

Company registered number: 3205246

**UNIVERSITY OF WARWICK SCIENCE
PARK INNOVATION CENTRE
LIMITED**

**Annual report and financial statements
for the year ended 30 September 2010**

WEDNESDAY



AZKP5VEW

A07

29/06/2011

301

COMPANIES HOUSE

University of Warwick Science Park Innovation Centre Limited

Annual report and financial statements for the year ended 30 September 2010

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Profit and loss account	7
Statement of total recognised gains and losses	8
Balance sheet	9
Statement of accounting policies	10
Notes to the financial statements	12

University of Warwick Science Park Innovation Centre Limited

Officers and professional advisers for the year ended 30 September 2010

Directors

Councillor J Lea
Dr I D Nussey
Professor S B Palmer
Mr N J Sanders
Professor N J Thrift
Mr P Daffern

Secretary

Mr D C Grindrod

Registered Office

The Venture Centre
Sir Williams Lyons Road
Coventry
CV4 7EZ

Bankers

Barclays Bank plc
University of Warwick Branch
University of Warwick
Coventry
CV4 7AL

Solicitors

Martineau
No 1 Colmore Square
Birmingham
B4 6AA

Wright Hassall LLP
Olympus Avenue
Leamington Spa
Warwickshire
CV34 6BF

Auditors

KPMG LLP
Chartered Accountants
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

University of Warwick Science Park Innovation Centre Limited

Directors' report

for the year ended 30 September 2010

The directors present their annual report and the audited financial statements for the year ended 30 September 2010

This Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

Principal Activities

The University of Warwick Science Park Innovation Centre owns and lets its building on the Warwick Technology Park to SMEs engaged in high technology and other innovation led businesses. The University of Warwick Science Park Limited manages the building on behalf of the company and acts as a focus of technology and information exchange between tenants and the University, whilst giving tenants additional access to the various business development projects and initiatives carried out on the University of Warwick Science Park main site.

Business review

During the financial year the occupancy level of the building has averaged 90% (2009 88%). The increase in occupancy was occasioned by existing tenants upsizing and the addition during the year of two new tenants. Overall interest in units within the building from potential new tenants remains good. The profit for the year before taxation amounted to £100,294 (2009 £224,768) and the loss after taxation amounted to £9,070 (2009 £36 profit). One major factor contributed to this loss being payments transacted in 2010 for an arising ground rent due to Warwickshire County Council in respect of financial years 2009 and 2010 (Being £75,533 relating to 2009 and £62,932 relating to 2010).

Going concern

Income and future cash flows will continue to be derived from the company's principal activities. The directors believe that the company is well placed to manage its business risks despite the current economic outlook. The directors have also considered the working capital requirements for a period of 12 months from the date of this report and have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Financial risk management objectives and policies

The directors have reviewed the financial risk management objectives and policies of the company. The company does not as a regular policy enter into hedging instruments or derivatives, as there is not believed to be any material exposure. It also does not enter into any speculative financial instruments. Appropriate trade terms are negotiated with suppliers and customers and management reviews these terms and the relationships with suppliers and customers and manages any exposure on normal trade terms.

Dividends

A final dividend is payable in accordance with the Shareholders' Agreement subject to a requirement for working capital provision. The total interim dividend is £64,000 (2009 £80,000) and the total final dividend is £11,617 (2009 £80,874).

University of Warwick Science Park Innovation Centre Limited

Directors' report for the year ended 30 September 2010

Directors

The directors, who served throughout the year and up to the date of signing these accounts, were as follows

Name	Representing
Councillor M J Jones	Warwickshire County Council
Councillor J Lea	Warwickshire County Council
Dr I D Nussey	Independent
Professor S B Palmer	University of Warwick Science Park Limited
Mr N J Sanders	University of Warwick Science Park Limited
Professor N J Thrift	University of Warwick Science Park Limited
Mr P Daffern	West Midlands Enterprise Limited

Councillor J Lea was appointed 1 April 2010 Councillor M J Jones resigned 1 April 2010

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year

Auditors

Each of the persons 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
- the director has taken all the steps that he ought to have taken as a director in order to make himself 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 s418 of the Companies Act 2006

KPMG LLP have indicated their willingness to be appointed for another term and a resolution to reappoint them will be proposed at the forthcoming Board of Directors Meeting

Approved by the Board of Directors and signed on its behalf by

D C Grindrod
Secretary
Date 22 June 2011

Registered office
The Venture Centre
Sir William Lyons Road
Coventry CV4 7EZ



University of Warwick Science Park Innovation Centre Limited

Statement of Directors' responsibilities in respect of the Directors' report and the Financial Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent, -
- state whether applicable UK 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

Independent auditors' report to the Members of University of Warwick Science Park Innovation Centre Limited

We have audited the financial statements of University of Warwick Science Park Innovation Centre Limited for the year ended 30 September 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the statement of accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

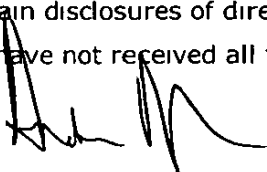
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

**Independent auditors' report to the Members of University of Warwick
Science Park Innovation Centre Limited - continued**

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Andrew Argyle (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

One Snowhill, Snow Hill Queensway, Birmingham, B4 6GH, UK

22 June 2011

University of Warwick Science Park Innovation Centre Limited

Profit and loss account for the year ended 30 September 2010

	Note	2010 £	2009 £
TURNOVER	1	424,215	478,607
OPERATING PROFIT	1	98,162	222,499
Interest receivable and similar income		2,132	2,269
Interest payable and similar charges	5	(75,617)	(160,874)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	24,677	63,894
Tax charge on profit on ordinary activities	6	(33,747)	(63,858)
PROFIT (LOSS) FOR THE FINANCIAL YEAR	14	(9,070)	36

All activities derive from continuing operations.

There is no material difference between the results as disclosed in the profit and loss account and the result on an unmodified historical cost basis. Accordingly, a note of the historical cost profits & losses for the year is not given.

University of Warwick Science Park Innovation Centre Limited

Statement of total recognised gains and losses for the year ended 30 September 2010

	Note	2010 £	2009 £
Profit for the financial period		(9,070)	36
Unrealised deficit on revaluation of land and buildings	15	<u>(61,000)</u>	<u>(247,000)</u>
Total recognised gains / (losses) relating to the financial year		<u>(70,070)</u>	<u>(246,964)</u>

University of Warwick Science Park Innovation Centre Limited

Balance sheet at 30 September 2010

	Note	2010 £	2010 £	2009 £	2009 £
FIXED ASSETS					
Tangible assets	7		2,399,494		2,464,993
CURRENT ASSETS					
Debtors	8	62,163		24,037	
Cash at bank and in hand		287,116		222,422	
		<u>349,279</u>		<u>246,459</u>	
CREDITORS: amounts falling due within one year	9	<u>(250,121)</u>		<u>(142,730)</u>	
NET CURRENT ASSETS			<u>99,158</u>		<u>103,729</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,498,652		2,568,722
CREDITORS: amounts falling due after more than one year	10		<u>(2,003,001)</u>		<u>(2,003,001)</u>
NET ASSETS			<u>495,651</u>		<u>565,721</u>
CAPITAL AND RESERVES					
Profit and loss account	14		779,271		788,341
Revaluation reserve	14		<u>(283,620)</u>		<u>(222,620)</u>
TOTAL FUNDS	15		<u>495,651</u>		<u>565,721</u>

The financial statements of University of Warwick Science Park Innovation Centre Limited, registered number 3205246, were approved by the board of directors and authorised for issue on 22 June 2011



Professor S B Palmer
Director

Date 22 June 2011

University of Warwick Science Park Innovation Centre Limited

Statement of accounting policies for the year ended 30 September 2010

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

The financial statements have been prepared under the historic cost convention and in accordance with applicable United Kingdom accounting standards.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting policies and under the historical cost convention.

Income and future cash flows will continue to be derived from the company's principal activities. The directors believe that the company is well placed to manage its business risks despite the current uncertain economic outlook. The directors have also considered the working capital requirements for a period of 12 months from the date of this report and have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Investment properties

In accordance with Statement of Accounting Practice No 19 certain of the company's properties are held for long-term investment and as such are included in the balance sheet at their open market values. The surpluses or deficits on revaluation of such properties are transferred to the investment property revaluation. Depreciation is not provided in respect of investment properties.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements give a true and fair view, because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Tangible Fixed assets

Tangible fixed assets, other than investment properties and freehold land, are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is provided on all such tangible fixed assets, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

Fixtures and fittings	5 years
Office and computer equipment	3 years

University of Warwick Science Park Innovation Centre Limited

Statement of accounting policies for the year ended 30 September 2010

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on the sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Turnover

Turnover represents amounts receivable for rents, management charges and service charges receivable net of trade discounts, VAT and other sales-related taxes. Revenue is recognised in line with the terms of lease agreement for rent, management charges and service charges. All other income is recognised as and when the service is performed.

Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

Cash flow statement

The company is not presenting a cash flow statement. It is taking advantage of the exemption contained in FRS 1 (Revised) Cash Flow Statements as it is a small entity.

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements for the year ended 30 September 2010

1. TURNOVER

	2010 £	2009 £
Turnover	424,215	478,607
Cost of sales	(265,799)	(202,536)
Management and administration expenses	(60,254)	(53,572)
Operating profit	<u>98,162</u>	<u>222,499</u>

Turnover consists entirely of sales made in the United Kingdom and includes revenue of £330,401 (2009 £364,147) from rental operating leases

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets	<u>4,499</u>	<u>5,996</u>

The analysis of the auditor's remuneration is as follows:

	2010 £	2009 £
Fees payable to the company's auditors for the audit of the company's annual accounts	4,250	5,025
Fees payable to the company's auditors and their associates for taxation services to the company	<u>3,000</u>	<u>1,000</u>

3. DIRECTORS' EMOLUMENTS

The directors did not receive any emoluments for their services to the company during the year. Management and Administration was carried out by the University of Warwick Science Park Limited and has an agreement with the company to manage its building, management and administration.

4. EMPLOYEE INFORMATION

The company has no employees in either year.

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements - continued for the year ended 30 September 2010

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £	2009 £
Bank loans and overdrafts	-	-
Ordinary A and B shares – interim dividend of 14 6p per share (2009 – 18 3p)	64,000	80,000
Ordinary A and B shares – dividend of 2.7p per share (2009 – 18 49p)	11,617	80,874
Total interest payable and similar charges	<u>75,617</u>	<u>160,874</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2010 £	2009 £
Current year		
UK corporation tax on profit for the year 28% (2009 28%)	30,405	63,895
Adjustment in respect of previous years	4,492	-
Total current tax	<u>34,897</u>	<u>63,895</u>
Deferred tax		
Origination of timing differences	287	(37)
Adjustment in respect of prior years	(1,437)	-
	<u>(1,150)</u>	<u>(37)</u>
Tax on profit on ordinary activities	<u>33,747</u>	<u>63,858</u>

Factors affecting tax charge for the year

	2010 £	2009 £
Profit on ordinary activities before tax	<u>24,677</u>	<u>224,768</u>
Profit on ordinary activities multiplied by the rate of corporation tax 28% (2009 28%)	6,910	62,935
Effects of:-		
Expenses not deductible for tax purposes	23,116	-
Depreciation on ineligibles less IBAs	666	-
Capital allowances for period in excess of depreciation	(287)	960
Adjustment to tax charge in respect of previous year	4,492	-
Current tax charge	<u>34,897</u>	<u>63,895</u>

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements - continued for the year ended 30 September 2010

7. TANGIBLE FIXED ASSETS

Valuations

A professional valuation of the land and buildings was made by Savills Commercial Limited at 30 September 2010. This valuation has been included in the accounts with the resultant deficit arising of £61,000 being transferred to the revaluation reserve. The basis of the valuation used was market value.

The historical cost of land and buildings included at valuation is £2,675,220 (2009 £2,675,620).

	Investment properties	Investment properties	Non- investment fixed assets	
	Long leasehold land	Long leasehold buildings £	Fixtures & Fittings £	Total £
Cost or valuation				
At 1 October 2009	436,847	2,016,153	29,981	2,482,981
Deficit on revaluation	(10,864)	(50,136)	-	(61,000)
At 30 September 2010	425,983	1,966,017	29,981	2,421,981
Accumulated depreciation				
At 1 October 2009	-	-	17,988	17,988
Charge for the year	-	-	4,499	4,499
At 30 September 2010	-	-	22,487	22,487
Net book value				
At 30 September 2010	425,983	1,966,017	7,494	2,399,494
At 30 September 2009	436,847	2,016,153	11,993	2,464,993

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements - continued for the year ended 30 September 2010

8. DEBTORS

	2010 £	2009 £
Amounts owed by University of Warwick Science Park Limited	16,761	22,745
Deferred tax asset (see note 12)	2,442	1,292
Social security and other taxes	17,687	-
Corporation tax	2,899	-
Other trade debtors	8,778	-
Return of 2009 Dividend from University of Warwick Science Park Limited	13,596	-
	<u>62,163</u>	<u>24,037</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Corporation tax	-	28,014
Social security and other taxes	-	3,569
Dividend payable	25,212	80,874
Amounts owed to University of Warwick Science Park Limited	62,201	30,242
Amounts owed to Warwickshire County Council	162,698	-
Other creditors	10	31
	<u>250,121</u>	<u>142,730</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010 £	2009 £
Government and other grants	63,000	63,000
Ordinary shares	437,501	437,501
Preference shares	1,502,500	1,502,500
	<u>2,003,001</u>	<u>2,003,001</u>

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements - continued for the year ended 30 September 2010

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

	2010 £	2009 £
Ordinary shares	437,501	437,501

The ordinary shares entitle holders to a dividend (note 13).

	2010 £	2009 £
Preference shares	1,502,500	1,502,500

The Preference Shares entitle holders to a fixed non-cumulative preferential dividend at the rate of 1.5% per annum commencing 1 October 2010

11. GOVERNMENT AND OTHER GRANTS

	2010 £	2009 £
At 1 October and 30 September	63,000	63,000

12. DEFERRED TAX ASSETS

	2010 £	2009 £
Accelerated capital allowances	(2,442)	(1,292)
Provision at 1 October	(1,292)	(1,255)
Deferred tax charge/(credit) in the profit and loss account	(1,150)	(37)
Provision at 30 September	(2,442)	(1,292)

The directors are of the opinion that it is appropriate to recognise a deferred tax asset on the basis that it is more likely than not that the asset will be recovered against future taxable profits, based on recent and forecast trading

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements - continued **for the year ended 30 September 2010**

Deferred taxation not provided for in the financial statements:	2010 £	2009 £
Unrealised capital gains	-	-

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements for the year ended 30 September 2010

12. DEFERRED TAX (CONTINUED)

No provision has been made in the deferred taxation account for the estimated corporation tax that would be payable on disposal at this valuation because, in the opinion of the directors, these assets are unlikely to be disposed of in the foreseeable future

13. SHARE CAPITAL

	2010 £	2009 £
Authorised		
87,500 A Ordinary £1 shares	87,500	87,500
350,001 B Ordinary £1 shares	350,001	350,001
952,000 A Preference £1 shares	952,500	952,500
550,000 B Preference £1 shares	550,000	550,000
	<u>1,940,001</u>	<u>1,940,001</u>
Issued called up and fully paid		
Warwickshire County Council		
87,500 A Ordinary £1 shares	87,500	87,500
University of Warwick Science Park Limited		
350,001 B Ordinary £1 shares	<u>350,001</u>	<u>350,001</u>
	437,501	437,501
Warwickshire County Council		
952,000 A Preference £1 shares	952,500	952,500
550,000 B Preference £1 shares	<u>550,000</u>	<u>550,000</u>
	<u>1,940,001</u>	<u>1,940,001</u>

All the issued shares are presented as a liability and accordingly are excluded from called up share capital on the balance sheet.

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements - continued for the year ended 30 September 2010

13. SHARE CAPITAL (CONTINUED)

Rights of A Ordinary Shares and B Ordinary Shares

- i All classes of ordinary shares will rank pari passu in all respects except the distribution of profits
- ii Any dividend available shall be divided as follows

Class of Shares	In respect of any financial year during which the loan and the working capital facility remains outstanding or part thereof	In respect of any financial year during which the loan and the working capital Facility are finally repaid in full
A Ordinary Shares	$X \times NP$	$(75\% \times (NP+R)) - (P+R)$
B Ordinary Shares	$Y \times NP$	$25\% \times (NP + R)$

Where,

$X = (1,590,000) + (L \times 0.74) / 2,630,001 \times 100\%$ or 75% whichever is the smallest figure

$Y = (100-X)\%$

$NP =$ Amount equal to the Net Profits for the relevant Financial Year

$R =$ The rent due during the relevant Financial Year

$L =$ Aggregate amount of the Loan repaid from time to time as quantified at the end of the relevant Financial Year

Rights of A preference shares and B preference shares

A preference shares

- i entitles holders, in priority to the holders of ordinary shares, to a fixed non-cumulative preferential dividend at the rate of 1.5% per annum commencing 1 October 2010,
- ii on a return of capital on a winding up, or otherwise, will carry the right to repayment of capital of £1 per share ranking after the B preference shares,
- iii carry no entitlement to notice of general meetings or rights to vote or participate in further profits

B preference shares

- i entitles holders, in priority to the holders of ordinary shares, to a fixed non-cumulative preferential dividend at the rate of 1.5% per annum commencing 1 October 2010,
on a return of capital on a winding up, or otherwise, will carry the right to repayment of capital of £1 per share in priority to all other classes of shares,
carry no entitlement to notice of general meetings or rights to vote or participate in further profits

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements - continued for the year ended 30 September 2010

14. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 October 2009	(222,620)	788,341
Retained profit (Loss) for the year	-	(9,070)
Deficit on revaluation	(61,000)	-
At 30 September 2010	<u>(283,620)</u>	<u>779,271</u>

15. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2010 £	2009 £
Profit for the financial year	(9,070)	36
Revaluation (deficit)	<u>(61,000)</u>	<u>(247,000)</u>
Net reduction in shareholders' funds	(70,070)	(246,964)
Opening shareholders' funds	<u>565,721</u>	<u>812,685</u>
Shareholders' funds at 30 September	<u>495,651</u>	<u>565,721</u>

16. CAPITAL COMMITMENTS

There were no capital commitments at 30 September 2010 or 30 September 2009

17. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 September 2010 or 30 September 2009

University of Warwick Science Park Innovation Centre Limited

Notes to the financial statements - continued for the year ended 30 September 2010

18. RELATED PARTY TRANSACTIONS

The University of Warwick Science Park Limited has a management agreement with the company whereby it manages the company's property. During the year, management charges totalling £53,003 (2009: £52,900) were paid.

The amount owed by University of Warwick Science Park Limited as at 30 September 2010 amounted to £16,761 (2009: £22,745). The amount owed to the University of Warwick Science Park Limited as at 30 September 2010 amounted to £62,202 (2009: £30,242).

The Shareholders Agreement requires the Company to pay Warwickshire County Council 20% as an arising ground rent. During this financial year it totalled £62,932. Last financial year has additionally been included as a charge to this year's profit and loss and that figure totalled £75,533 (total £138,465).

The amount owed to Warwickshire County Council by the Company as at 30 September 2010 amounted to £121,910 (2009: £0).