

Birmingham Technology (Property) Limited  
Annual report and financial statements  
for the year ended 30 June 2007

Registered number 2188998

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# **Birmingham Technology (Property) Limited**

## **Annual report and financial statements for the year ended 30 June 2007**

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# **Birmingham Technology (Property) Limited**

## **Directors' report for the year ended 30 June 2007**

The directors present their annual report together with the audited financial statements of the company for the year ended 30 June 2007

### **Principal activities**

The company is an investment property company, with properties located within the Aston Science Park

### **Review of activities**

The Directors are pleased to report that occupancy levels have remained fairly constant in the properties owned by the company during the year ended 30 June 2007. Turnover has increased by 2% and ordinary administration expenses were 8% lower than in 2006. There were no exceptional administration expenses in 2007 (2006 £881,351). This has resulted in operating profits before interest and taxation of £111,885, compared to operating losses in 2006 of £917,222.

### **Results and trading**

The results for the year are set out on page 5. The profit for the year of £390,323 (2006 loss of £874,506) has been transferred to reserves.

The directors do not propose to pay a dividend in respect of the financial year.

### **Directors and their share interests**

The directors during the year and up to the date of this report were

Sir Albert Bore	
K Hardeman	(Resigned 16 July 2007)
RJ Hudson	
J Saunders	
M Whitby	

None of the directors had any interest (beneficial or otherwise) in the share capital of the company at 30 June 2007 or at any time during the year.

# **Birmingham Technology (Property) Limited**

## **Directors' report for the year ended 30 June 2007 (continued)**

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

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

The directors are responsible for preparing financial statements which give a true and fair view in accordance with United Kingdom Generally Acceptable Accounting Practice, of the state of affairs of the Company and of the profit and loss of the Company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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

### **Disclosure of information to auditors**

Each person who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 234ZA of the Companies Act 1985

### **Auditors**

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting

By Order of the Board



DW Harris  
Secretary

Date

## **Independent auditors' report to the members of Birmingham Technology (Property) Limited**

We have audited the financial statements of Birmingham Technology (Property) Limited for the year ended 30 June 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Movement in Total Shareholders' Funds, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland). 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

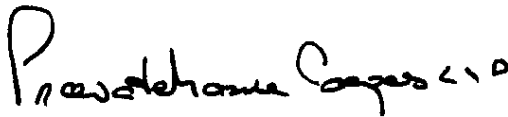
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

## **Independent auditors' report to the members of Birmingham Technology (Property) Limited (continued)**

### **Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
Birmingham  
Date

14th November 2007

## Birmingham Technology (Property) Limited

### Profit and loss account for the year ended 30 June 2007

	Notes	2007 £	2006 £
Turnover - rental income	1	1,403,787	1,371,653
Administrative expenses - ordinary		(1,291,902)	(1,407,524)
- exceptional	7	-	(881,351)
<b>Total Administrative expenses</b>		<b>(1,291,902)</b>	<b>(2,288,875)</b>
<b>Operating profit/(loss)</b>	4	<b>111,885</b>	<b>(917,222)</b>
Interest payable	2	(173,142)	(203,301)
Interest receivable	3	260,210	315,415
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>198,953</b>	<b>(805,108)</b>
Tax credit/(charge) on profit/(loss) on ordinary activities	5	191,370	(69,398)
<b>Profit/(loss) for the financial year</b>	13	<b>390,323</b>	<b>(874,506)</b>

The notes on pages 8 to 18 form part of these financial statements

The results of the company arise entirely from the continuing activities of the company

There is no difference between the profit before taxation and the retained profit for the year as shown in the profit and loss account and their historical cost equivalents

# Birmingham Technology (Property) Limited

## Balance sheet as at 30 June 2007

	Notes	2007 £	2006 £
<b>Fixed assets</b>			
Tangible fixed assets	6	42,835	67,666
Investment properties	7	12,955,749	13,030,000
		<b>12,998,584</b>	<b>13,097,666</b>
<b>Current assets</b>			
Debtors	8	4,305,923	5,169,171
Bank and cash		18,241	-
		<b>4,324,164</b>	<b>5,169,171</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(7,640,057)</b>	<b>(8,442,455)</b>
<b>Net current liabilities</b>		<b>(3,315,893)</b>	<b>(3,273,284)</b>
<b>Total assets less current liabilities</b>		<b>9,682,691</b>	<b>9,824,382</b>
<b>Creditors: amounts falling due after more than one year</b>	10	<b>(1,960,000)</b>	<b>(2,450,000)</b>
<b>Provisions for liabilities and charges</b>	11	<b>(13,490)</b>	<b>(55,504)</b>
<b>Net assets</b>		<b>7,709,201</b>	<b>7,318,878</b>
<b>Capital and reserves</b>			
Called up equity share capital	12	5,000	5,000
Revaluation reserve	13	6,590,657	6,623,657
Profit and loss account	13	1,113,544	690,221
<b>Total shareholders' funds</b>		<b>7,709,201</b>	<b>7,318,878</b>

The notes on pages 8 to 18 form part of these financial statements

Approved by the Board on 16 October 2007 and signed on its behalf by

M J Whitby  
Director



## Birmingham Technology (Property) Limited

### Movement in total shareholders' funds for the year ended 30 June 2007

	2007	2006
	£	£
Opening shareholder's funds	7,318,878	6,896,133
Profit/(loss) for the financial year	390,323	(874,506)
Transfer from revaluation reserve to profit and loss reserve	33,000	875,200
Movement in revaluation reserve	(33,000)	422,051
Net increase in shareholders funds	390,323	422,745
Closing shareholders' funds	7,709,201	7,318,878

### Statement of total recognised gains and losses for the year ended 30 June 2007

	2007	2006
	£	£
Profit/(loss) for the financial year	390,323	(874,506)
(Decrease)/increase in revaluation reserve	(33,000)	1,297,251
Total recognised gains and losses recognised since the last annual report	357,323	422,745

# **Birmingham Technology (Property) Limited**

## **Notes to the financial statements for the year ended 30 June 2007**

### **1 Principal accounting policies**

#### **Basis of preparation**

The financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of investment properties, and in accordance with applicable accounting standards in the United Kingdom and the Companies Act 1985. Compliance with SSAP 19 "Accounting for Investment properties" requires departure from the requirements of Companies Act 1985 relating to depreciation and amortisation and an explanation of the departure is set out below. The accounting policies have been consistently applied.

#### **Investment properties**

Investment properties are stated at cost during the course of construction and market value when complete and available for letting. Cost includes interest capitalised during development and other professional fees.

In accordance with an amendment to SSAP 19, movements in the valuation of investment properties are shown in the statement of total recognised gains and losses, with the sole exception that deficits, or impairments of value, on individual investment properties that are expected to be permanent are charged to the profit and loss account.

No provision is made for amortisation of leasehold properties held on leases having more than 20 years unexpired. This departure from the requirements of the Companies Act 1985, which required all properties to be depreciated, is, in the opinion of the directors, necessary for the financial statements to show a true and fair view in accordance with applicable accounting standards.

The amortisation (which would, had the provision of the Act been followed, have resulted in an additional charge to the profit and loss account) is only one of the factors reflected in the annual valuation and the amount attributable to this factor cannot reasonably be separately identified or quantified.

#### **Rental income**

Rental income includes rent received and receivable in the year.

#### **Grants**

Capital grants received for tangible fixed assets are recorded as deferred grants, included within provisions. These deferred grants are amortised over the estimated useful life of the assets for which they were received.

Capital grants and contributions received for the development of investment properties are included in provisions for liabilities and charges. When investment properties are revalued, the corresponding capital grant is deducted from the gross cost of the property in determining the revaluation surplus or deficit.

#### **Deferred taxation**

Deferred taxation is provided on timing differences, arising from the different treatments for financial statements and taxation purposes of events and transactions recognised in the financial statements of the current and previous years. Deferred taxation is calculated at the rates at which it is estimated that taxation will arise. Deferred taxation assets are recognised to the extent that it is regarded as more likely than not that there will be suitable taxable profits against which the deferred tax asset can be recovered in future periods.

# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2007 (continued)

### 1 Principal accounting policies (continued)

#### Tangible fixed assets

Tangible fixed assets comprise fixtures, fittings and equipment and are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis to write the assets down to residual value over their estimated useful economic lives. Useful economic lives are generally estimated to be from 4 to 5 years depending in the nature of the asset.

#### Statement of cash flows

As the company qualifies as a small company as defined in Section 247 Companies Act 1985, the company has exercised its right in accordance with Financial Reporting Standard 1 (Revised) 1996 not to produce a statement of cash flows.

#### Operating leases

Rent payable under operating leases is charged to the profit and loss account as it becomes due.

### 2 Interest payable

	2007	2006
	£	£
On bank loans wholly or partly repayable outside 5 years	(163,197)	(185,978)
On loans from -other group companies	(9,945)	(17,323)
	(173,142)	(203,301)

### 3 Interest receivable

	2007	2006
	£	£
Bank interest receivable	1,000	295
Interest receivable from fellow subsidiary undertakings	259,210	315,120
	260,210	315,415

# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2007 (continued)

### 4 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging the following amounts

	2007	2006
	£	£
Management fee payable to parent undertaking	400,289	451,174
Permanent diminution in the value of investment properties - exceptional	-	881,351
Permanent diminution in the value of investment properties	95,000	-
Depreciation – owned assets	24,831	24,831
Auditor's remuneration		
Audit fees	6,600	8,046
Non-audit fees	3,600	3,450

None of the directors received any emoluments during the year in respect of their services to the company

Apart from the directors, the company had no other employees

An exceptional charge of £881,351 was recognised in relation to the permanent diminution in value of the company's investment properties which resulted from the reconfiguration of one the properties to suit the current market in which the company operates

### Operating leases

	2007	2006
	£	£
Operating lease charges - other than plant and machinery	425,435	434,247

The company has a twenty-five year lease of land and buildings from 1 January 1995 on Phase I of the Aston Science Park. It also has ground leases which expire in June 2110 for Phases II, III, IV, V and VI. Rentals payable under these leases during the year ended 30 June 2007 were £425,435 (2006 £434,247) and are payable based on rents receivable.

The company has two ground leases for Phases VII and IX which both expire on 24 June 2110. The Phase VII and IX leases are subject to underleases to an associate company, Aston Science Park Limited, which expire on 31 March 2024 and 31 January 2031 respectively. At the end of these underleases, the properties revert to the company. Rentals payable under the Phase VII and Phase IX leases are matched by rents receivable on the underleases.

# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2007 (continued)

### 5 Tax (credit)/charge on profit on ordinary activities

Analysis of (credit)/charge in year:	2007	2006
	£	£
<b>Corporation tax charge/(credit)</b>		
UK corporation tax credit on profit of the year	31,529	(26,263)
Prior year adjustment	37,383	(11,120)
<b>Total UK corporation tax charge / (credit)</b>	<b>68,912</b>	<b>(37,383)</b>
<b>Deferred tax (credit)/charge</b>		
Current year	(260,282)	49,136
Prior year adjustments	-	57,645
<b>Total Deferred tax (credit)/charge</b>	<b>(260,282)</b>	<b>106,781</b>
<b>Tax (credit)/charge on profit/(loss) for the year</b>	<b>(191,370)</b>	<b>69,398</b>

A deferred taxation credit of £260,282 arose during the year as a result of a change in legislation

The tax assessed for the year is higher (2006 higher) than the standard rate of corporation tax in the United Kingdom of 30%

Factors affecting tax credit for the year	2007	2006
	£	£
<b>Profit/(loss) on ordinary activities before taxation</b>	<b>198,593</b>	<b>(805,108)</b>
Tax charge/(credit) at the standard UK rate of corporation tax 30% (2006 30%)	59,578	(241,532)
Effects of		
Capital Allowances for year in excess of depreciation	(8,617)	(14,002)
Expenses not deductible for tax purposes	27,289	264,405
Short term timing differences	(46,721)	(35,134)
Adjustments to tax charge in respect of previous period	37,383	(11,120)
<b>Current tax charge/(credit) for the year</b>	<b>68,912</b>	<b>(37,383)</b>

Based on current capital investment plans, there are no significant factors that will affect the tax charge in future years

# **Birmingham Technology (Property) Limited**

## **Notes to the financial statements for the year ended 30 June 2007 (continued)**

### **6 Tangible fixed assets**

<b>Fixtures, fittings &amp; equipment</b>	<b>£</b>
Cost at 1 July 2006 and 30 June 2007	<b>99,324</b>
Depreciation at 1 July 2006	(31,658)
Charge for the year	(24,831)
<b>Depreciation at 30 June 2007</b>	<b>(56,489)</b>
<b>Net book amount</b>	
<b>At 30 June 2007</b>	<b>42,835</b>
At 30 June 2006	67,666

### **7 Investment properties**

<b>Valuation</b>	<b>£</b>
Valuation at 1 July 2006	13,030,000
Additions	227,128
Capital contributions	(206,379)
Permanent diminution in value	(95,000)
<b>Valuation at 30 June 2007</b>	<b>12,955,749</b>

# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 7 Investment properties (continued)

The historical cost of investment properties, net of grants received, comprises

	£
Gross cost of construction at 1 July 2006	10,652,950
Additions during the year	227,128
Permanent diminution in value	(62,000)
<b>Gross cost of construction at 30 June 2007</b>	<b>10,818,078</b>
Capital grants received and receivable as at 1 July 2006	(4,246,607)
Capital contributions received and receivable during the year	(206,379)
Transfer from deferred capital grants	-
<b>Capital grants received and receivable as at 30 June 2007</b>	<b>4,452,986</b>
<b>Cost net of grants received and receivable at 30 June 2007</b>	<b>6,365,092</b>
<b>Revaluation surplus at 30 June 2007</b>	<b>6,590,657</b>

The amount of interest included in the historical cost of investment properties, in accordance with the accounting policy in Note 1, was £513,579 (2006 £513,579)

The directors commissioned a full valuation of the company's properties as at 30 June 2006. These include Phases 1 to VI and Phases VII and IX. The valuation is based on a professional valuation prepared by Phoenix Beard (Property Consultants) using RICS guidelines. An exceptional charge of £881,351 was taken to the profit and loss account during 2006 reflecting an exceptional permanent diminution in value of one of the company's properties.

The directors have undertaken a valuation of the company's properties as at 30 June 2007. In the year to 30 June 2007 a provision of £95,000 was made to reflect a permanent diminution in value with respect to Phase III.

The company has two ground leases for Phases VII and IX which both expire on 24 June 2110. The Phase VII and IX leases are subject to underleases to an associate company, Aston Science Park Limited. The Phase VII underlease, dated 11 October 1996, expires on 31 March 2024. The Phase IX underlease, dated 31 January 2000, expires on 31 January 2031 respectively. At the end of these underleases, the properties revert to the company. The valuation of these properties reflects the company's long term interests in these properties.

# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 8 Debtors

Amounts falling due within one year	2007	2006
	£	£
Trade debtors	551,349	526,091
Amounts owed by the parent undertaking	3,483,356	4,586,912
Other debtors	225,306	-
Prepayments and accrued income	45,912	56,168
	4,305,923	5,169,171

Other debtors include £225,306 (2006 £nil) of deferred tax recoverable on tax losses brought forward

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

	2007	2006
	£	£
Bank overdraft	-	13,087
Loan Wurttembergische Hypothekenbank AG	490,000	490,000
Trade creditors	62,689	53,152
Amounts owed to fellow subsidiary undertakings	6,389,803	6,389,631
Amounts owed to other group companies	251,077	371,593
Other taxes and social security	-	436,811
Other creditors	129,175	178,211
Accruals and deferred income	317,313	509,970
	7,640,057	8,442,455



# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2007 (continued)

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

	2007	2006
	£	£
Loans Württembergische Hypothekenbank AG	1,960,000	2,450,000

#### Loans are due for repayment as follows

Within one year	490,000	490,000
Between one and two years	490,000	490,000
Between two and five years	1,470,000	1,470,000
In five years or more	-	490,000
	2,450,000	2,940,000

Württembergische Hypothekenbank AG has advanced a loan of £4,900,000 for which repayments commenced on 4 November 2005 and end on 4 November 2011. This loan is secured against the property at Phases I to VI of the Aston Science Park. £2,450,000 of this loan was outstanding at 30 June 2007 (2006 £2,940,000).

Interest was payable at a rate of 6.4% on £2.0 million and at an average variable rate of 6.2% on the balance of the loan.

### 11 Provisions for liabilities and charges

	2007	2006
	£	£
Deferred taxation	-	34,976
Deferred capital grants	13,490	20,528
Provisions for liabilities and charges	13,490	55,504

# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 11 Provisions for liabilities and charges (continued)

Deferred taxation	2007
	£
Deferred tax provision at 1 July 2006	34,976
Deferred taxation credit for the year	(260,282)
<b>Deferred tax debtor at 30 June 2007</b>	<b>(225,306)</b>

The full potential deferred tax (assets)/liability/, calculated on the liability method at 28% (2006 30%), is

	2007	2006
	£	£
Accelerated capital allowances	(32,948)	261,325
Short term timing differences	(863)	(20,439)
Tax losses carried forward	(191,495)	(205,910)
<b>Undiscounted (debtor)/provision for deferred tax</b>	<b>(225,306)</b>	<b>34,976</b>

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property was sold or where there is a binding agreement to sell. The total amount of unprovided deferred tax is £1,845,384 (2006 £1,199,189).

#### Changes to legislation

A number of changes to the UK Corporation tax system were announced in the March 2007 Budget Statement and have been enacted by the Finance Act 2007. Further changes are expected to be enacted for the Finance Act 2008. The effect of the changes enacted in the Finance Act 2007 has reduced the deferred tax liability by £268,667 as at 30 June 2007. This decrease in deferred tax has increased profit for the year by £268,667. This decrease in deferred tax is due to the reduction in the corporation tax rate from 30 per cent to 28 per cent with effect from 1 April 2008 and to the abolition of balancing adjustments for industrial buildings allowances. The other changes enacted and to be enacted have no further effects on the deferred tax provided at 30 June 2007.

#### Deferred Capital Grants

	£
Grants received and receivable at 1 July 2006	20,528
Amortisation of grants during the year	(7,038)
<b>Grants received and receivable at 30 June 2007</b>	<b>13,490</b>

# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2007 (continued)

### 12 Called up equity share capital

	2007	2006
	£	£
<b>Authorised:</b>		
'A' Ordinary shares of £1 each	3,750	3,750
'B' Ordinary shares of £1 each	1,250	1,250
	5,000	5,000
<b>Allotted and fully paid:</b>		
'A' Ordinary shares of £1 each	3,750	3,750
'B' Ordinary shares of £1 each	1,250	1,250
	5,000	5,000

The 'A' Ordinary and 'B' Ordinary shares are separate classes of shares but carry the same rights and privileges and rank pari passu in all respects. This includes equality in voting rights and the rights to any remaining assets in the event of the company being wound up.

### 13 Reserves

#### Revaluation reserve

	2007	2006
	£	£
Opening revaluation reserve at 1 July 2006	6,623,657	6,201,606
Revaluation	-	1,297,251
Permanent diminution in value	(33,000)	(875,200)
Revaluation reserve at 30 June 2007	6,590,657	6,623,657

# Birmingham Technology (Property) Limited

## Notes to the financial statements for the year ended 30 June 2007 (continued)

### 13 Reserves (continued)

Profit and loss account	2007	2006
	£	£
At 1 July 2006	690,221	689,527
Profit/(loss) for the financial year	390,323	(874,506)
Transfer from revaluation reserve	33,000	875,200
At 30 June 2007	1,113,544	690,221

### 14 Operating lease commitments

The company has the following annual commitments under operating leases which expire as follows

	2007	2006
	£	£
Land and buildings- expiring after 5 years	425,435	434,247

Certain of the amount of the rents payable is dependent upon current occupancy levels and hence may vary in the future from the amounts stated above

### 15 Parent undertaking

The parent undertaking and controlling party is Birmingham Technology Limited, a company incorporated in Great Britain. A copy of the group accounts can be obtained from the Company Secretary, Birmingham Technology Limited, Aston Science Park, Faraday Wharf, Holt Street, Birmingham B7 4BB

### 16 Related party disclosures

The company received administrative services from its parent undertaking and was recharged £400,289 (2006 £451,174) during the year

In January 2005, an intercompany trading balance receivable by the Company from its parent undertaking Birmingham Technology Limited was converted to a loan attracting an interest rate of 7.00% (2006 6.5%). The amount of the loan at 30 June 2007 was £3,552,096 (2006 £4,586,912). Interest receivable by the Company was £259,210 in the year ended 30 June 2007 (2006 £315,120).