgements and estimation uncertainty (continued)

(a) Critical judgements in applying the entity's accounting policies

The company makes no critical judgements in applying the entity's accounting policies.

(b) Critical accounting estimates and assumptions

The company makes no critical accounting estimates or assumption concerning the future.

5. Turnover

	2016 £	2015 £
An analysis by geographical market is set out below:		
United Kingdom	<u>77,105,418</u>	<u>102,592,608</u>

6. Operating result

	2016 £	2015 £
Operating result for the financial year is stated after charging		
Services provided by the Company's auditor		
- Fees payable for the audit	4,581	4,251
Other operating costs – long term lease on multi storey car park	-	38,682
	<u> </u>	<u> </u>

7. Directors' emoluments and employee information

No directors' emoluments were incurred by Lynxvale Limited in the current and preceding year. These emoluments are borne by the parent undertaking, the University of Cambridge. It is not possible to make an accurate apportionment of their services in respect of this subsidiary, accordingly no emoluments in respect of the directors are included. The company has no other employees (2015: none).

8. Interest receivable and similar income

	2016 £	2015 £
Interest received on cash deposits	<u>1,637</u>	<u>2,634</u>

9. Tax result on ordinary activities

No tax charge (2015: none) arises on the operating activities due to the company gift aiding profits to the University of Cambridge.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

10. Debtors

	2016 £	2015 £
Trade Debtors	-	26,834
Amounts owed by group undertakings	13,193,852	5,214,968
Other Debtors	540	530
Amounts recoverable on contracts	6,428,386	9,550,212
	<u>19,622,778</u>	<u>14,792,544</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade Creditors	(8,898,946)	(4,270,222)
Amounts owed to group undertakings	(2,055,738)	(689,987)
Gift aid payable to University of Cambridge	(728,841)	(988,015)
Accruals and deferred income	(8,160,968)	(9,560,181)
	<u>(19,844,493)</u>	<u>(15,508,405)</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12. Called up share capital

	2016 £	2015 £
Authorised:		
100 (2015: 100) ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and fully paid		
100 (2015: 100) ordinary shares of £1 each	<u>100</u>	<u>100</u>

13. Reserves

- (i) Called up share capital

Represents the nominal value of shares that have been issued.

- (ii) Accumulated losses

Includes all current and prior period retained profits and losses.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

14. Capital and other commitments

The Company has entered into a number of Design and Build building contracts and in each case has sub-contracted the work of design and construction. The company sub-contracts the management of its projects to the Estate Management division of the University of Cambridge.

The company has an obligation to hand over the completed buildings ready for occupation with agreed time limits. All contracts are with the University of Cambridge.

A summary of the building projects at completion, current contracts in progress (included in the summary below is work invoiced directly to the University of Cambridge) and forthcoming contracts in design are as follows:

	Value of contract (of the order of) £m	Value of work completed at 31 July 2016 £m	Value of contract (of the order of) £m	Value of work completed at 31 July 2015 £m
a) Buildings complete and awaiting final certificate				
7 West Road - Alison Richard Building	15.3	14.5	15.3	14.4
Archaeology & Anthropology-New Entrance & Refurb	2.1	2.1	2.1	2.6
Cambridge Advanced Imaging Centre	2.0	1.9	2.0	1.9
CRUK Cambridge Institute Top Floor Fit Out	5.8	4.7	5.8	4.7
Data Centre	19.9	17.9	19.9	17.8
Electrical Engineering Division Building Annexe (EEDBA)	13.1	12.6	13.0	11.7
Engineering - Aero Laboratory and Print Room	1.0	1.0	1.0	1.1
Materials Science & Metallurgy - New Building	48.7	47.2	48.7	44.0
New Building for Astrophysics	5.3	4.6	5.3	4.4
Radiopharmaceutical Unit, Wolfson Brain Imaging	1.9	1.8	1.9	1.8
Restructure/Rationalisation of Vet School Facilities (North Wing)	1.9	1.8	1.9	2.1
Restructure/Rationalisation of Vet School Facilities (South Wing)	1.4	1.4	1.4	1.4
Sainsbury Laboratory	86.4	83.3	86.4	82.7
Sports Centre - Phase 1 Development	19.2	18.7	19.2	16.2
Veterinary Medicine - Student Resources Centre	1.5	1.5	1.5	1.5
Alterations & Refurbishment of the Arup Building	55.9	47.9	55.9	47.7
Department of Chemical Engineering and Biotechnology	60.6	56.4	60.6	50.0
Department of Genetics - Refurb of Basement, Ground & 1st Floors	4.0	3.8	4.0	3.4
Dyson Design Centre	4.7	4.5	4.7	1.2
James Dyson Building	13.3	12.2	13.3	5.9
Maxwell Centre	25.9	24.5	25.9	19.2
Refurbishment of Greenwich House	6.7	6.7	6.7	3.1
Refurb Labs for the Herschel Smith Professor of Organic Chemistry	1.8	1.7	1.8	1.7
Fitzwilliam Museum Upgrades	2.0	1.8	1.5	0.6
b) Contracts in progress				
Old Addenbrookes Site - Masterplan and Phase 1	31.5	10.8	31.5	4.1
Project Gemma	18.7	14.4	18.7	2.2
West Cambridge Infrastructure - Phase 3	11.6	8.2	11.6	8.7

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

14. Capital and other commitments (continued)**b) Contracts in progress (Continued)**

West Cambridge Infrastructure - Phase 4	17.6	9.0	17.6	8.8
Kettles Yard - Looking Ahead	8.1	3.8	8.1	1.6
North Range Buildings - Student Services Centre	41.0	6.5	5.2	2.1
Project Capella	94.9	28.4	16.3	4.5
Refurbishment of Laboratory 180	2.2	2.2	2.2	0.9
The Chemistry of Health Building	23.6	3.8	6.1	0.8
Refurbishment of Bay 13 at the former Laboratory of Molecular Biology	4.1	3.1	-	-

c) Contracts in design

Project Atria	2.1	1.7	2.1	0.8
University Library Off Site Storage Facility	17.1	0.6	-	-
UKCRIC Building	1.5	1.1	-	-
Cavendish III	4.1	3.1	-	-
Central Range of Buildings at the New Museums Site	0.9	1.3	-	-

15. Related party transactions

The company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the group.

16. Parent Undertaking

The ultimate parent undertaking and ultimate controlling party is the University of Cambridge, which is the parent of the smallest and largest group of undertakings to consolidate these financial statements. Copies of the University of Cambridge consolidated financial statements can be obtained from the Company secretary at The Old Schools, Trinity Lane, Cambridge, Cambridgeshire, CB2 1TS.

17. Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the previous UK GAAP were for the year ended 31 July 2015. The date of transition to FRS 102 was 1 August 2014.

There were no adjustments to the Company's profit and loss for the year ended 31 July 2015 on transition to FRS 102.

There were no adjustments to the Company's balance sheet at 1 August 2014 or 31 July 2015 on transition to FRS 102.