

G U HOLDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
Year to 31 July 2010



Registered in Scotland
Company Registration Number SC176354

G U Holdings Limited

REPORT AND FINANCIAL STATEMENTS

Year to 31 July 2010

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G U Holdings Limited

COMPANY INFORMATION

| | |
|-------------------|---|
| Directors | Graham Paterson John Lumsden CBE Steve Beaumont OBE Michael Scott-Morton |
| Secretary | DW Company Services Limited |
| 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 |

G U Holdings Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 July 2010.

RESULTS AND DIVIDENDS

The loss for the year was £8,874 (2009: loss £17,118).

In accordance with company law legislation, no dividend is payable.

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, retailing, property development and construction services.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

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

Key investments are listed in Note 8 to these accounts. Some unlisted investments have an estimated value in excess of their book value.

DIRECTORS

The directors who served during the year and since the year end are as follows:

Graham Paterson
John Lumsden CBE
Steve Beaumont OBE
Michael Scott-Morton

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 reappoint Ernst & Young LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

SPECIAL PROVISIONS RELATING TO SMALL COMPANIES

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

By order of the Board



Graham Paterson, Director

15th December 2010

G U Holdings Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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. G U 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.

G U Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G U HOLDINGS LIMITED

We have audited the financial statements of G U Holdings Limited for the year ended 31 July 2010 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

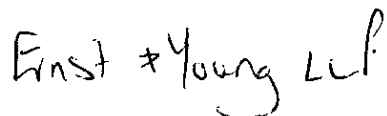
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.



James Andrew Bishop (senior statutory auditor)
for and on behalf of Ernst & Young LLP
Registered auditor
Glasgow

15th December 2010

G U Holdings Limited

PROFIT & LOSS ACCOUNT for the year ended 31 July 2010

| | Note | 2010 £ | 2009 £ |
|--|------|----------------|-----------------|
| Administration expenses | | (26,859) | (29,117) |
| Other operating income | | <u>18,500</u> | <u>18,000</u> |
| OPERATING LOSS | | (8,359) | (11,117) |
| Loss on disposal of investments | | <u>(515)</u> | <u>-</u> |
| | | (8,874) | (11,117) |
| Interest receivable | 4 | - | 7,234 |
| Gift Aid | 5 | <u>-</u> | <u>(13,235)</u> |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | 3 | (8,874) | (17,118) |
| Tax on Loss on ordinary activities | 6 | - | - |
| LOSS FOR THE FINANCIAL YEAR | | <u>(8,874)</u> | <u>(17,118)</u> |

All amounts relate to continuing activities

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year to 31 July 2010

| | 2010 £ | 2009 £ |
|---|-----------------|-----------------|
| Loss for the financial year | (8,874) | (17,118) |
| (Deficit)/Surplus on revaluation of investments | <u>(2,370)</u> | <u>1,560</u> |
| Total losses recognised since the last year | <u>(11,244)</u> | <u>(15,558)</u> |

G U Holdings Limited

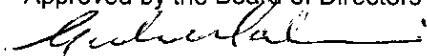
BALANCE SHEET

as at 31 July 2010

| | Note | 2010 £ | 2009 £ |
|---|------|-----------|-----------|
| FIXED ASSETS | | | |
| Investments | 8 | 9,751 | 12,591 |
| CURRENT ASSETS | | | |
| Debtors | 9 | 8,450 | 21,651 |
| Cash at bank and in hand | | 329,491 | 472,747 |
| | | 337,941 | 494,398 |
| CREDITORS: amounts falling due within one year | 10 | (434,504) | (582,557) |
| NET CURRENT LIABILITIES | | (96,563) | (88,159) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | (86,812) | (75,568) |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 11 | 100,000 | 100,000 |
| Revaluation Reserve | | 2,655 | 5,025 |
| Profit & Loss Reserve | | (189,467) | (180,593) |
| EQUITY SHAREHOLDER'S FUNDS | 12 | (86,812) | (75,568) |

The accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Directors on 15th December 2010



Graham Paterson, Director

G U Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2010

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared on the going concern assumption as the ultimate parent undertaking has agreed to provide adequate funds for the company to meet its liabilities as they fall due for the foreseeable future.

The financial statements have been prepared under the historical cost convention as modified for the valuation of listed investments and in accordance with applicable accounting standards.

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

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:

| | 2010 | 2009 |
|---|-------|-------|
| | £ | £ |
| Auditor's remuneration - audit services | 2,750 | 1,980 |

4. INTEREST RECEIVABLE

| | 2010 | 2009 |
|--------------------------|------|-------|
| | £ | £ |
| Bank interest receivable | - | 7,234 |

5. GIFT AID

| | 2010 | 2009 |
|-----------------------|------|--------|
| | £ | £ |
| University of Glasgow | - | 13,235 |

G U Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 July 2010

6. TAX ON LOSS ON ORDINARY ACTIVITIES

a) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2009: 21%).

The differences are reconciled below:

| | 2010 £ | 2009 £ |
|---|-----------|-----------|
| Loss on ordinary activities before tax | (8,874) | (17,118) |
| Loss on ordinary activities multiplied by standard rate of corporation tax of 21% (2009: 21%) | (1,863) | (3,595) |
| Effect of - losses carried across the Group | 1,863 | 3,595 |
| | <u>-</u> | <u>-</u> |

b) Factors that may affect future tax charges

There are no factors which are likely to affect the future tax charges.

7. DIRECTORS REMUNERATION

| | 2010 £ | 2009 £ |
|-----------------------|---------------|---------------|
| Remuneration | 15,634 | 15,263 |
| Pension contributions | <u>2,204</u> | <u>1,944</u> |
| | <u>17,838</u> | <u>17,207</u> |

8. INVESTMENTS

| | Subsidiary Companies £ | Listed Investment £ | Unlisted Investment £ | Total £ |
|---------------------------|------------------------------|---------------------------|-----------------------------|----------------|
| Cost or Valuation: | | | | |
| As at 1 August 2009 | 130 | 10,349 | 2,112 | 12,591 |
| Additions | - | - | 45 | 45 |
| Disposals | (14) | - | (501) | (515) |
| Revalued in year | <u>-</u> | <u>(2,370)</u> | <u>-</u> | <u>(2,370)</u> |
| As at 31 July 2010 | <u>116</u> | <u>7,979</u> | <u>1,656</u> | <u>9,751</u> |

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

G U Developments Limited
G U Heritage Retail Limited

9. DEBTORS

| | 2010 £ | 2009 £ |
|-------------------------------|--------------|---------------|
| Due from subsidiary companies | 7,050 | 8,855 |
| Prepayments | 1,400 | 1,300 |
| Other debtors | <u>-</u> | <u>11,496</u> |
| | <u>8,450</u> | <u>21,651</u> |

G U Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 July 2010

10. CREDITORS: amounts falling due within one year

| | 2010 £ | 2009 £ |
|---------------------------------------|----------------|----------------|
| Preference Shares | 429,494 | 429,494 |
| Due to parent undertaking | 1,735 | 150,368 |
| Accruals | 2,720 | 2,159 |
| Other taxes and social security costs | 555 | 536 |
| | <u>434,504</u> | <u>582,557</u> |

Cumulative redeemable preference shares

The cumulative redeemable preference shares were due to be redeemed by the Company on 9 April 2009 with the amount payable being equal to the amount paid up on each share, however redemption was not fulfilled as the company had insufficient distributable reserves. The shares will be redeemed as soon as the company has sufficient distributable reserves.

11. SHARE CAPITAL

| | 2010 £ | 2009 £ |
|--|----------------|----------------|
| Allotted, called up and fully paid: | | |
| Equity Interests: 100,000 ordinary shares of £1 each | 100,000 | 100,000 |
| Cumulative redeemable £1 preference shares (classified as a liability under FRS 25) | 429,494 | 429,494 |
| | <u>529,494</u> | <u>529,494</u> |

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

| | Revaluation reserve £ | Profit and loss reserve £ | Share Capital £ | Total £ |
|--------------------------------|-----------------------------|------------------------------------|-----------------------|-----------------|
| As at 1 August 2009 | 5,025 | (180,593) | 100,000 | (75,568) |
| Loss for the year | - | (8,874) | - | (8,874) |
| Loss on investment revaluation | <u>(2,370)</u> | <u>-</u> | <u>-</u> | <u>(2,370)</u> |
| As at 31 July 2010 | <u>2,655</u> | <u>(189,467)</u> | <u>100,000</u> | <u>(86,812)</u> |

13. 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.