

SC176354

G.U. HOLDINGS LTD
REPORT AND FINANCIAL STATEMENTS
Year to 31 July 2006



REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2006

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COMPANY INFORMATION

Directors	Peter Holmes Graham Paterson John Lumsden CBE Anton Muscatelli Steve Beaumont OBE
Secretary	DW Company Services Ltd
Auditors	Ernst & Young LLP George House 50 George Square Glasgow G2 1RR
Bankers	Clydesdale Bank Plc 30 St Vincent Place Glasgow G1 2HL
Registered Office	13 The Square University of Glasgow Glasgow G12 8QQ
Company Number	SC176354

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 July 2006

RESULTS AND DIVIDENDS

The profit for the year was £30,296 (2005 NIL) The Directors do not recommend the payment of a dividend

PRINCIPAL ACTIVITIES

The Company's principal activity is that of acting as a holding company The principal activities of its subsidiary undertakings are electronics and electrical engineering, leasing of property, leasing equipment, retailing, property development and construction services

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

GU Holdings Ltd holds investments derived from exploitation of intellectual property and equity in other University companies that engage in commercial activities GU Holdings Ltd also provides management services and financial administration to selected University companies The Board do not expect the focus or function of GU Holdings Ltd to alter in the forthcoming period

Key investments are listed in Note 9 to these accounts Some unlisted investments have an estimated value in excess of their book value but it is difficult to quantify this at this stage

DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows

Peter Holmes

Graham Paterson

John Lumsden CBE

Malcolm D McLeod CBE (resigned 31 July 2006)

Anton Muscatelli

Steve Beaumont OBE

No director had an interest in the share capital of the company

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each director confirms that, as far as they are aware, all relevant audit information has been passed to the auditors and confirms that necessary steps have been taken to ensure that they are fully advised on the operation of the business

AUDITORS

A resolution to appoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting

SPECIAL PROVISIONS RELATING TO SMALL COMPANIES

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

By order of the Board



Graham Paterson, Director

8 January 2007

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 year. 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 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.

The directors follow the Corporate Governance Procedures of the University of Glasgow as detailed in the Financial Statements of the University. GU Holdings reports regularly and formally to the University Court of the University of Glasgow via the Finance Committee. Annual Accounts are also presented to the University Court of the University of Glasgow.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GU HOLDINGS LIMITED

We have audited the company's financial statements for the year ended 31 July 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

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

The directors' responsibilities for the preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we 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 other transactions 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 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 judgments 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GU HOLDINGS LIMITED
(CONTINUED)****Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 July 2006 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

Ernst & Young LLP

Ernst & Young LLP
Registered auditor
Glasgow

17 January 2007

PROFIT & LOSS ACCOUNT
for the year to 31 July 2006

		2006 Note £	2005 Note £
Administration expenses		(45,772)	(46,140)
Proceeds from sale of shares in investments		NIL	100,000
Other operating income		10,085	26,800
Dividend income		14,057	NIL
Provision for payment of capital realisation		NIL	(24,000)
Loans from/(to) subsidiary companies written off		33,133	(6,330)
Release of provision		NIL	32,665
OPERATING PROFIT	3	11,503	82,995
Interest receivable	4	18,793	19,122
Gift Aid	5	NIL	(102,117)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		30,296	NIL
Tax on profit on ordinary activities	6	NIL	NIL
PROFIT FOR THE FINANCIAL YEAR		30,296	NIL

All amounts relate to continuing activities

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year to 31 July 2006

	2006 £	2005 £
Profit for the financial year	30,296	NIL
Surplus on revaluation	2,445	5,175
Total gains recognised since the last annual report	32,741	5,175

BALANCE SHEET
as at 31 July 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible Assets	8	235	506
Investments	9	15,864	15,741
		<u>16,099</u>	<u>16,247</u>
CURRENT ASSETS			
Debtors	10	82,314	171,575
Cash at bank and in hand		469,670	550,575
		<u>551,984</u>	<u>722,150</u>
CREDITORS amounts falling due within one year	11	(204,681)	(405,411)
NET CURRENT ASSETS		<u>347,303</u>	<u>316,739</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>363,402</u>	<u>332,986</u>
CAPITAL AND RESERVES			
Called up share capital	12	529,494	529,494
Revaluation Reserve		5,295	5,175
Profit & Loss Account	13	<u>(171,387)</u>	<u>(201,683)</u>
		<u>363,402</u>	<u>332,986</u>
SHAREHOLDERS FUNDS		<u>429,494</u>	<u>429,494</u>
NON EQUITY EQUITY		<u>(66,092)</u>	<u>(96,508)</u>
		<u>363,402</u>	<u>332,986</u>

Approved by the Board of Directors on 8 January 2007



Graham Paterson, Director

NOTES TO THE FINANCIAL STATEMENTS
for the year to 31 July 2006

1 ACCOUNTING POLICIES

Accounting Convention

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

Cash Flow Statement

The company has taken advantage of the exemptions allowed under FRS 1 for wholly owned subsidiary undertakings from preparing a statement of cash flows

Fixed Assets

Tangible fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows

Computer equipment over 4 years

Investments

Unlisted investments are stated at cost, except where it is anticipated that they will have decreased in value. Listed investments are stated at market value

Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax. However, deferred tax assets are recognised only to the extent that the directors consider that it is 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 measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

2 TURNOVER

There was no turnover during the year

3 OPERATING PROFIT

The operating Profit is stated after charging

	2006	2005
	£	£
Auditors' remuneration audit services	3,600	2,885
Depreciation	271	269
	<u> </u>	<u> </u>

4 INTEREST RECEIVABLE

	2006	2005
	£	£
Bank interest receivable	18,793	19,122
	<u> </u>	<u> </u>

5 GIFT AID

	£	£
University of Glasgow	<u>NIL</u>	<u>102,117</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year to 31 July 2006

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2005 30%) The differences are reconciled below

	2006	2005
	£	£
Profit / (Loss) on ordinary activities before tax	30,296	NIL
Profit / (Loss) on ordinary activities multiplied by standard rate of corporation tax of 30% (2005 30%)	6,088	NIL
Effect of depreciation (not deductible)	271	269
capital allowances	(271)	(269)
gift aid	(6,088)	
losses carried forward	NIL	NIL
losses utilised	NIL	NIL
	<u>NIL</u>	<u>NIL</u>

b) Factors that may affect future tax charges

The company has no tax losses (2005 £NIL) arising during the year

7 DIRECTORS EMOLUMENTS

	2006	2005
	£	£
Emoluments & pension contributions	14,461	14,853
	<u> </u>	<u> </u>

8 FIXED ASSETS

	£
Computers	
Cost	
As at 1 August 2005	3,666
Additions during year	NIL
At 31 July 2006	<u>3,666</u>
Depreciation	
As at 1 August 2005	3,160
Provided during year	271
At 31 July 2006	<u>3,431</u>
Net Book Value	
As at 31 July 2006	<u>235</u>
As at 31 July 2005	<u>506</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year to 31 July 2006

9 INVESTMENTS

Cost or Valuation	Subsidiary Companies	Listed Investment	Unlisted Investment	Total
	£	£	£	£
As at 1 August 2005	130	10,500	5,111	15,741
Additions during year	4	NIL	NIL	4
Revalued in year	NIL	119	NIL	119
At 31 July 2006	<u>134</u>	<u>10,619</u>	<u>5,111</u>	<u>15,864</u>

The 100% owned subsidiary companies, excluding dormant companies, are

Kelvin Nanotechnology Ltd
GU Developments Ltd
GU Heritage Retail Ltd

The company also has a 100% shareholding in GU Student Temple Ltd, a company that is currently not trading

10 DEBTORS

	2006	2005
	£	£
Amounts owed from parent undertaking	4,170	NIL
Amounts owed from subsidiary companies	10,086	26,800
Prepayments	1,200	1,542
Dividend income	NIL	5,000
Trade debtors	66,858	133,940
VAT Recoverable	NIL	4,293
	<u>82,314</u>	<u>171,575</u>

11 CREDITORS amounts due within one year

	2006	2005
	£	£
Amounts owed to subsidiary companies	20	15
Amounts owed to parent undertaking	131,848	223,954
Other Creditors	NIL	57,181
Trade Creditors	NIL	(36)
Accruals	63,186	8,759
VAT Payable	2,457	NIL
Gift Aid	NIL	102,117
Prepaid Income	7,170	13,421
	<u>204,681</u>	<u>405,411</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year to 31 July 2006

12 SHARE CAPITAL

	2006 £	2005 £
Authorised		
Equity Interests 150,000 ordinary shares of £1 each	150,000	150,000
Cumulative redeemable £1 preference shares	430,000	430,000
	<u>580,000</u>	<u>580,000</u>
Issued		
Equity interests 100,000 ordinary share of £1 each	100,000	100,000
Cumulative redeemable £1 preference shares	429,494	429,494
	<u>529,494</u>	<u>529,494</u>

The cumulative redeemable preference shares will be redeemed by the Company on 9 April 2009 with the amount payable being equal to the amount paid up on each share

13 RESERVES

	Revaluation Reserve	Profit and Loss Reserve	Share Capital	Total
As at 1 August 2005	5,175	(201,683)	529,494	332,986
Profit for the year	120	30,296	NIL	30,416
As at 31 July 2006	<u>5,295</u>	<u>(171,387)</u>	<u>529,494</u>	<u>363,402</u>

14 ULTIMATE PARENT UNDERTAKING

The directors consider that the University Court of the University of Glasgow (a body corporate created under the Universities (Scotland) Act 1889) is the Company's ultimate parent undertaking

The Company has taken advantage of the exemption from disclosing transactions with fellow group companies as permitted by FRS8. The Company has also not prepared consolidated accounts because the Company's ultimate parent undertaking has prepared consolidated accounts

Copies of the consolidated financial statements of the University Court of the University of Glasgow can be obtained at the Finance Office, University of Glasgow, G12 8QQ