

**ASTON SCIENCE PARK LIMITED**  
**(REGISTERED NUMBER 3089755)**

**DIRECTORS' REPORT AND ACCOUNTS**

**30 June 2001**



## **ASTON SCIENCE PARK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2001**

The directors present their report together with the audited financial statements of the company for the year ended 30 June 2001.

#### **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 loss for the year of £24,320 (2000 profit: £2,339) has been transferred to reserves.

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

#### **FUTURE DEVELOPMENTS**

During the year the company successfully concluded the development of Faraday Wharf, providing a further 50,000 sq feet of lettable property. It is intended that Aston Science Park Limited will continue to be the principal development vehicle for The Aston Science Park and further developments are anticipated over the next few years.

#### **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	(appointed 10 October 2000)
KT Byrom	
G Coyne	(resigned 10 October 2000)
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 2001 or at any time during the year.

## **ASTON SCIENCE PARK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2001 (CONTINUED)**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which 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 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 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.

#### **AUDITORS**

A resolution to re-appoint PricewaterhouseCoopers as auditors will be proposed at the annual general meeting. PricewaterhouseCoopers have indicated their willingness to be re-appointed.

By Order of the Board



DW HARRIS  
Secretary

**4 MAR 2002**

## **AUDITORS' REPORT TO THE MEMBERS OF ASTON SCIENCE PARK LIMITED**

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention as modified by the revaluation of investment properties and the accounting policies set out on page 7.

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

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established by statute in the United Kingdom, the Auditing Practices Board and our profession's ethical guidance.

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. 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.

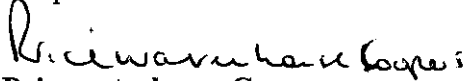
### **Basis of opinion**

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 mis-statement, 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 as at 30 June 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**PricewaterhouseCoopers**  
**Chartered Accountants**  
**and Registered Auditors**

**4 MAR 2002**

# ASTON SCIENCE PARK LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2001

	Notes	2001 £	2000 (As restated) £
<b>TURNOVER</b>			
Rental income	1(3)	745,604	471,879
Administrative expenses		(229,370)	(208,194)
<b>OPERATING PROFIT</b>		516,234	263,685
Interest receivable	2	28,117	304
Interest payable	3	(568,671)	(261,650)
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	(24,320)	2,339
Tax on profit on ordinary activities	5	-	-
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	12	(24,320)	2,339

The notes on pages 7 to 11 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.

The comparative figures for the year ended 30 June 2000 have been restated to identify separately interest payable, which previously had been included within administrative expenses.

# ASTON SCIENCE PARK LIMITED

## BALANCE SHEET AS AT 30 JUNE 2001

	Notes	<u>2001</u> £	<u>2000</u> £
<b>FIXED ASSETS</b>			
Investment properties	6	16,408,000	13,234,898
<b>CURRENT ASSETS</b>			
Debtors	7	843,774	1,345,840
Cash at bank		<u>991,132</u>	<u>482,558</u>
		1,834,906	1,828,398
<b>CREDITORS (amounts falling due within one year)</b>	8	<u>(1,448,551)</u>	<u>(3,534,871)</u>
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>		<u>386,355</u>	<u>(1,706,473)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		16,794,355	11,528,425
<b>CREDITORS (amounts falling due after more than one year)</b>	9	(13,832,204)	(8,249,246)
Provisions for liabilities and charges	10	<u>-</u>	<u>(3,391,970)</u>
		<u>2,962,151</u>	<u>(112,791)</u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	11	50,000	50,000
Profit and loss account	12	(187,111)	(162,791)
Revaluation reserve	12	<u>3,099,262</u>	<u>-</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>2,962,151</u>	<u>(112,791)</u>

The notes on pages 7 to 11 form part of these accounts.

Approved by the Board and signed on its behalf on **4 MAR 2002**

ALS Jackson

DIRECTOR

# ASTON SCIENCE PARK LIMITED

## MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>2001</u> £	<u>2000</u> £
(Loss)/profit for the financial year	(24,320)	2,339
Revaluation of investment properties	<u>3,099,262</u>	<u>-</u>
<b>NET ADDITION TO SHAREHOLDERS' FUNDS</b>	3,074,942	2,339
<b>OPENING SHAREHOLDERS' FUNDS</b>	<u>(112,791)</u>	<u>(115,130)</u>
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<u>2,962,151</u>	<u>(112,791)</u>

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	<u>Notes</u>	<u>2001</u> £	<u>2000</u> £
(Loss)/profit for the financial year		(24,320)	2,339
Unrealised surplus on revaluation of properties	6	<u>3,099,262</u>	<u>-</u>
<b>TOTAL RECOGNISED GAINS &amp; LOSSES RELATING TO THE YEAR</b>		<u>3,074,942</u>	<u>2,339</u>

# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 2001

### 1 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) Rental income

Rental income includes rent received and receivable in the year.

#### (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 relating to capital allowances and other timing differences are only provided for where there is a reasonable probability that taxation will become payable in the foreseeable future.

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



# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 2001 (CONTINUED)

### 2 INTEREST RECEIVABLE

	<u>2001</u>	<u>2000</u>
	£	£
On money market deposits	28,117	304
	<u>          </u>	<u>          </u>

### 3 INTEREST PAYABLE

	<u>2001</u>	<u>2000</u>
	£	£
Bank interest	564,075	229,527
Interest payable to associates	<u>4,596</u>	<u>32,123</u>
	568,671	261,650
	<u>          </u>	<u>          </u>

### 4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	<u>2001</u>	<u>2000</u>
	£	£
Auditor's remuneration:		
Audit fees	4,800	3,000
Non-audit fees	<u>972</u>	<u>-</u>
	<u>          </u>	<u>          </u>

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

### 5 TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no tax charge on the loss for the year (2000 - £Nil.)

There is no provision for deferred tax (note 10.)

There are surplus non-trading debits and management expenses carried forward for relief against future profits amounting to £686,977 at 30 June 2001 (2000 - £678,874).

# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 2001 (CONTINUED)

### 6 INVESTMENT PROPERTIES

	<u>2001</u> £
Cost at 30 June 2000	13,234,898
Construction and other capital costs	6,447,501
Capital grants	(6,373,661)
Revaluation (net of capital grants and contributions received and receivable)	3,099,262
	<hr/>
Valuation at 30 June 2001	16,408,000
	<hr/>
The historical cost of investment properties, net of grants received, comprises	
Gross cost of construction	19,682,399
Capital grants received and receivable	(6,373,661)
Net cost	13,308,738
Revaluation surplus	3,099,262
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In accordance with the accounting policy in Note 1(2), all investment properties which are complete and available for letting have been revalued.

A professional valuation on an open market, existing use basis of the completed investment properties comprising Phases I to VI was performed as at 30 June 2001 by Phoenix Beard, Property Consultants.

### 7 DEBTORS

	<u>2001</u> £	<u>2000</u> £
Trade	292,720	117,323
Amounts owed by associates	475,108	738,894
Other debtors	36,729	447,277
Prepayments and accrued income	39,217	42,346
	<hr/>	<hr/>
	843,774	1,345,840
	<hr/>	<hr/>

# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 2001 (CONTINUED)

### 8 CREDITORS (amounts falling due within one year)

	<u>2001</u>	<u>2000</u>
	£	£
Trade creditors	28,888	1,536,736
Amounts owed to associates	939,877	1,714,258
Accruals and deferred income	<u>479,786</u>	<u>283,877</u>
	<u>1,448,551</u>	<u>3,534,871</u>

### 9 CREDITORS (amounts falling due after more than one year)

	<u>2001</u>	<u>2000</u>
	£	£
Retention on construction loans	332,204	249,246
Württembergische Hypothekenbank AG	<u>13,500,000</u>	<u>8,000,000</u>
	<u>13,832,204</u>	<u>8,249,246</u>

The loan from Württembergische Hypothekenbank is due for repayment over six years commencing in 2006.

### 10 PROVISIONS FOR LIABILITIES AND CHARGES

#### Capital Grants

	£
At 1 July 2000	3,391,970
Grants received during the year	2,981,691
Transferred to revaluation surplus (note 6)	<u>(6,373,661)</u>
At 30 June 2001	<u>-</u>

#### Deferred taxation

No provision has been made for deferred taxation.

The full potential deferred tax liability/(asset), calculated on the liability method at 30% (2000 – 30%), is as follows:

	<u>2001</u>	<u>2000</u>
	£	£
Accelerated capital allowances	(5,147)	-
Losses	(206,093)	(204,000)
Revaluation surplus	<u>939,300</u>	<u>-</u>
	<u>728,060</u>	<u>(204,000)</u>

# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 2001 (CONTINUED)

### 11 CALLED UP EQUITY SHARE CAPITAL

	<u>2001</u>	<u>2000</u>
	£	£
Authorised:		
'A' Ordinary shares of £1 each	23,000	23,000
'B' Ordinary shares of £1 each	<u>27,000</u>	<u>27,000</u>
	50,000	50,000
	<u>          </u>	<u>          </u>
Allotted and fully paid:		
'A' Ordinary shares of £1 each	23,000	23,000
'B' Ordinary shares of £1 each	<u>27,000</u>	<u>27,000</u>
	50,000	50,000
	<u>          </u>	<u>          </u>

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.

### 12 RESERVES

	<u>Revaluation</u>	<u>Profit</u>
	reserve	and loss
	£	account
At 30 June 2000	-	(162,791)
Loss for the year	-	(24,320)
Revaluation	<u>3,099,262</u>	-
At 30 June 2001	<u>3,099,262</u>	<u>(187,111)</u>

### 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 £500,000 (2000: £1,483,447) from the group to enable it to construct Phase IX of the Science Park. During the year the company paid interest of £4,596 (2000: £32,123) 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 2001 was £114,743 (2000: £Nil).

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