

Company Registration No 03785280 (England and Wales)

WHITE ROSE TECHNOLOGY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007

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WHITE ROSE TECHNOLOGY LIMITED

COMPANY INFORMATION

Directors

Mr G C Gilbert
D W Hobday
Dr A King
Mr A McWhirter
Prof G Tomlinson
Dr E Walmsley
Dr J M Walsh
Prof R Williams
Dr J White
Dr N Loxley (Appointed 22 August 2007)

Secretary

J M H Oxley

Company number

03785280

Registered office

10/12 East Parade
LEEDS
West Yorkshire
LS1 2AJ

Auditors

Mazars LLP
Mazars House, Gelderd Road, Gildersome
LEEDS
West Yorkshire
LS27 7JN

WHITE ROSE TECHNOLOGY LIMITED

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WHITE ROSE TECHNOLOGY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2007

The directors present their report and financial statements for the year ended 31 July 2007

Principal activities

The principal activity of the company continued to be the investment in new technology companies

Directors

The following directors have held office since 1 August 2006

Mr H Facey MBE	(Resigned 21 November 2006)
Mr G C Gilbert	
D W Hobdey	
Dr A King	
Mr A McWhirter	
Prof G Tomlinson	
Dr E Walmsley	
Dr J M Walsh	
Prof R Williams	
Dr J White	
Dr N Loxley	(Appointed 22 August 2007)

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Mazars LLP be reappointed as auditors of the company will be put to the Annual General Meeting

WHITE ROSE TECHNOLOGY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2007

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,
- 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 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.

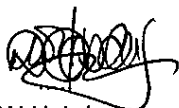
Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



D W Hobdey

Director

3 October 2007

WHITE ROSE TECHNOLOGY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHITE ROSE TECHNOLOGY LIMITED

We have audited the financial statements of White Rose Technology Limited for the year ended 31 July 2007 which comprise the Profit and Loss Account, Balance Sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

WHITE ROSE TECHNOLOGY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF WHITE ROSE TECHNOLOGY LIMITED

Opinion

In our opinion

-the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2007 and of its profit for the year then ended,

-the financial statements have been properly prepared in accordance with the Companies Act 1985, and

-the information given in the Directors' Report is consistent with the financial statements

Mazars LLP

Mazars LLP
Chartered Accountants
and Registered Auditors

29K January 2008
Mazars House, Gelderd Road,
Gildersome

West Yorkshire
LS27 7JN

WHITE ROSE TECHNOLOGY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2007

	Notes	2007 £	2006 £
Turnover		2,818	12,060
Administrative expenses		(192,787)	(191,742)
Operating loss	2	(189,969)	(179,682)
Investment income	3	460,295	(414)
Other interest receivable and similar income	3	576,982	656,715
Amounts written off investments	4	(143,950)	196,219
Profit on ordinary activities before taxation		703,358	672,838
Tax on profit on ordinary activities	5	(28,403)	-
Profit on ordinary activities after taxation	12	674,955	672,838

The profit and loss account has been prepared on the basis that all operations are continuing operations

WHITE ROSE TECHNOLOGY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 JULY 2007

	2007 £	2006 £
Profit for the financial year	674,955	672,838
Unrealised (deficit)/surplus on trade investment	(242,576)	679,048
Total recognised gains and losses relating to the year	<u>367,782</u>	<u>1,351,886</u>


WHITE ROSE TECHNOLOGY LIMITED

BALANCE SHEET AS AT 31 JULY 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Investments	6	4,543,306		5,109,511	
Current assets					
Debtors	7	190,142		84,858	
Cash at bank and in hand		2,494,155		2,017,430	
		<u>2,684,297</u>		<u>2,102,288</u>	
Creditors. amounts falling due within one year	8	<u>(53,582)</u>		<u>(28,723)</u>	
Net current assets		2,630,715		2,073,565	
Total assets less current liabilities		7,174,021		7,183,076	
Creditors. amounts falling due after more than one year	9	(750,000)		(750,000)	
Accruals and deferred income	10	<u>(1,063,216)</u>		<u>(1,504,470)</u>	
		<u>5,360,805</u>		<u>4,928,606</u>	
Capital and reserves					
Called up share capital	11	30		30	
Revaluation reserve	12	1,154,618		1,397,374	
Profit and loss account	12	<u>4,206,157</u>		<u>3,531,202</u>	
Shareholders' funds - equity interests	13	<u>5,360,805</u>		<u>4,928,606</u>	

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements were approved by the Board on 3rd October 2007

X  X
D W Hobday
Director

WHITE ROSE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently

1.3 Turnover

Turnover represents amounts receivable for services given

1.4 Investments

Fixed asset investments are valued in accordance with BVCA guidelines for the valuation of early stage technology investments and life sciences businesses

In the opinion of the directors investments are valued at fair value at the reporting date subject to an impairment review

1.5 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.6 Government grants

Funding has been received by the company in accordance with the conditions of the University Challenge Fund and a number of other bodies. The company will make future investments based on its business plan. As a result, the directors are of the opinion that the funding received will be allocated to the accounting periods in which investments are made

1.7 Cash flow statement

The company has not prepared a cash flow statement as it is a small company and has taken advantage of the provisions in FRS 1 (revised)

2 Operating loss

	2007	2006
	£	£
Operating loss is stated after charging		
Auditors' remuneration	5,565	5,300

3 Investment income

	2007	2006
	£	£
Income from fixed asset investments	460,295	(414)
Bank interest	88,999	93,426
Other interest	986	349
Deferred income release	441,254	562,940
Interest on loan conversion	45,743	-
	<u>1,037,277</u>	<u>656,301</u>

WHITE ROSE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2007

4	Movements in investments	2007 £	2006 £
	Amounts written off fixed asset investments		
	- diminution in value	133,950	15,281
	- write off loans	10,000	-
	Amounts written off investments in prior years written back		
	- unlisted investments	-	(39,300)
	- loans	-	(151,200)
	Conversion of White Rose Seedcorn Trust loan	-	(21,000)
		<u>143,950</u>	<u>(196,219)</u>
5	Taxation	2007 £	2006 £
	Domestic current year tax		
	U K corporation tax	28,403	-
	Current tax charge	<u>28,403</u>	<u>-</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>703,358</u>	<u>672,838</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2006 30.00%)	<u>211,007</u>	<u>201,851</u>
	Effects of		
	Deferred income	(132,376)	(168,882)
	Movements on investments	59,929	(58,865)
	Management expenses carried forward	16,272	25,896
	Capital losses utilised	(45,088)	-
	Other tax adjustments	(81,341)	-
		<u>(182,604)</u>	<u>(201,851)</u>
	Current tax charge	<u>28,403</u>	<u>-</u>

WHITE ROSE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2007

6 Fixed asset investments

	Listed investments	Unlisted investments	Loans to group undertakings and participating interests	Total
	£	£	£	£
Cost or valuation				
At 1 August 2006	879,004	3,672,864	1,508,370	6,060,238
Additions	-	706,260	163,240	869,500
Revaluation	(134,247)	(108,509)	-	(242,756)
Disposals	(8,850)	(680,146)	(546,586)	(1,235,582)
At 31 July 2007	735,907	3,590,469	1,125,024	5,451,400
Provisions for diminution in value				
At 1 August 2006	-	794,144	156,583	950,727
On disposals	-	(30,000)	(156,583)	(186,583)
Charge for the year	-	133,950	10,000	143,950
At 31 July 2007	-	898,094	10,000	908,094
Net book value				
At 31 July 2007	735,907	2,692,375	1,115,024	4,543,306
At 31 July 2006	879,004	2,878,720	1,351,787	5,109,511
	Market value	Directors' valuation		Total
	£	£		£
At 31 July 2007	735,907	2,692,375		3,428,282
At 31 July 2006	937,248	2,878,720		3,815,968

WHITE ROSE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2007

6 Fixed asset investments (continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held	%
Participating interests				
Adjuvantix Limited	England & Wales	Ordinary		35
Asterion Limited	England & Wales	Ordinary		44
Procure Therapeutics Limited	England & Wales	Ordinary		35
Axordia Limited	England & Wales	Ordinary		27
Instrumentel Limited	England & Wales	Ordinary		28
Enabled Systems Limited	England & Wales	Ordinary		40
D-Sense Limited	England & Wales	Ordinary		32
Cizzle Biotechnology Limited	England & Wales	Ordinary		28

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves 2007 £	Profit/(Loss) for the year 2007 £
Adjuvantix Limited	(379,293)	(130,868)
Asterion Limited	(242,026)	(209,334)
Procure Therapeutics Limited	(856,478)	(78,172)
Axordia Limited	(1,409,912)	(505,989)
Instrumentel Limited	(290,840)	48,742
Enabled Systems Limited	(1,949)	-
D-Sense Limited	955	-
Cizzle Biotechnology Limited	(126,368)	(14,888)

The information disclosed above is taken from the latest available management accounts as audited financial statements are not available

The directors actively monitor the development of the above investments, which are held for the long term. They are of the opinion that, in accordance with the BVCA Guidelines, the fair value of these investments is not less than £4,543,306 (2006 £5,109,511) as at 31 July 2007

The company's listed investment holdings have been included at market value as at 31 July 2007 to reflect any significant movements since the year end date

Aberdeen Asset Managers Limited provides fund management services to White Rose Technology Limited and under the terms of the fund management contract has the right to acquire an option over 10% of the company's holding in each of its investments. In the opinion of the directors the value of investments disclosed in the financial statements are not materially affected by these options

No provision has been made for United Kingdom taxation which would arise if the investments were disposed of at their revalued amounts

WHITE ROSE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2007

7 Debtors	2007	2006
	£	£
Other debtors	190,142	84,858
	<u> </u>	<u> </u>
8 Creditors amounts falling due within one year	2007	2006
	£	£
Taxation and social security	28,403	-
Other creditors	25,179	28,723
	<u> </u>	<u> </u>
	53,582	28,723
	<u> </u>	<u> </u>
9 Creditors amounts falling due after more than one year	2007	2006
	£	£
Other creditors	750,000	750,000
	<u> </u>	<u> </u>
Analysis of loans		
Not wholly repayable within five years other than by instalments	750,000	750,000
	<u> </u>	<u> </u>
Loan maturity analysis		
In more than five years	750,000	750,000
	<u> </u>	<u> </u>
All of the above are non interest bearing loans with no fixed dates of repayment		
10 Accruals and deferred income		
		Government grants
		£
Balance at 1 August 2006		1,504,470
Amortisation in the year		(441,254)
		<u> </u>
Balance at 31 July 2007		1,063,216
		<u> </u>

WHITE ROSE TECHNOLOGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2007

11 Share capital	2007 £	2006 £
Authorised		
100 Ordinary of £1 each	100	100
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
30 Ordinary of £1 each	30	30
	<u> </u>	<u> </u>

12 Statement of movements on reserves	Revaluation reserve £	Profit and loss account £
Balance at 1 August 2006	1,397,374	3,531,202
Retained profit for the year	-	674,955
Revaluation during the year	(242,756)	-
	<u> </u>	<u> </u>
Balance at 31 July 2007	1,154,618	4,206,157
	<u> </u>	<u> </u>

13 Reconciliation of movements in shareholders' funds	2007 £	2006 £
Profit for the financial year	674,955	672,838
Other recognised gains and losses	(242,756)	679,048
	<u> </u>	<u> </u>
Net addition to shareholders' funds	432,199	1,351,886
Opening shareholders' funds	4,928,606	3,576,720
	<u> </u>	<u> </u>
Closing shareholders' funds	5,360,805	4,928,606
	<u> </u>	<u> </u>

14 Contingent liabilities

At the year end the directors have committed to invest £200,000 in Phase Focus Limited, £50,000 in Structure Vision Limited, £150,000 in Cizzle Biotechnology Limited, £200,000 in Procure Therapeutics Limited and £100,000 in Celltran Limited

15 Transactions with directors

An amount of £18,125 (2006 £30,773), including fees, VAT and travel expenses, was paid to a number of directors on a commercial basis for their services during the period. There were no amounts outstanding at the year end.