

**Aberdeen University Research and Industrial Services Limited**

**Directors' Report and Financial Statements**

**For the year ended 31 July 2004**

**Registered Number: SC075913**



# **Aberdeen University Research and Industrial Services Limited**

## **Directors' report and financial statements for the year ended 31 July 2004**

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# **Aberdeen University Research and Industrial Services Limited**

## **Directors and Advisors for the year ended 31 July 2004**

**Directors:** Irene Bews  
Professor D Houlihan  
Professor S D Logan  
Dr E A Rattray  
Mr F G Stevenson Robb

**Secretary:** Ledingham Chalmers

**Secretary and  
Registered Office:** Ledingham Chalmers  
Johnston House  
52-54 Rose Street  
ABERDEEN  
AB10 1HA

**Auditors:** PricewaterhouseCoopers LLP  
32 Albyn Place  
ABERDEEN  
AB10 1YL

**Bankers:** Bank of Scotland plc

**Directors' Report for the year ended 31 July 2004**

The directors present their report and audited financial statements for the year ended 31 July 2004.

**Directors**

The present directors and changes in directors up to the date of this report are shown on page 1. None of the directors has any interest in the issued share capital of either the company or its parent undertaking.

**Directors' Responsibilities**

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

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

**Auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

**BY ORDER OF THE BOARD,**



**Professor D Houlihan**  
**Chairman**

## **Aberdeen University Research and Industrial Services Limited**

### **Independent auditors' report to the members of Aberdeen University Research and Industrial Services Limited**

We have audited the financial statements on pages 4 to 9, which comprise the profit and loss account, the balance sheet and the related notes.

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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This opinion has been prepared for and only for the company's members in accordance with Section 225 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in whose hands it may come save where expressly agreed by our prior consent in writing.

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. 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. The other information comprises only the directors' report.

#### **Basis of audit 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 as at 31 July 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors  
Aberdeen

**Profit & Loss Account for the year ended 31 July 2004**

|  | <b>Note</b> | <b>2004</b><br><b>£</b> | <b>2003</b><br><b>£</b> |
|--|-------------|-------------------------|-------------------------|
| Turnover   |             | -                       | 11,097                  |
| Cost of sales                                      |             | -                       | -                       |
| <b>Gross Profit</b>                                |             | <u>-</u>                | <u>11,097</u>           |
| Administrative expenses                            |             | (24,154)                | (65,017)                |
| Exceptional item - bad debt provision              |             | -                       | 46,306                  |
| <b>Operating Loss</b>                              | <b>2</b>    | <u>(24,154)</u>         | <u>(7,614)</u>          |
| Interest receivable                                |             | 4,121                   | 5,537                   |
| Interest payable                                   |             | -                       | (523)                   |
| <b>Loss on ordinary activities before taxation</b> |             | <u>(20,033)</u>         | <u>(2,600)</u>          |
| Tax on loss on ordinary activities                 | <b>4</b>    | -                       | -                       |
| <b>Loss for the financial year after taxation</b>  | <b>10</b>   | <u><u>(20,033)</u></u>  | <u><u>(2,600)</u></u>   |

The results set out above relate to continuing operations. The company has no recognised gains or losses other than those included in the losses above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before tax and the loss for the financial year stated above and their historical cost equivalents.

# Aberdeen University Research and Industrial Services Limited



## Balance Sheet as at 31 July 2004

|   | Note | 2004<br>£                    | 2003<br>£                    |
|---|------|------------------------------|------------------------------|
| <b>Fixed Assets</b>                                   |      |                              |                              |
| Investments   | 5    | 63,255                       | 63,255                       |
| <b>Current Assets</b>                                 |      |                              |                              |
| Debtors   | 6    | -                            | 11,750                       |
| Cash at Bank and in hand                              |      | <u>186,435</u>               | <u>193,575</u>               |
|   |      | <b>186,435</b>               | <b>205,325</b>               |
| <b>Creditors: amounts falling due within one year</b> | 7    | <b>(6,762)</b>               | <b>(5,619)</b>               |
| <b>Net current assets</b>                             |      | <u><b>179,673</b></u>        | <u><b>199,706</b></u>        |
| <b>Total assets less current liabilities</b>          |      | <b>242,928</b>               | <b>262,961</b>               |
| <b>Creditors: amounts falling due after one year</b>  | 8    | <b>(85,000)</b>              | <b>(85,000)</b>              |
| <b>Net assets</b>                                     |      | <u><u><b>157,928</b></u></u> | <u><u><b>177,961</b></u></u> |
| <b>Capital and reserves</b>                           |      |                              |                              |
| Called up share capital                               | 9    | 600,000                      | 600,000                      |
| Profit and loss account - deficit                     | 10   | <b>(442,072)</b>             | <b>(422,039)</b>             |
| <b>Equity shareholder's funds</b>                     |      | <u><u><b>157,928</b></u></u> | <u><u><b>177,961</b></u></u> |

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts set out in pages 4 to 9 were approved by the Directors on 20 December 2004

Signed:

## Aberdeen University Research and Industrial Services Limited

### 1. Accounting Policies

These financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting standards, that have been applied consistently, are set out below:

#### Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Group Financial Statements

The company is exempt from preparing consolidated financial statements in accordance with section 228 of the Companies Act 1985. The financial statements of the company are included within the consolidated financial statements of its ultimate parent undertaking, University of Aberdeen.

#### Cash Flow Statement

The company is a wholly owned subsidiary of the University of Aberdeen as the cash flows of the company are included within the consolidated cash flow statement of the University of Aberdeen. Consequently, the company is exempt from publishing a cash flow statement.

#### Turnover

Turnover represents the invoiced amount of sales made and services provided to customers, net of Value Added Tax.

#### Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. No provision for deferred taxation is made if there is reasonable evidence that such deferred taxation will not be payable in the foreseeable future.

### 2. Operating loss including exceptional item

|   | 2004  | 2003  |
|---|-------|-------|
| Operating loss is stated after charging | £     | £     |
| Auditors Remuneration                   | 1,763 | 2,000 |

### 3. Director's Emoluments

|                      | 2004     | 2003         |
|----------------------|----------|--------------|
|                      | £        | £            |
| Aggregate emoluments | -        | 2,331        |
|                      | <u>-</u> | <u>2,331</u> |



# Aberdeen University Research and Industrial Services Limited

|  |              |               |
|--|--------------|---------------|
| <b>4. Tax on loss on ordinary activities</b>   | <b>2004</b>  | <b>2003</b>   |
|  | <b>£</b>     | <b>£</b>      |
| <b>Current taxation</b>  |              |               |
| UK Corporation tax on loss for the year  | -            | -             |
| <b>Tax on loss on ordinary activities</b>  | -            | -             |
| Loss on ordinary activities before taxation  | (20,033)     | (2,600)       |
| Loss on ordinary activities multiplied by standard rate of tax in the UK 30% (2003: 30%) | (6,010)      | (780)         |
| Effects of unprovided deferred tax losses  | 6,010        | 780           |
| <b>Current tax charge for the year</b>   | -            | -             |
| <b>5. Investments</b>  |              |               |
|  |              | <b>£</b>      |
| <b>Cost</b>  |              |               |
| As at 1 August 2003 and 31 July 2004   |              | 143,255       |
| <b>Provisions</b>  |              |               |
| As at 1 August 2003 and 31 July 2004   |              | 80,000        |
| <b>Net book amount</b>   |              |               |
| At 31 July 2003 and 31 July 2004   |              | <u>63,255</u> |
| <b>6. Debtors</b>  | <b>2004</b>  | <b>2003</b>   |
|  | <b>£</b>     | <b>£</b>      |
| Amounts owed by group undertakings   | -            | 11,750        |
| <b>7. Creditors</b>  | <b>2004</b>  | <b>2003</b>   |
|  | <b>£</b>     | <b>£</b>      |
| <b>Amounts falling due within one year</b>   |              |               |
| Trade Creditors  | -            | 2,645         |
| Other Creditors  | 6,762        | 2,000         |
| Other Taxation & Social Security   | -            | 974           |
|  | <u>6,762</u> | <u>5,619</u>  |
| <b>Amounts falling due after more than one year:</b>                                     |              |               |
| Loan from University of Aberdeen   | 85,000       | 85,000        |
| <b>Maturity of Loans</b>   |              |               |
| Outwith five years   | 85,000       | 85,000        |

**8. Provision for Liabilities and Charges**

**Deferred taxation**

The accountancy policy for deferred taxation is explained in note 1. No provision for deferred taxation has been reflected in the financial statements as there is no potential liability.

| <b>9. Share Capital</b>                       | <b>2004</b>      | <b>2003</b>      |
|---|------------------|------------------|
|   | <b>£</b>         | <b>£</b>         |
| <b>Authorised:</b> Ordinary Shares of £1 each | <b>1,000,000</b> | <b>1,000,000</b> |
| <b>Allotted, called up and fully paid:</b>    |                  |                  |
| Ordinary Shares of £1 each                    | <b>600,000</b>   | <b>600,000</b>   |

**10. Profit & Loss Account**

|                             |                         |
|-----------------------------|-------------------------|
|                             | <b>£</b>                |
| At 1 August 2003            | (422,039)               |
| Loss for the financial year | (20,033)                |
| <b>At 31 July 2004</b>      | <b><u>(442,072)</u></b> |

| <b>11. Reconciliation of Movements Shareholders' Funds</b> | <b>2004</b>           | <b>2003</b>           |
|--|-----------------------|-----------------------|
|  | <b>£</b>              | <b>£</b>              |
| Opening Shareholders' funds                                | <b>177,961</b>        | <b>180,561</b>        |
| Loss for the financial year                                | <b>(20,033)</b>       | <b>(2,600)</b>        |
| Closing Shareholders' funds                                | <b><u>157,928</u></b> | <b><u>177,961</u></b> |

**12. Ultimate Parent Undertaking**

The company's ultimate parent undertaking and controlling party is the University of Aberdeen, Regent Walk, Aberdeen, Scotland. Copies of the University's annual accounts can be obtained from the above address.

**13. Related Party Transactions**

The company has taken advantage of the exemption in Financial Reporting Standard 8, not to disclose any transactions with entities that are part of the group which qualify as related parties, on the grounds that it is a subsidiary where 90% or more of its voting rights are controlled within the group, and the consolidated statements of the University of Aberdeen are publicly available.

# Aberdeen University Research and Industrial Services Limited

The following financial information does not form part of the financial statements.

| <b>Detailed Profit &amp; Loss Account for the year ended 31 July 2004</b> | <b>2004</b>     | <b>2003</b>    |
|---|-----------------|----------------|
|   | <b>£</b>        | <b>£</b>       |
| <b>Sales</b>  | -               | 11,097         |
| <b>Cost of Sales</b>  | -               | -              |
| <b>Gross Profit</b>   | -               | 11,097         |
| <b>Administrative Expenses</b>  |                 |                |
| Chairman's Salary   | -               | 2,331          |
| Printing, Postage & Stationery  | -               | 48             |
| Travel  | -               | 12             |
| Telephone   | -               | 93             |
| IT Services & Consumables   | -               | 375            |
| General Expenses  | 14              | 2,354          |
| Legal Fees  | 7,505           | 9,598          |
| Audit & Accounting Fees   | 16,804          | 3,380          |
| Bad Debts   | -               | 46,306         |
| Bank Charges  | 69              | 520            |
|   | <u>24,392</u>   | <u>65,107</u>  |
| <b>Exceptional Item</b>   |                 |                |
| Write back of Bad Debt Provision  | -               | (46,306)       |
|   | <u>24,392</u>   | <u>18,711</u>  |
| <b>Operating Loss</b>   | <u>(24,392)</u> | <u>(7,614)</u> |