

Aston Science Park Limited  
Annual report and financial statements  
for the year ended 30 June 2005

Registered number: 3089755



# **Aston Science Park Limited**

## **Annual report and financial statements for the year ended 30 June 2005**

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# **Aston Science Park Limited**

## **Directors' report for the year ended 30 June 2005**

The directors present their report together with the audited financial statements of the company for the year ended 30 June 2005.

### **Principal activities**

The company is an investment property company. Investment properties are located within the Aston Science Park.

### **Results and trading**

The results for the year are set out on page 4. The profit for the year of £163,979 (2004: £285,685) has been transferred to reserves.

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

### **Review of activities**

The Directors are pleased to report that the activities of the company continue to perform well, with high occupancy in both of the company's properties. Turnover increased slightly during the year, but profit decreased to £163,979, principally due to higher interest costs and charges associated with the running of the company and in positioning the business for future development.

### **Future developments**

Demand for property owned by the Company remains high and the company continues to manage its portfolio with a view to maintaining this position.

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

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

ALS Jackson	(resigned 2 March 2005)
Sir Albert Bore	(resigned 2 March 2005)
KT Byrom	
RJ Hudson	(appointed 2 March 2005)
RDA Packham	
A Slater	
M Whitby	(appointed 2 March 2005)
MT Wright	

None of the directors had any interest (beneficial or otherwise) in the share capital of the company at 30 June 2005 or at any time during the year.

# Aston Science Park Limited

## Directors' report for the year ended 30 June 2005 (continued)

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view 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; 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 proper accounting records that 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 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.

### 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

  
D W Harris  
Secretary

Date: 16 JANUARY 2006

## **Independent auditors' report to the members of Aston Science Park Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the statement of total recognized gains and losses and the related notes which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out in the statement of accounting policies.

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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 in to 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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

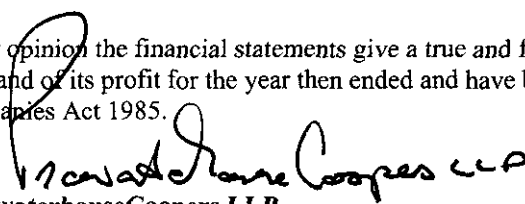
### **Basis of audit opinion**

We conducted our audit in accordance with auditing standards 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.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 June 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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

Date: 16 January 2006

## Aston Science Park Limited

### Profit and loss account for the year ended 30 June 2005

	Notes	2005 £	2004 £
Turnover	1	1,972,614	1,956,069
Administrative expenses		(1,080,278)	(994,272)
Operating profit		892,336	961,797
Interest receivable	2	11,947	13,194
Interest payable	3	(701,599)	(620,099)
Profit on ordinary activities before taxation	4	202,684	354,892
Tax on profit on ordinary activities	5	(38,705)	(69,207)
Profit for the financial year	13	163,979	285,685

The notes on pages 7 to 15 form part of these financial statements.

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

There is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

# Aston Science Park Limited

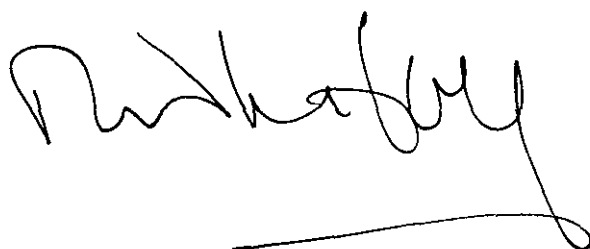
## Balance sheet as at 30 June 2005

	Notes	2005 £	2004 £
<b>Fixed assets</b>			
Tangible fixed assets	6	65,511	68,634
Investment properties	7	16,376,253	16,376,253
		<b>16,441,764</b>	<b>16,444,887</b>
<b>Current assets</b>			
Debtors	8	1,951,333	2,414,998
Bank and cash		71,937	38,567
		<b>2,023,270</b>	<b>2,453,565</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(1,985,731)</b>	<b>(2,233,143)</b>
<b>Net current assets</b>		<b>37,539</b>	<b>220,422</b>
<b>Total assets less current liabilities</b>		<b>16,479,303</b>	<b>16,665,309</b>
<b>Creditors: amounts falling due after more than one year</b>	10	<b>(12,500,000)</b>	<b>(12,850,000)</b>
<b>Provisions for liabilities and charges</b>	11	<b>(2,065)</b>	<b>(2,050)</b>
		<b>3,977,238</b>	<b>3,813,259</b>
<b>Capital and reserves</b>			
Called up equity share capital	12	50,000	50,000
Profit and loss account	13	993,580	829,601
Revaluation reserve	13	2,933,658	2,933,658
<b>Shareholders' funds</b>		<b>3,977,238</b>	<b>3,813,259</b>

The notes on pages 7 to 15 form part of these financial statements.

Approved by the Board and signed on its behalf on date: 16 JANUARY 2006

M Whitby  
Director



## Aston Science Park Limited

### Movement in shareholders' funds

	2005	2004
	£	£
Profit for the financial year	163,979	285,685
Reduction in revaluation reserve	-	(334,546)
Net change to shareholders' funds	163,979	(48,861)
Opening shareholders' funds	3,813,259	3,862,120
Closing shareholders' funds	3,977,238	3,813,259

### Statement of total recognised gains and losses

	2005	2004
	£	£
Profit for the financial year	163,979	285,685
Reduction in revaluation reserve	-	(334,546)
Total recognised gains and losses relating to the year	163,979	(48,861)



# Aston Science Park Limited

## Notes to the financial statements for the year ended 30 June 2005

### 1 Principal accounting policies

#### Basis of preparation

The financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties, and in accordance with applicable accounting standards 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.

#### 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 up to the time when the majority of the property is let 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 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.

#### Turnover

Turnover includes rent received and receivable in the year and also includes service charges.

#### Grants

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.

#### 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 on the nature of the asset.

# Aston Science Park Limited

## Notes to the financial statements for the year ended 30 June 2005 (continued)

### 1 Principal accounting policies (continued)

#### Deferred taxation

Deferred taxation is provided on timing differences, arising from the different treatments for accounts 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.

#### 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) not to produce a statement of cash flows.

### 2 Interest receivable

	2005	2004
	£	£
On money market deposits	11,947	13,194

### 3 Interest payable

	2005	2004
	£	£
Bank interest	701,599	620,099

### 4 Profit on ordinary activities before taxation

	2005	2004
	£	£
Depreciation	14,507	15,808
Auditor's remuneration:		
Audit fees	7,000	8,250
Non-audit fees	3,000	4,250

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

There were no employees paid by Aston Science Park Limited during either the current or the prior year.

# Aston Science Park Limited

## Notes to the financial statements for the year ended 30 June 2005 (continued)

### 5 Tax on profit on ordinary activities

#### Analysis of charge in year:

	2005	2004
	£	£
<b>Current tax:</b>		
<b>Corporation tax / (credit) on profits for the period:</b>		
UK corporation tax on profits of the period	40,730	78,061
Prior year adjustment	(2,040)	(11,017)
	38,690	67,044
<b>Deferred tax:</b>		
Current year	(657)	2,163
Prior year	672	-
<b>Tax on profit for the year</b>	<b>15</b>	<b>69,207</b>

#### Factors affecting tax charge for the year:

	2005	2004
	£	£
Profit on ordinary activities before taxation	202,684	354,892
Profit on ordinary activities at the standard UK rate of corporation tax 19% (2004: 21.7%)	38,510	77,011
Effects of:		
Prior year items	(2,040)	(11,017)
Capital allowances in excess of depreciation / other timing differences	(393)	(1,564)
Short term timing differences	809	-
Expenses not deductible for tax purposes	1,804	2,614
<b>Current tax charge for the period</b>	<b>38,690</b>	<b>67,044</b>

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

# Aston Science Park Limited

## Notes to the financial statements for the year ended 30 June 2005 (continued)

### 6 Tangible fixed assets

Fixtures, fittings & equipment	£
<b>Cost</b>	
At 30 June 2004	84,442
Transfer from investment properties	-
Additions	11,384
<b>At 30 June 2005</b>	<b>95,826</b>
<b>Depreciation</b>	
At 30 June 2004	15,808
Charge for the year	14,507
<b>At 30 June 2005</b>	<b>30,315</b>
<b>Net book amount</b>	
<b>At 30 June 2005</b>	<b>65,511</b>
At 30 June 2004	68,634

### 7 Investment properties

	£
Valuation at 30 June 2004	16,376,253
Transfers to tangible fixed assets	-
Disposal to associate company	-
<b>Valuation at 30 June 2005</b>	<b>16,376,253</b>

# Aston Science Park Limited

## Notes to the financial statements for the year ended 30 June 2005 (continued)

### 7 Investment properties (continued)

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

	£
Gross cost of construction as at 30 June 2004	19,857,162
Additional costs during the year	-
Transfer to tangible fixed assets	-
Disposal to associate company	-
<b>Gross cost of construction as at 30 June 2005</b>	<b>19,857,162</b>
Capital grants received and receivable as at 30 June 2004	6,414,567
Capital grants repaid during the year	-
<b>Capital grants received and receivable as at 30 June 2005</b>	<b>6,414,567</b>
<b>Net cost</b>	<b>13,442,595</b>
<b>Revaluation surplus</b>	<b>2,933,658</b>

The amount of interest included in the historical cost of investment properties, in accordance with the accounting policy in Note 1, was £697,973 (2004: £697,973).

In accordance with the accounting policy in Note 1, all investment properties that are complete and available to let are held at directors' valuation. In making this valuation, the directors have access to employees who are property specialists and are members of the Royal Institution of Chartered Surveyors.

Completed investment properties as at 30 June 2001, comprising Phases VII and IX, were valued by Phoenix Beard, Property Consultants, on an open market, existing use basis. The directors propose no further changes to the valuation as at 30 June 2005.

# Aston Science Park Limited

## Notes to the financial statements for the year ended 30 June 2005 (continued)

### 8 Debtors

	2005	2004
	£	£
Trade debtors	424,100	448,006
Amounts owed by associates	1,423,678	1,821,780
Other debtors	-	69,048
Other taxes and social security	56,176	-
Prepayments and accrued income	47,379	76,164
	1,951,333	2,414,998

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

	2005	2004
	£	£
Loan: Wurttembergische Hypothekenbank AG	350,000	350,000
Trade creditors	43,166	68,629
Amounts owed to associates	1,053,873	1,042,490
Accruals and deferred income	343,077	380,769
Other creditors	159,863	212,304
Other taxes and social security	-	111,880
Corporation Tax payable	35,752	67,071
	1,985,731	2,233,143

# Aston Science Park Limited

## Notes to the financial statements for the year ended 30 June 2005 (continued)

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

	2005	2004
	£	£
Retention on construction loans	-	-
Loan: Wurttembergische Hypothekenbank AG	12,500,000	12,850,000
	12,500,000	12,850,000

The loan is secured against the company's investment properties. Interest was payable at a fixed rate of 5.7% on £3 million of the loan and at an average variable rate of 5.2% on the balance of the loan.

The maturity of the Wurttembergische Hypothekenbank AG loan with is as follows:

	2005	2004
	£	£
Within one year	350,000	350,000
Between one and two years	600,000	600,000
Between two and five years	1,950,000	2,000,000
In five years or more	9,950,000	10,250,000

### 11 Provisions for liabilities and charges

#### Deferred taxation

The full (asset)/provision in respect of deferred taxation, calculated on the liability method at 30% (2004: 30%), is as follows:

	2005	2004
	£	£
Accelerated capital allowances	5,343	2,050
Short term timing differences	(3,278)	-
Undiscounted deferred tax (asset) / provision	2,065	2,050

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 unprovided for is £880,097 (2004: £880,097).

# Aston Science Park Limited

## Notes to the financial statements for the year ended 30 June 2005 (continued)

### 12 Called up equity share capital

	2005	2004
	£	£
<b>Authorised:</b>		
'A' ordinary shares of £1 each	23,000	23,000
'B' ordinary shares of £1 each	27,000	27,000
	50,000	50,000
<b>Allotted, called up and fully paid:</b>		
'A' ordinary shares of £1 each	23,000	23,000
'B' ordinary shares of £1 each	27,000	27,000
	50,000	50,000

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

<b>Revaluation reserve</b>	<b>2005</b>	<b>2004</b>
	£	£
At 30 June 2004	2,933,658	3,268,204
Movements during the year	-	(334,546)
<b>At 30 June 2005</b>	<b>2,933,658</b>	<b>2,933,658</b>

There is no impact on the carrying value of the investment properties, as this is stated at valuation.

<b>Profit and loss account</b>	<b>2005</b>	<b>2004</b>
	£	£
At 30 June 2004 as reported	829,601	543,916
Profit for the financial year	163,979	285,685
<b>At 30 June 2005</b>	<b>993,580</b>	<b>829,601</b>



# **Aston Science Park Limited**

## **Notes to the financial statements for the year ended 30 June 2005 (continued)**

### **14 Related party disclosures**

Aston Science Park Limited is an associated undertaking of the Birmingham Technology Limited group.

In addition, the group provides various management, consultancy, accounting and administrative services to the company. The amount recharged in respect of these services for the year ended 30 June 2005 was £762,856 (2004: £672,719).

The company's interest payments to Württembergische Hypothekenbank AG on the loan facility provided by that bank have been guaranteed by the Birmingham Technology Limited group.