

Registered number: 02424721

LYNXVALE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

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LYNXVALE LIMITED

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DIRECTORS AND ADVISORS

DIRECTORS

Ms L Thompson
Ms B Weston
Mr S Moore

COMPANY SECRETARY

Ms E Rampton

REGISTERED OFFICE

The Old Schools
Trinity Lane
Cambridge
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 2018.

Review of the Company

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

Dept. Earth Sciences: reintegration at North West Cambridge
UAS (Sports Service) additional hockey & changing facilities
Refurbishment of 9 Hills Road

During the year 3 projects (2017: 4) reached practical completion, which are detailed below.

University of Cambridge Library – Off Site Storage Facility
Department of Chemistry – Chemistry of Health
Simon Sainsbury Centre at the Judge Business School

At 31 July 2018 the company had 10 projects in progress (2017: 8), and 4 projects in design (2017: 6). The contract value of these projects is in the region of £621.1m (2017: £308.9m).

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 majority of the projects are on target with these measures and in accordance with the policy and procedures within the Project Delivery Manual. The board continually review progress and identify problem areas. The main financial key performance indicators are turnover £94.1m (2017: £87.7m) and gross profit £0.9m (2017: £0.9m). 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.

Principal risks and uncertainties

The key business risk is the financial risk that the Company is reliant upon the parent entity to recover its costs. 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.

Results and dividends

As shown in the statement of comprehensive income on page 9 of the financial statements, the company's turnover has increased (2017: increased) from the prior year. Gross profit has also increased (2017: 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.

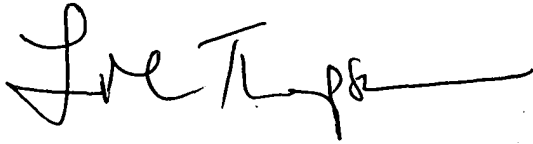
The result for the financial year amounted to £nil (2017: £nil). The directors will make a gift aid payment to the University of Cambridge of £893,095 (2017: £839,380).

LYNXVALE LIMITED

Future Developments

No significant changes in the principal activities are anticipated.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'L Thompson', followed by a long horizontal line extending to the right.

L Thompson
Director
7 December 2018

LYNXVALE LIMITED

DIRECTORS' REPORT

The directors present their report and audited financial statements of the Company for the year ended 31 July 2018.

Future developments

No significant changes in the principal activities are anticipated.

Dividends

The directors do not recommend payment of a dividend (2017: nil).

Directors

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

Ms L Thompson
Ms B Weston
Mr S Moore

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.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and

LYNXVALE LIMITED

DIRECTORS' REPORT (CONTINUED)

Statement of directors' responsibilities (continued)

- 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.

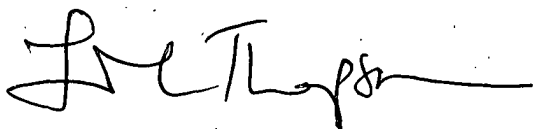
The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director 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', with a long horizontal flourish extending to the right.

L Thompson
Director
7 December 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LYNXVALE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Lynxvale Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 July 2018; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

LYNXVALE LIMITED

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

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 July 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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

We have no exceptions to report arising from this responsibility.

Stuart Newman

Stuart Newman (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge
7 December 2018

LYNXVALE LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

Statement of comprehensive income for the year ended 31 July 2018

	Not e	2018 £	2017 £
Turnover	5	94,081,494	87,655,671
Cost of sales		(93,149,974)	(86,783,792)
Gross profit		931,520	871,879
Administrative expenses			
Gift Aid payable to the University of Cambridge		(893,095)	(839,380)
Other administrative expenses		(41,161)	(33,001)
Total administrative expenses		(934,256)	(872,381)
Other operating expenses		-	-
Operating expense	6	(2,736)	(502)
Interest receivable and similar income	8	2,736	502
Result on ordinary activities before taxation		-	-
Tax on result on ordinary activities	9	-	-
Total comprehensive result for the financial year		-	-

All results derive from continuing operations.

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 2018

Statement of changes in equity for the year ended 31 July 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance as at 1 August 2017	100	-	100
Total comprehensive income for the year	-	-	-
Balance as at 31 July 2018	100	-	100

LYNXVALE LIMITED

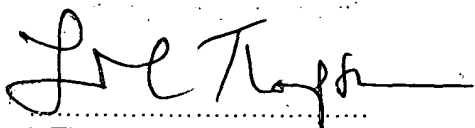
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018

Balance sheet as at 31 July 2018

	Note	2018 £	2017 £
Current assets			
Debtors	10	12,904,727	15,340,882
Cash at bank and in hand		4,787,121	5,200,771
		17,691,848	20,541,653
Creditors: amounts falling due within one year	11	(17,691,748)	(20,541,553)
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 pages 12 to 17 are an integral part of these financial statements.

The financial statements on pages 9 to 17 were authorised for issue by the board of directors on 7 December 2018 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.

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.

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, as stated in Section 7 of FRS 102: *Statement of Cash Flows* and paragraph 3.17(d) of FRS 102: *Financial Statement Presentation*, on the basis that it is a qualifying entity.
- (ii) from disclosing transactions with other wholly owned Group companies as stated in paragraph 33.1A of FRS 102: *Related Party Disclosures*.
- (iii) from disclosing detailed information on financial instruments as set out in paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), and 11.48(c) of FRS 102: *Basic Financial*

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. Summary of significant accounting policies (continued)

b) Exemptions for qualifying entities under FRS 102 (Continued)

Instruments; and paragraphs 12.26, 12.27, 12.9(a), 12.29(b) and 12.29A of FRS 102: *Other Financial Instruments Issues*, on the basis that it is a qualifying entity and disclosures equivalent to those required by this FRS are included in the consolidated financial statements of the Group in which this entity is consolidated.

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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

g) Financial Instruments (continued)

(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.

(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

	2018 £	2017 £
Analysis of turnover by geographical market:		
United Kingdom	<u>94,081,494</u>	<u>87,655,671</u>

	2018 £	2017 £
Analysis of turnover by class of business:		
Design/Build Contracts	<u>94,081,494</u>	<u>87,655,671</u>

6. Operating result

	2018 £	2017 £
Operating result for the financial year is stated after charging:		
Services provided by the Company's auditors		
- Fees payable for the audit	<u>9,967</u>	<u>9,724</u>

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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 (2017: none).

8. Interest receivable and similar income

	2018 £	2017 £
Interest received on cash deposits	2,736	502

9. Tax on result on ordinary activities

No tax charge (2017: none) arises on the operating activities due to the company gift aiding profits to the University of Cambridge.

10. Debtors

	2018 £	2017 £
Trade Debtors	1,438	422
Amounts owed by group undertakings	6,547,422	4,220,427
Other Debtors	32	589
Amounts recoverable on contracts	6,355,835	11,119,444
	<u>12,904,727</u>	<u>15,340,882</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

	2018 £	2017 £
Trade Creditors	(8,058,627)	(9,047,974)
Amounts owed to group undertakings	(685,669)	(1,637,159)
Gift aid payable to University of Cambridge	(893,095)	(839,381)
Accruals and deferred income	(8,054,357)	(9,017,039)
	<u>(17,691,748)</u>	<u>(20,541,553)</u>

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

12. Called up share capital

	2018 £	2017 £
Authorised:		
100 (2017: 100) ordinary shares of £1 each	100	100
Allotted and fully paid		
100 (2017: 100) ordinary shares of £1 each	100	100

13. Reserves

- (i) Called up share capital

Represents the nominal value of shares that have been issued.

- (ii) Retained earnings

Includes all current and prior year retained profits and losses.

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 2018 £m	Value of contract (of the order of) £m	Value of work completed at 31 July 2017 £m
Buildings complete and awaiting final certificate	364.7	344.5	441.3	412.7
Contracts in progress	612.9	188.5	250.0	146.4
Contracts in design	8.2	7.2	58.9	17.2
	985.8	540.2	750.2	576.3

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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.