



Subsidiary & Associated Companies: Financials 2021/22

Outcome requested:	Finance and Investment Committee is invited to note the paper.
Executive Summary:	<p>Appendix 1 provides a financial summary of the results for financial year 2021/22 of the subsidiary and associated companies.</p> <p>The main point of note is:</p> <p>Queen Mary Bioenterprises's income from the QMB Innovation Centre exceeded £3m and continues to generate positive cash flows.</p> <p>Generally, the associated spinout companies are in the growth phase of their development and this explains their loss making nature. External investors usually fund the spinouts and QMUL obtains its shareholding from the transfer of its IP on incorporation. The spinouts hopefully become profitable as they mature and following further external funding rounds, at which time they are no longer classified as Associates.</p>
QMUL Strategy: strategic aim reference and sub-strategies	Research, International, Financial Sustainability
Internal/External regulatory/statutory reference points:	Companies Act and Charities Act for UK entities and related statutory requirements for overseas companies.
Strategic Risks:	9 – Increased research volume 10 - Research Quality 12 - Cash Generation
Equality Impact Assessment:	n/a
Subject to prior and onward consideration by:	SET 18 October FIC 2 November
Confidential paper under FOIA/DPA	No
Timing:	Annual report to Committee
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Date:	10 th October 2022
Senior Management/External Sponsor	Karen Kröger Chief Financial Officer

Appendix 1
Subsidiary & Associated Companies: Financials 2021-22

	Country of Registration	Purpose	QM Equity Shareholding	Financial Year (FY)	Cash Balance for the Prior Year	Cash Balance for the FY	Cash Movement in the Year	Income for the Prior Year	Income for the FY	Profit/(Loss) for the Prior Year	Profit/(Loss) for the FY	Budget Profit/(Loss) for the FY	Variance
Subsidiary Companies													
Mary Education Management Advisory (Beijing) Co. Limited	China	Educational	100%	31/12/2021	£336,208	£155,026	(£181,182)	£615,701	£848,254	£31,615	£42,899	£38,169	£4,730
Nanoforce Technology Limited	UK	Business	100%	31/07/2022	£296,303	£230,822	(£65,482)	£331,208	£315,834	£140,758	£114,716	£59,159	£55,557
People's Palace Projects	UK	Arts charity	100%	31/07/2022	£78,004	£142,036	£64,032	£1,169,940	£1,106,226	£71,311	£93,852	£4,061	£89,791
Q.M.W. Developments Limited	UK	Campus Development	100%	31/07/2022	£1,985	£1,985	£0	£0	£0	(£3,900)	(£9,000)	not prepared	-
Queen Mary Bioenterprises Limited	UK	Business	100%	31/07/2022	£2,706,765	£2,904,778	£198,013	£2,976,280	£3,074,523	£925,289	£135,253	(£53,597)	£188,850
Queen Mary Innovation Limited	UK	Business	100%	31/07/2022	£284,479	£115,255	(£169,224)	£1,190,251	£1,090,580	£269,873	£52,043	(£46,828)	£98,871
Queen Mary Research and Consulting (Hong Kong) Limited	Hong Kong	Holding	100%	31/07/2022	£67,461	£74,414	£6,953	£8,339	£8,557	£2,362	(£3,148)	£0	(£3,148)
Queen Mary University of London Foundation	UK	Fundraising	100%	31/07/2022	£468,368	£1,252,836	£784,468	£1,766,136	£1,871,478	£816,944	(£552,428)	not prepared	-
Queen Mary University of London Holdings Limited	Malta	Holding	100%	31/07/2021	£0	£0	£0	£0	£0	(£4,075)	(£2,824)	(£3,000)	£176
Queen Mary University of London - Malta Limited	Malta	Educational	100%	31/07/2021	£0	£0	£0	£3,258,411	£5,548,380	(£571,547)	£98,801	£887,305	(£788,504)
Queen Mary University Of London (Paris)	France	Educational	100%	31/07/2022	-	-	-	-	-	-	-	not trading	-
Associate Companies													
Biomim Technologies Limited	UK	Business	17%	31/07/2022	£325,925	£222,714	(£103,211)	£612,180	£549,792	(£304,107)	(£217,003)		
Chromosol Limited	UK	Business	33%	30/06/2022	£387,174	£98,715	(£288,459)	£0	£0	(£236,165)	(£319,601)		
Degrasense Limited	UK	Business	48%	31/07/2022	£0	£0	£0	£0	£0	£0	£0		
Emdot Limited	UK	Business	28%	31/07/2022	£1,501	£1,001	(£500)	£0	£0	(£500)	(£500)		
Enterika Limited	UK	Business	44%	New Co	-	-	£0	-	-	-	-		
Nemisindo Limited	UK	Business	30%	31/12/2021	-	£58,832	£0	-	£21,439	-	£11,679		
Resolomics Limited	UK	Business	30%	31/12/2021	£74,227	£51,357	(£22,870)	£0	£0	(£86,035)	(£57,046)		
Stealthix Therapeutics Limited	UK	Business	43%	31/07/2022	£45,942	£46,508	£566	£0	£0	(£72,796)	(£2,713)		
Touchkeys Instruments Limited	UK	Business	32%	31/07/2022	£11,856	£3,030	(£8,826)	£23,250	£999	£4,738	(£4,937)		
Ultima Forma Limited	UK	Business	23%	31/03/2022	£6,494	£38,100	£31,606	£17,170	£86,800	£16,852	£35,365		
Varydose Limited	UK	Business	27%	31/07/2022	£48,393	£0	(£48,393)	£0	£0	£0	£0		
Vision Semantics Limited	UK	Business	29%	31/12/2021	£793,699	£353,905	(£439,794)	£80,775	£18,128	(£763,590)	(£501,414)		
Vision Semantics (HK) Limited	Hong Kong	Business	29%	31/12/2021	£0	£0	£0	£0	£0	£0	£0		
Warblr Limited	UK	Business	33%	31/07/2021	£17,870	£16,599	(£1,271)	£10,164	£7,318	£6,057	£3,394		
William Harvey Research Limited	UK	Fundraising	40%	31/03/2022	£280,359	£373,325	£92,966	£996,528	£1,552,573	£5,011	£7,576		

Notes on in year cash movements:

- ^a Timing differences on receipts from QMUL.
- ^b Profit for the year.
- ^c Increase in the QMUL intercompany balance contributed to a decrease in cash.
- ^d Cash donations received during 2021/22 will be transferred to QMUL in 2022/23.
- ^e Loss for the year partly compensated by investment from existing shareholders.
- ^f Loss for the year. The company's technology didn't meet its required performance measures and will likely be wound down.
- ^g Cash distributed to shareholders ahead of dissolution.
- ^h Loss for the year. An agreement has been reached in principal for the company to be purchased by another entity.
- ⁱ Decrease in working capital.

Notes on budget variance:

- ¹ High profits than expected due to lower staff related costs.
- ² Extra projects undertaken in the year.
- ³ New leases with higher rents signed in the year. The profit for 2020/21 was distorted due to the recognition of a £0.6m deferred tax asset. There was a deferred tax adjustment in 2021/22 of (£0.2m).
- ⁴ The company is funded from QMUL's HEIF's grant. Staff vacancies led to higher profits.
- ⁵ Grants made to QMUL in year from donations received in the prior year lead to a loss being record.
- ⁶ Profits were lower than expected due to the compensation agreements and associated income being delayed until 2022/23.