

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

**DIRECTORS' REPORT AND ACCOUNTS**

**30 June 1997**



# **ASTON SCIENCE PARK LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1997**

The directors present their report together with the audited financial statements of the company for the year ended 30 June 1997.

### **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 £668 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:

ALS Jackson	(Chairman)	(appointed 11 October 1996)
MJ Brooks		(appointed 11 October 1996)
RDA Packham		(appointed 11 October 1996)
DW Harris		(resigned 11 October 1996)
RM Green		(resigned 11 October 1996)
A Slater		(appointed 11 October 1996)
MT Wright		(appointed 11 October 1996)
T Regan		(appointed 11 October 1996)

None of the directors had any interest (beneficial or otherwise) in the share capital of the company at 30 June 1997 or at any time during the year.

### **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.

## **ASTON SCIENCE PARK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1997 (CONTINUED)**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)**

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**

The auditors, Price Waterhouse, have indicated their willingness to be re-appointed. A resolution for their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board

A handwritten signature in black ink, appearing to read 'DW Harris', is written over a horizontal line.

DW HARRIS  
Secretary

30 September 1997

*Price Waterhouse*



## **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 and the accounting policies set out on pages 7 and 8.

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

As described on pages 1 and 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### **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 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

**PRICE WATERHOUSE  
Chartered Accountants  
and Registered Auditors**

30 September 1997

# ASTON SCIENCE PARK LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
<b>TURNOVER</b>			
Rental income	1(3)	-	-
Administrative expenses		(5,316)	-
<b>OPERATING PROFIT</b>		(5,316)	-
Interest receivable	2	<u>4,648</u>	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	(668)	-
Tax on profit on ordinary activities	4	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>	11	(668)	-
		<u><u>          </u></u>	<u><u>          </u></u>

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

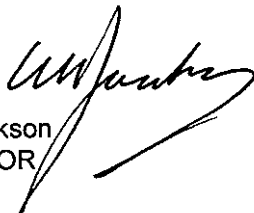
The loss for the period includes all recognised gains and losses in the period. There is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

# ASTON SCIENCE PARK LIMITED

## BALANCE SHEET - 30 JUNE 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
<b>FIXED ASSETS</b>			
Asset in the course of construction	5	4,350,401	-
		<u>          </u>	<u>          </u>
<b>CURRENT ASSETS</b>			
Debtors	6	401,450	2
Cash at bank		<u>14,122</u>	<u>-</u>
		415,572	-
<b>CREDITORS (amounts falling due within one year)</b>	7	<u>(915,718)</u>	<u>-</u>
<b>NET CURRENT LIABILITIES</b>		(500,146)	-
		<u>          </u>	<u>          </u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,850,255	-
<b>CREDITORS (amounts falling due after more than one year)</b>			
	8	(2,108,319)	-
Provisions for liabilities and charges	9	<u>(1,692,604)</u>	<u>-</u>
		49,332	2
		<u>          </u>	<u>          </u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	10	50,000	2
Profit and loss account	11	<u>(668)</u>	<u>-</u>
<b>SHAREHOLDERS' FUNDS</b>		49,332	2
		<u>          </u>	<u>          </u>

Approved by the Board and signed on its behalf on 30 September 1997

  
 ALS Jackson  
 DIRECTOR

## ASTON SCIENCE PARK LIMITED

### MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1997</u>	<u>1996</u>
Loss for the financial year	(668)	-
Issue of share capital	<u>49,998</u>	<u>2</u>
<b>NET ADDITION TO SHAREHOLDERS' FUNDS</b>	49,330	2
<b>OPENING SHAREHOLDERS' FUNDS</b>	<u>2</u>	<u>-</u>
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<u>£49,332</u>	<u>2</u>

# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 1997

### 1 ACCOUNTING POLICIES

#### (1) Basis of preparation

The accounts are prepared under the historical cost convention, 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 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. Previously, SSAP 19 required the amount by which the aggregate deficit exceeded the amount in the investment revaluation reserve to be charged to the profit and loss account, irrespective of whether the deficit to be temporary or permanent.

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.



# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 1997 (CONTINUED)

### 1 ACCOUNTING POLICIES (CONTINUED)

#### (5) 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.

### 2 INTEREST RECEIVABLE

	<u>1997</u>	<u>1996</u>
On money market deposits	£4,648	£-
	<u>          </u>	<u>          </u>

### 3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	<u>1997</u>
	£
Auditor's remuneration:	
Audit fees	5,000
Non-audit fees	-
	<u>          </u>

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

# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 1997 (CONTINUED)

### 4 TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no tax charge on the profit for the year (1996 - £Nil).

There is no deferred tax charge during the year and no unprovided liability.

There are surplus non-trading debits carried forward for relief against future profits amounting to £259,000 at 30 June 1997 (1996 - £Nil).

### 5 INVESTMENT PROPERTIES

	<u>1997</u>
<u>Cost or valuation</u>	
At 30 June 1996	-
Construction	<u>4,350,401</u>
Cost at 30 June 1997	<u>£4,350,401</u>

### 6 DEBTORS

	<u>1997</u>	<u>1996</u>
Other debtors	101,219	2
Prepayments and accrued income	<u>300,231</u>	-
	<u>£401,450</u>	<u>£2</u>

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

	<u>1997</u>	<u>1996</u>
Trade creditors	9,071	-
Other creditors	365,378	-
Accruals and deferred income	<u>541,269</u>	-
	<u>£915,718</u>	<u>£-</u>

# ASTON SCIENCE PARK LIMITED

## NOTES TO THE ACCOUNTS - 30 JUNE 1997 (CONTINUED)

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

	<u>1997</u>	<u>1996</u>
Retention on construction loans	108,319	-
Württembergische Hypothekenbank AG	<u>2,000,000</u>	<u>-</u>
	<u>£2,108,319</u>	<u>£-</u>

The loan from Württembergische Hypothekenbank is part of a total facility of £7.5 million. Further drawdowns will be made against this loan as construction of Phase 7 of Aston Science Park continues. The total facility is due for repayment over 6 years commencing in 2006.

### 9 PROVISIONS FOR LIABILITIES AND CHARGES

	<u>Capital Grants</u>
At 1 July 1996	-
Grants received during the year	<u>1,692,604</u>
At 30 June 1997	<u>£1,692,604</u>

### 10 CALLED UP EQUITY SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
Authorised:		
'A' Ordinary shares of £1 each	23,000	-
'B' Ordinary shares of £1 each	<u>27,000</u>	<u>100</u>
	<u>£50,000</u>	<u>£100</u>
Allotted and fully paid:		
'A' Ordinary shares of £1 each	23,000	-
'B' Ordinary shares of £1 each	<u>27,000</u>	<u>2</u>
	<u>£50,000</u>	<u>£2</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.

## ASTON SCIENCE PARK LIMITED

### NOTES TO THE ACCOUNTS - 30 JUNE 1997 (CONTINUED)

#### 11 RESERVES

	Profit and loss <u>account</u>
At 30 June 1996	-
Profit for the year	<u>(668)</u>
At 30 June 1997	<u>(£668)</u>

#### 12 RELATED PARTY DISCLOSURES

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

During the year the company received a loan of £365,379 (1996 : £Nil) from the group to enable it to construct Phase VII of the Science Park.

On completion of Phase VII property rentals will be payable to the group under a long term leasing arrangement. The rentals will be calculated on an arms length basis and at normal market rates.

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 1997 was £28,125 (1996 : £Nil).

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