

SGBS Limited

Report and Financial Statements

31 July 2005

Registered Number: 123754



Registered No: 123754

Directors

Professor Jim Love (Chairman)
Professor Colin Eden
Dr Peter West
Mr T J Monaghan

Secretary

Mr John Rinkes

Auditor

Ernst & Young LLP
George House
50 George Square
Glasgow
G2 1RR

Solicitors

Macdonalds
1 Claremont Terrace
Glasgow
G3 7UQ

Registered Office

McCance Building
16 Richmond Street
Glasgow
G1 2XQ

Directors' report

The directors present their report and financial statements for the year ended 31 July 2005.

Review of business

The company did not trade during the year. Any administrative costs were borne by the University of Strathclyde.

Directors

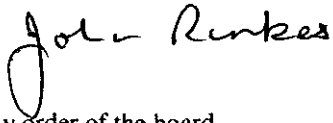
The directors of the company during the year were as follows:

Professor Jim Love
Professor Colin Eden
Professor Susan Shaw
Dr Peter West
Mr T J Monaghan

On 1 August 2004 Professor Susan Shaw resigned from the board of directors.

Directors' interest in shares of the company

No director had any beneficial interest in the shares of the company during the year.



By order of the board

Secretary

22 November 2005

Statement of directors' responsibilities in respect of the financial statements

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; 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 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.

Independent auditors' report

to the members of SGBS Limited

We have audited the company's financial statements for the year ended 31 July 2005 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 5. These financial statements have been prepared on the basis of 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 directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 with the company is not disclosed.

We read the Directors' 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 United Kingdom 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 affairs of the company as at 31 July 2005 and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young LLP
Registered Auditor
Glasgow

22 November 2005

Balance sheet

at 31 July 2005

	Notes	2005 £000	2004 £000
Current assets			
Debtors	2	116	116
Cash at bank and in hand		6	6
		<u>122</u>	<u>122</u>
Creditors: amounts falling due after more than one year	3	(10,713)	(10,713)
Net liabilities		<u>(10,591)</u>	<u>(10,591)</u>
Capital and reserves			
Called up share capital	4	1	1
Profit and loss account		(10,592)	(10,592)
Equity shareholders' funds		<u>(10,591)</u>	<u>(10,591)</u>

The company did not trade during the year and did not enter into any other form of activity. Consequently there have been no recognised gains or losses incurred during the year and no reconciliation of reported results to historical cost results is required. There has been no movement in shareholders' funds during the year ended 31 July 2005.

The financial statements on pages 3 to 5 were approved by the director on 22 November 2005.

Director



Notes to the financial statements

at 31 July 2005

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has not traded during the year.

Fundamental Accounting Concept

The University of Strathclyde has confirmed it will not seek to recover amounts due from the company for at least 12 months.

2. Debtors

	2005 £000	2004 £000
Amounts falling due within one year		
Amount due from the University of Strathclyde	116	116

3. Creditors: amounts falling due after more than one year

	2005 £000	2004 £000
Amounts due to the University of Strathclyde	10,713	10,713

Although the amount due to the University of Strathclyde is repayable on demand, the University has confirmed it will not request repayment within the next 12 months.

4. Called up share capital

	2005 £000	2004 £000
Authorised 1,000 ordinary shares of £1 each	1	1
Allotted, called up and fully paid 1,000 ordinary shares of £1 each	1	1

5. Parent body

The company is wholly owned by the University of Strathclyde.