

Aston Science Park Limited
Annual report and accounts
for the year ended 30 June 2003

Registered Number 3089755



Aston Science Park Limited

Annual report and accounts

for the year ended 30 June 2003

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Aston Science Park Limited

Directors' report for the year ended 30 June 2003

The directors present their report together with the audited financial statements of the company for the year ended 30 June 2003.

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 £483,126 (2002: £36,661) has been transferred to reserves.

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

Future developments

Following the development of Faraday Wharf last year to provide a further 50,000 sq feet of lettable property, it is pleasing to report that this building is now fully let. The Company will continue to manage its property portfolio for the foreseeable future.

Directors and their share interests

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

ALS Jackson	(Chairman)
Sir Albert Bore	
KT Byrom	
RDA Packham	
A Slater	
MT Wright	

None of the directors had any interest (beneficial or otherwise) in the share capital of the company at 30 June 2003 or at any time during the year.

Aston Science Park Limited

Directors' report for the year ended 30 June 2003 (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
27 April 2004

Aston Science Park Limited

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.

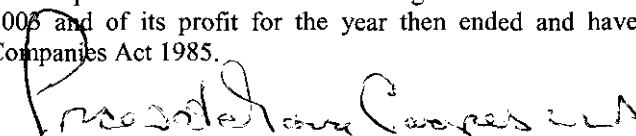
Basis of audit opinion

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 2003 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
27 April 2004

Aston Science Park Limited

Profit and loss account for the year ended 30 June 2003

	Notes	2003 £	2002 £
Turnover	1 (3)	1,923,427	1,448,149
Administrative expenses		(618,020)	(686,867)
Operating profit		1,305,407	761,282
Interest receivable	2	8,552	28,641
Interest payable	3	(616,011)	(737,930)
Profit on ordinary activities before taxation	4	697,948	51,993
Tax on profit on ordinary activities	5	(214,822)	(15,332)
Profit for the financial year	12	483,126	36,661

The notes on pages 7 to 14 form part of these accounts.

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

Company balance sheet as at 30 June 2003

	Notes	2003 £	2002 £
Fixed assets			
Investment properties	6	16,906,217	16,408,000
Current assets			
Debtors	7	2,858,889	1,850,216
Bank and cash		48,713	643,421
		2,907,602	2,493,637
Creditors: amounts falling due within one year	8	(2,685,608)	(1,763,237)
Net current assets		221,994	730,400
Total assets less current liabilities		17,128,211	17,138,400
Creditors: amounts falling due after more than one year	9	(13,266,091)	(13,759,406)
Provisions for liabilities and charges	10	-	-
		3,862,120	3,378,994
Capital and reserves			
Called up equity share capital	11	50,000	50,000
Profit and loss account	12	543,916	60,790
Revaluation reserve	12	3,268,204	3,268,204
Shareholders' funds		3,862,120	3,378,994

The notes on pages 7 to 14 form part of these accounts.

Approved by the Board and signed on its behalf on 27 April 2004

ALS Jackson
Director



Aston Science Park Limited

Movement in shareholders' funds

	2003	2002
	£	£
Profit for the financial year	483,126	36,661
Unrealised surplus on revaluation of investment properties	-	168,942
Net addition to shareholders' funds	483,126	205,603
Opening shareholders' funds	3,378,994	3,173,391
Closing shareholders' funds	3,862,120	3,378,994

Statement of total recognised gains and losses

	2003	2002
	£	£
Profit for the financial year	483,126	36,661
Unrealised surplus on revaluation of investment properties	-	168,942
Total recognised gains and losses relating to the year	483,126	205,603

Aston Science Park Limited

Notes to the financial statements for the year ended 30 June 2003

1 Principal accounting policies

(1) Basis of preparation

The accounts are prepared under the historical cost convention as modified by the revaluation of investment properties, and in accordance with applicable accounting standards. 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 given in note 1(2) below.

(2) 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 accounts 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.

(3) Turnover

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

(4) Grants

Revenue grants are credited to the profit and loss account in the period in which the corresponding costs are charged.

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.

(5) 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.

Aston Science Park Limited

Notes to the financial statements for the year ended 30 June 2003 (continued)

1 Principal accounting policies (continued)

(6) 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

	2003	2002
	£	£
On money market deposits	8,552	28,641

3 Interest payable

	2003	2002
	£	£
Bank interest	616,011	737,930

4 Profit on ordinary activities before taxation

	2003	2002
	£	£
Auditor's remuneration:		
Audit fees	6,875	6,431
Non-audit fees	5,625	5,250

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.

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Notes to the financial statements for the year ended 30 June 2003 (continued)

5 Tax on profit on ordinary activities

Analysis of charge in year:

	2003	2002
	£	£
Current tax:		
UK corporation tax on profits of the period	19,027	-
Deferred tax:		
Current year	195,795	15,598
Prior year adjustment	-	(266)
Origination and reversal of timing differences	195,795	15,332
Tax on profit for the year	214,822	15,332

Factors affecting tax charge for the year:

	2003	2002
	£	£
Profit on ordinary activities before taxation	697,948	51,993
Profit on ordinary activities at the standard UK rate of corporation tax 30% (2002:30%)	209,384	15,598
Effects of:		
Accelerated capital allowances / other timing differences	(196,357)	(15,598)
Expenses not deductible for tax purposes	6,000	-
Current tax charge for the period	19,027	-

There are no surplus non-trading debits and management expenses carried forward for relief against future profits at 30 June 2003 (2002: £654,400).

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 2003 (continued)

6 Investment properties

	2003
	£
Valuation at 30 June 2002 and 30 June 2003	16,906,217
The historical cost of investment properties, net of grants received, comprises	
Gross cost of construction as at 30 June 2002	19,871,779
Costs of construction during the year	498,217
Gross cost of construction as at 30 June 2003	20,369,996
Capital grants received and receivable as at 30 June 2002	(6,731,983)
Capital grants received and receivable during the year	
Capital grants received and receivable as at 30 June 2003	(6,731,983)
Net cost	13,638,013
Revaluation surplus	3,268,204

In accordance with the accounting policy in Note 1(2), all investment properties that are complete and available for letting have been revalued. *Phoenix Beard, Property Consultant*, performed a professional valuation on an open market, existing use basis of the completed investment properties as at 30 June 2001. The directors propose no change to the valuation as at 30 June 2003.

7 Debtors

	2003	2002
	£	£
Trade debtors	638,946	399,789
Amounts owed by associates	2,124,663	1,218,194
Other debtors	10,601	211,379
Prepayments and accrued income	84,679	20,854
	2,858,889	1,850,216

Included within other debtors is £113 (2002: £195,908) of deferred tax recoverable on tax losses brought forward (note 10.)

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Notes to the financial statements for the year ended 30 June 2003 (continued)

8 Creditors: amounts falling due within one year

	2003	2002
	£	£
Loan: Wurttembergische Hypothekenbank AG	300,000	-
Trade creditors	123,683	89,626
Amounts owed to associates	1,536,129	1,110,222
Accruals and deferred income	451,216	333,869
Other creditors	186,357	190,625
Other taxes and social security	69,196	38,895
Corporation Tax payable	19,027	-
	2,685,608	1,763,237

9 Creditors: amounts falling due after more than one year

	2003	2002
	£	£
Retention on construction loans	66,091	259,406
Wurttembergische Hypothekenbank AG	13,200,000	13,500,000
	13,266,091	13,759,406

The loan from Wurttembergische Hypothekenbank are due for repayment as follows:

Phase 7 loan of £7.5m is repayable over 6 years commencing in 2006

Phase 9 loan of £6.0m is repayable over 17 years commencing in 2004

Aston Science Park Limited

Notes to the financial statements for the year ended 30 June 2003 (continued)

The maturity of these loans is as follows:

	2003	2002
	£	£
Loans: Wurttembergische Hypothekenbank AG	13,500,000	13,500,000
Loans are due for repayment as follows:		
Within one year	300,000	-
Between one and two years	350,000	300,000
Between two and five years	1,750,000	1,550,000
In five years or more	11,100,000	11,650,000

10 Provisions for liabilities and charges

Deferred taxation

The full (asset)/provision in respect of deferred taxation, calculated on the liability method at 30% (2002: 30%), is as follows:

	2003	2002
	£	£
Accelerated capital allowances	(113)	(149)
Short term timing differences	-	-
Tax losses carried forward	-	(195,759)
Undiscounted deferred tax asset/(provision)	(113)	(195,908)
As at 30 June 2002 restated	(195,908)	(211,240)
Prior year adjustment	-	(266)
Deferred tax charge in profit and loss account for the period	195,795	15,598
As at 30 June 2003	(113)	(195,908)

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 for is £980,461 (2002: £929,779).

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Notes to the financial statements for the year ended 30 June 2003 (continued)

11 Called up equity share capital

	2003	2002
	£	£
Authorised:		
'A' ordinary shares of £1 each	23,000	23,000
'B' ordinary shares of £1 each	27,000	27,000
	50,000	50,000
Allotted, called up and fully paid:		
'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.

Aston Science Park Limited

Notes to the financial statements for the year ended 30 June 2003 (continued)

12 Reserves

Revaluation reserve	2003	2002
	£	£
At 1 July	3,268,204	3,099,262
Surplus arising during the year	-	168,942
At 30 June 2003	3,268,204	3,268,204

Profit and loss account	2003	2002
	£	£
At 30 June 2002 as previously reported	60,790	(187,111)
Prior year adjustment (FRS 19)	-	211,240
As at 30 June 2002 restated	60,790	24,129
Movement in the year	483,126	36,661
At 30 June 2003	543,916	60,790

13 Related party disclosures

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

At the year end the company had received a loan of £Nil (2002: £Nil) from the Birmingham Technology Limited group to enable it to construct Phase IX of the Science Park. During the year the company paid interest of £Nil (2002: £18,308) to the group in respect of this loan.

In addition, the group provides various accounting and administrative services to the company. The amount recharged in respect of these services for the year ended 30 June 2003 was £284,701 (2002: £212,532).

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.