

Birmingham Research & Development  
Limited

Abbreviated financial statements  
for the year ended 31 July 1996

Registered no: 2108517



# **Birmingham Research & Development Limited**

## **Abbreviated financial statements for the year ended 31 July 1996**

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## **Report of the auditors to the directors of Birmingham Research & Development Limited per Paragraph 24 of Schedule 8 to the Companies Act 1985**

We have examined the abbreviated financial statements on pages 3 to 7 together with the annual financial statements of Birmingham Research & Development Limited for the year ended 31 July 1996. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 3, and that the abbreviated balance sheet has been properly prepared in accordance with Schedule 8 from the annual financial statements.

In our opinion, the company is entitled to the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 and the abbreviated financial statements have been properly prepared in accordance with that Schedule.

We reported as auditors of Birmingham Research & Development Limited to the members on ~~16 October 1996~~ on the company's annual financial statements prepared under Schedule 226 of the Companies Act 1985, and our audit report was as follows:

"We have audited the financial statements on pages 7 to 16.

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

As described on page 3 the company's directors are responsible for the preparation of the 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 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 31 July 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

*Coopers & Lybrand*

**Coopers & Lybrand**

Chartered Accountants and Registered Auditors  
Birmingham

*16 October 1996*

## Abbreviated balance sheet at 31 July 1996

	Notes	1996 £	1995 £
<b>Fixed assets</b>			
Tangible assets	2	41,401	27,316
Investments	3	203,876	203,876
		<u>245,277</u>	<u>231,192</u>
<b>Current assets</b>			
Stocks		7,717	10,565
Debtors: amounts falling due within one year		292,139	308,651
Cash at bank and in hand		231,838	219,473
		<u>531,694</u>	<u>538,689</u>
<b>Creditors: amounts falling due within one year</b>		<u>476,799</u>	<u>461,810</u>
<b>Net current assets</b>		<u>54,895</u>	<u>76,879</u>
<b>Total assets less current liabilities</b>		<u>300,172</u>	<u>308,071</u>
<b>Capital and reserves</b>			
Called up share capital	4	299,048	299,048
Profit and loss account		1,124	9,023
<b>Equity shareholders' funds</b>		<u>300,172</u>	<u>308,071</u>

Advantage has been taken of the exemptions for small-sized companies conferred by Section A of Part III of Schedule 8 to the Companies Act 1985, on the grounds that, in the directors' opinion, as it meets the conditions, the company is entitled to the exemptions as a small-sized company.

Approved by the board on 10 October 1996.

  
K J Foster  
Director

**Notes to the abbreviated balance sheet  
for the year ended 31 July 1996****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

**Tangible fixed assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Motor vehicles	25
Fixtures and fittings	20 - 33

**Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined by invoiced value and includes transport and handling costs. Where necessary, provision is made for obsolete, slow moving and defective stocks.

**Deferred taxation**

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

## Pension scheme arrangements

The company operates a defined contribution pension scheme and makes contributions to individual personal schemes. The assets of the schemes are held separately from the company in independently administered funds. The amount of any contributions payable to a pension scheme in respect of the accounting period is charged to the profit and loss account. Any outstanding or prepaid contributions at the balance sheet date are shown as liabilities or assets.

## Cash flow statement

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement.

## Deed of Covenant

The company has entered into a four year Deed of Covenant with The University of Birmingham under which an annual sum, equal to the taxable profits of the company for the year, is paid to the University. Under the deed, an estimated sum is paid prior to the year end and when the taxable profits are agreed the amount of the sum which exceeds taxable profits is refunded to the company. Such refunds are reflected in the financial statements of the following year.

## 2 Tangible fixed assets

	Total £
<b>Cost</b>	
At 1 August 1995	56,447
Additions	30,272
Disposals	(13,644)
	<hr/>
At 31 July 1996	73,075
	<hr/>
<b>Depreciation</b>	
At 1 August 1995	29,131
Charge for year	13,060
Disposals	(10,517)
	<hr/>
At 31 July 1996	31,674
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<b>Net book value</b>	
At 31 July 1996	41,401
	<hr/>
At 31 July 1995	27,316
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## 3 Fixed asset investments

	Subsidiary undertaking £	Significant holdings £	Other shares £	Total £
Cost and net book value	<u>201,866</u>	<u>10</u>	<u>2,000</u>	<u>203,876</u>

The company's share of net assets of the subsidiary and associated undertakings is £374,522.

Subsidiary undertakings and nature of business	Country of incorporation
Birmingham Research Park Limited	England
Wolfson Systems Limited	England
Flowmetrics Limited	England
Birmingham Research Park Fund Limited	England

### Significant holdings

Telepath Systems Limited	England
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### Consolidated accounts

In accordance with Section 248(1) of the Companies Act 1985, Birmingham Research and Development Limited is exempt from producing consolidated accounts.

## 4 Called up share capital

	1996 £	1995 £
Authorised 300,000 ordinary shares of £1 each	<u>300,000</u>	<u>300,000</u>
Allotted, called up and fully paid 299,048 ordinary shares of £1 each	<u>299,048</u>	<u>299,048</u>



**5 Ultimate parent**

The directors regard The University of Birmingham, incorporated in England to be the ultimate and immediate parent. According to the register kept by the company, The University of Birmingham has a 100% interest in the equity capital of Birmingham Research & Development Limited at 31 July 1996. Copies of the University's financial statements may be obtained from R A Shortland, University of Birmingham, Edgbaston, Birmingham B15 2TT.