

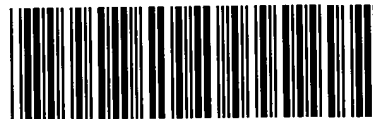


Goetec Limited

(A company limited by guarantee)  
Annual report and financial statements  
for the year ended 31 July 2015

Registered Number 04416782

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# **Goetec Limited (a company limited by guarantee)**

## **Contents**

Directors and advisors.....	1
Directors' report for the year ended 31 July 2015 .....	2
Independent auditors' report to the members of Goetec Limited.....	5
Profit and loss account for the year ended 31 July 2015 .....	7
Balance sheet as at 31 July 2015.....	8
Notes to the financial statements for the year ended 31 July 2015 .....	9

# **Goetec Limited (a company limited by guarantee)**

## **Directors and advisors**

### **Directors**

Mr John Sotillo                      Chair of Board

Mr Andrew Ironside

Mr Paul Butler

### Director resigning in year

Mr Peter Bole                      resigned 27/03/2015

### Director appointed in year

Ms Claire Hursell                  appointed 01/07/2015

### **Company secretary**

Mrs Alison Grover

### **Independent auditors**

Kreston Reeves LLP

Chartered Accountants and Statutory Auditors

37 St Margaret's Street

Canterbury

Kent CT1 2TU

### **Solicitors**

Vertex Law LLP

23 Kings Hill Avenue

Kings Hill

West Malling

Kent ME19 4UA

### **Registered office**

Canterbury Christ Church University

Rochester House

St George's Place

Canterbury

Kent CT1 1UT

### **Registered number**

04416782

## **Goetec Limited (a company limited by guarantee)**

### **Directors' report for the year ended 31 July 2015**

The directors present their report and the audited financial statements of Goetec Limited for the year ended 31 July 2015.

#### **Legal status**

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

#### **Review of business, future developments and principal risks and uncertainties**

In July 2013, the General Manager was seconded to the Kent Public Service Network (KPSN) to manage a full European re-procurement of the network that now supports a significant part of the Kent public sector including all Universities and Colleges. The secondment continued until March 2015 at which point the General Manager left Goetec and KPSN consultancy income ceased. The Interim General Manager continues in position.

Goetec continues to provide a focal point for ICT activity and sharing best practice across its members and the broader community. It works to ensure that members and customers can take full advantage of KPSN provided services.

Investment was committed to completing the development of the GOEsend secure file transfer service by the summer of 2015; and also to replace and enhance Goetec's DNS servers providing dual-stack DNS services for the company and some commercial customers. The new server platform now gives GOETEC the capability to plan for a new service called GOEsix, which is an IPv6 to IPv4 web proxy and translation service. These services will be available to the Goetec community and to external customers by 2016 and have potential to realise modest income streams into 2016 as take-up improves.

Following a strategic review of its activities, the Board agreed at its August 2015 meeting that Goetec would refocus its activities and would cease as a limited company, arranging its business instead through a Memorandum of Understanding. The re-focused business would include the current university members with associate membership from FE Colleges. A prospectus is being worked up.

#### **Results for the year**

Income received during the year was £229,942 (2014: £289,774); the company's expenditure for the year was £251,561 (2014: £291,654). The loss for the year before taxation was £20,326 (2014: £744 loss). Loss after taxation was £20,887 (2014: £2,257 loss).

Every member of the Company undertakes to contribute to cover any liabilities the company may incur in the event of its being wound up, however, on a break up members are asked to contribute to any shortfall in funding through their membership subscriptions.

## **Goetec Limited (a company limited by guarantee)**

### **Directors' report for the year ended 31 July 2015 (continued)**

#### **Use of Public Funds**

The directors confirm that payments received either directly or through the Higher and Further Education Funding Councils have been applied for the purposes for which they were provided.

#### **Statement of directors' responsibilities**

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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;
- 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Website**

The company has a website: <http://www.goetec.ac.uk>. This website is used to publish documents under the Freedom of Information Act 2000, including confirmed minutes of its Board and Executive Committee and the Annual Report and Financial Statements.

#### **Directors**

A full list of directors of the company can be found on page 1 Directors and advisors.

## **Goetec Limited (a company limited by guarantee)**

### **Directors' report for the year ended 31 July 2015 (continued)**

#### **Principal activities**

The principal activity of the company is the provision of network facilities for Further and Higher Education Institutions in Kent and Kent County Council.

#### **Provision of information to auditor**

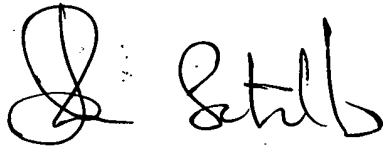
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

#### **Auditor**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 19 November 2015 and signed on its behalf.



**Mr John Sotillo**

**Director**

**Goetec Limited Registered Number 04416782**

## **Goetec Limited (a company limited by guarantee)**

### **Independent auditors' report to the members of Goetec Limited**

We have audited the financial statements of Goetec Limited for the year ended 31 July 2015, which comprise the profit and loss account, balance sheet and related notes 1 -13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not 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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' responsibilities statement, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

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. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Goetec Limited (a company limited by guarantee)

### Independent auditors' report to the members of Goetec Limited

(continued)

#### 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.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Statutory Auditor

Chartered Accountants

37 St Margaret's Street

Canterbury

Kent

CT1 2TU

Date: 23/11/15



## Goetec Limited (a company limited by guarantee)

### Profit and loss account for the year ended 31 July 2015

	Note	2015 £	2014 £
Turnover	2	229,942	289,774
Administration expenses		(251,561)	(291,804)
<b>Operating loss</b>	3	<b>(21,619)</b>	<b>(2,030)</b>
Interest on bank account maintained by CCCU		1,293	1,286
<b>Loss on ordinary activities before taxation</b>		<b>(20,326)</b>	<b>(744)</b>
Tax on profit on ordinary activities	5	(561)	(1,513)
<b>Loss for the financial year</b>	11	<b>(20,887)</b>	<b>(2,257)</b>

All results relate to continuing activities. The directors have decided to dissolve the company post year end, however the ultimate timing of dissolution is undecided at present.

The company has no recognised gains or losses other than the result above and therefore no separate statement of total recognised gains and losses has been presented.

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

## Goetec Limited (a company limited by guarantee)

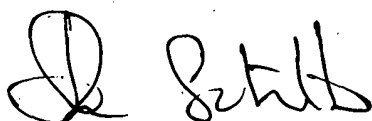
### Balance sheet as at 31 July 2015

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	6	-	-
<b>Current assets</b>			
Debtors	8	299,382	286,010
Creditors: amounts falling due within one year	9	(73,557)	(39,298)
<b>Net current assets/ (liabilities)</b>		<b>225,825</b>	<b>246,712</b>
<b>Net assets</b>		<b>225,825</b>	<b>246,712</b>
<b>Reserves</b>			
Profit and loss account	11	225,825	246,712
<b>Total funds</b>		<b>225,825</b>	<b>246,712</b>

The notes on pages 9 to 13 are integral to the financial statements.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008).

The financial statements on pages 7 to 13 were approved by the board of directors on 19 November 2015 and signed on its behalf by:



Mr John Sotillo  
Director  
Goetec Limited  
Registered Number 04416782

# **Goetec Limited (a company limited by guarantee)**

## **Notes to the financial statements for the year ended 31 July 2015**

### **1 Accounting policies**

These financial statements are prepared on a break-up basis, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention, in accordance with Financial Reporting Standards for Smaller Entities (effective April 2008).

#### **Tangible Fixed Assets**

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight line basis. The expected useful lives of the assets to the business are reassessed periodically in the light of experience.

Tangible fixed assets consist entirely of computer equipment, and are depreciated on a straight line basis over four 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 year are disclosed within the Creditors figure.

#### **Turnover**

Turnover, excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied. Turnover is recognised in the month in which the invoice generating activity takes place. The whole of the company's turnover is from activities within the UK.

#### **Deferred Taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

## Goetec Limited (a company limited by guarantee)

### 2 Turnover

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

	2015	2014
	£	£
Amortisation of deferred capital grants	-	8,311
Membership subscriptions	67,500	67,500
Other services	162,442	213,963
	<b>229,942</b>	<b>289,774</b>

Member's subscriptions cover all operating expenses before tax following a long standing Board level agreement that the company will be a not-for-profit organisation.

### 3 Loss on ordinary activities before taxation

	2015	2014
	£	£
Loss on ordinary activities before taxation is stated after charging		
Depreciation	-	17,824
External auditors' fees	5,300	5,150

### 4 Directors' emoluments

None of the directors received emoluments during the year (2014: £nil).

### 5 Tax on (loss)/profit on ordinary activities

	2015	2014
	£	£
(a) Analysis of tax charge/(credit) for the period		
<u>Current tax:</u>		
UK corporation tax at 20%	(2,700)	2,700
<u>Deferred tax:</u>		
Origination and reversal of timing differences	3,261	(1,187)
<b>Tax on profit on ordinary activities</b>	<b>561</b>	<b>1,513</b>

## Goetec Limited (a company limited by guarantee)

### 6 Tangible assets

	Computer equipment £
Costs brought forward 1 August 2014	416,609
Additions during the year	-
Disposals during the year	-
<b>Cost as at 31 July 2015</b>	<b>416,609</b>
Accumulated depreciation as at 31 July 2014	416,609
Charge for year	-
Depreciation for assets disposed of	-
<b>Accumulated depreciation as at 31 July 2015</b>	<b>416,609</b>
<b>Net book value as at 31 July 2015</b>	<b>0</b>
Net book value as at 31 July 2014	0

### 7 Deferred Tax Asset

	2015 Accounts £	2014 Accounts £
Capital allowances in excess of depreciation	-	(3,261)
<b>Deferred tax (asset)/ liability</b>		
Liability at start of period	(3,261)	(2,074)
Deferred tax (credit) in the Profit and loss account for the period	3,261	(1,187)
<b>(Asset)/liability at end of period</b>	<b>-</b>	<b>(3,261)</b>

### 8 Debtors

	2015 £	2014 £
Deferred tax asset	-	3,261
Trade debtors	8,765	13,573
Related party debtors	287,917	260,053
Value Added Tax	-	7,351
Corporation tax repayment	2,700	-
Prepayments and accrued income	-	1,772
	<b>299,382</b>	<b>286,010</b>

## Goetec Limited (a company limited by guarantee)

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

	2015	2014
	£	£
Deferred tax liability	-	-
Accruals	62,160	31,531
Value Added Tax	1,788	-
Deferred income	9,609	5,067
Corporation Tax	-	2,700
	<b>73,557</b>	<b>39,298</b>

Amounts due to third parties are unsecured, interest free and repayable on demand.

### 10 Deferred Capital Grants

	Capital Grants
	£
Costs brought forward 1 August 2014	362,809
Additions during the year	-
Disposals during the year	-
<b>Cost as at 31 July 2015</b>	<b>362,809</b>
Accumulated amortisation as at 31 July 2014	362,809
Amount released to income	-
Amount released to income on disposed assets	-
<b>Accumulated amortisation as at 31 July 2015</b>	<b>362,809</b>
<b>Net book value as at 31 July 2015</b>	<b>-</b>
Net book value as at 31 July 2014	-

### 11 Reserves

	Profit and loss account
	£
As at 1 August 2014	246,712
Loss for the financial year	(20,887)
<b>At 31 July 2015</b>	<b>225,825</b>

### 12 Controlling party

No one party has overall control of the company.

### 13 Related party transactions

The company undertook transactions with related parties during the year. University for the Creative Arts, University of Greenwich, University of Kent and Kent County Council are

## **Goetec Limited (a company limited by guarantee)**

related parties of Goetec Limited by virtue of their membership of the Goetec Limited board. Janet is a funding body of Goetec Limited and Canterbury Christ Church University is contracted by Goetec Limited to carry out the operations of the company.

The company paid expenditure and received income from the following related parties during the year:

	2015	2014
	£	£
<b>Canterbury Christ Church University - income receivable</b>	<b>25,516</b>	<b>29,838</b>
Expenditure payable	175,425	167,018
<b>University for the Creative Arts - income receivable</b>	<b>19,428</b>	<b>19,796</b>
<b>University of Greenwich - income receivable</b>	<b>21,372</b>	<b>25,294</b>
<b>University of Kent - income receivable</b>	<b>21,241</b>	<b>22,781</b>
Expenditure payable	2,500	6,600
<b>Kent County Council - income receivable</b>	<b>73,008</b>	<b>96,130</b>
Expenditure payable	61,776	85,562
<b>Janet - income receivable</b>	<b>13,068</b>	<b>25,354</b>

Canterbury Christ Church University is contracted by Goetec Limited to run its Network Operation Centre and to provide technical advice. Amounts totalling £175,425 (2014: £167,018) were made to Canterbury Christ Church University during the year for this service. Included within Goetec Limited debtors balance at 31 July 2015 is £279,879 (2014: £254,114) due from Canterbury Christ Church University. Other related party debtor balances totalled £8,038 (2014: £5,939).