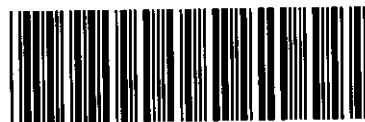


COMPANY REGISTRATION NUMBER 4392361

**UNIVERSITY OF ESSEX
RESEARCH PARK LIMITED
FINANCIAL STATEMENTS
31 JULY 2006**

FRIDAY



A06 *ASHDGNWV* 16/03/2007 378
COMPANIES HOUSE

SCRUTTON BLAND
Accountants & Registered Auditors
18 Sir Isaac's Walk
Colchester
Essex
CO1 1JL

UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2006

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UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Dr A H Rich
Professor R Massara
A Connolly
A Nightingale
Dr H Perkins

Company secretary

Mrs S Anderson

Registered office

University of Essex
Wivenhoe Park
Colchester
CO4 3SQ

Auditor

Scrutton Bland
Accountants
& Registered Auditors
18 Sir Isaac's Walk
Colchester
Essex
CO1 1JL

UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 JULY 2006

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 July 2006.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company in the year under review was to carry on the business of a property and investment development company, by acquiring and managing buildings on land designated as a Research Park on behalf of the University of Essex.

Outline planning permission for the research park site has been received, with detailed permission for the student residences development. Land for residential development will be marketed later in 2006. The Section 106 agreement was completed after the end of the financial year.

RESULTS AND DIVIDENDS

The profit for the year amounted to £437. The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 July 2006	At 1 August 2005
Dr A H Rich	-	-
Professor R Massara	-	-
A Connolly	-	-
A Nightingale	-	-
Dr H Perkins	-	-
	<hr/>	<hr/>

UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JULY 2006

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 that 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. The directors 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.

In so far as the directors are aware:

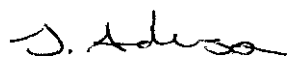
- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITOR

The appointment of auditors for the ensuing year will be considered at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
University of Essex
Wivenhoe Park
Colchester
CO4 3SQ

Signed by order of the directors



MRS S ANDERSON
Company Secretary

Approved by the directors on 13 DECEMBER 2006

UNIVERSITY OF ESSEX RESEARCH PARK LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

YEAR ENDED 31 JULY 2006

We have audited the financial statements of University of Essex Research Park Limited for the year ended 31 July 2006 on pages 6 to 10 which have been prepared on the basis of the accounting policies set out on page 8.

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 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 AUDITOR

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 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 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 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.

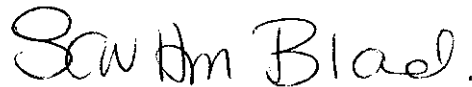
UNIVERSITY OF ESSEX RESEARCH PARK LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
UNIVERSITY OF ESSEX RESEARCH PARK LIMITED *(continued)*

YEAR ENDED 31 JULY 2006

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 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.



SCRUTTON BLAND
Accountants
& Registered Auditors

18 Sir Isaac's Walk
Colchester
Essex
CO1 1JL

18 December 2006

UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JULY 2006

	Note	2006 £	2005 £
TURNOVER		—	—
Administrative expenses		<u>735</u>	<u>747</u>
OPERATING LOSS	2	(735)	(747)
Interest receivable		<u>1,172</u>	<u>1,254</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		437	507
Tax on profit on ordinary activities		—	—
PROFIT FOR THE FINANCIAL YEAR		<u>437</u>	<u>507</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 10 form part of these financial statements.

UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

BALANCE SHEET

31 JULY 2006

	Note	2006 £	2005 £
CURRENT ASSETS			
Debtors	4	134	4
Cash at bank		<u>50,635</u>	<u>50,333</u>
		50,769	50,337
CREDITORS: Amounts falling due within one year	5	<u>723</u>	<u>728</u>
NET CURRENT ASSETS		<u>50,046</u>	<u>49,609</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>50,046</u>	<u>49,609</u>
CAPITAL AND RESERVES			
Called-up equity share capital	7	50,002	50,002
Profit and loss account	8	<u>44</u>	<u>(393)</u>
SHAREHOLDERS' FUNDS	9	<u>50,046</u>	<u>49,609</u>

These financial statements were approved by the directors on the 13 DECEMBER 2006 and are signed on their behalf by:

DR A H RICH
Director




UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Fixed assets

All fixed assets are initially recorded at cost.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. OPERATING LOSS

Operating loss is stated after charging:

	2006 £	2005 £
Directors' emoluments	—	—
Auditor's remuneration - as auditor	<u>710</u>	<u>690</u>

3. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year.

4. DEBTORS

	2006 £	2005 £
Other debtors	<u>134</u>	<u>4</u>

5. CREDITORS: Amounts falling due within one year

	2006 £	2005 £
Amounts owed to group undertakings	13	13
Accruals and deferred income	<u>710</u>	<u>715</u>
	<u>723</u>	<u>728</u>

UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2006

6. RELATED PARTY TRANSACTIONS

University of Essex Research Park Limited is wholly owned and controlled by University of Essex Research Park Holdings Limited, which itself is wholly owned and controlled by the University of Essex. The company has taken advantage of the exemption conferred by FRS 8 from disclosing related party transactions on the basis that the consolidated financial statements in which the company is included are publicly available. Balances with the University of Essex are disclosed in note 4 to the financial statements.

The company is involved in a partnership with Carisbrooke Research Parks Limited. A partnership agreement was signed on 15 July 2002. Under the terms of the agreement, profits of up to £25 million are to be shared 75% to University of Essex Research Park Limited and 25% to Carisbrooke Research Parks Limited. If this figures exceeded, any excess is to be shared 65% to University of Essex Research Park Limited and 35% to Carisbrooke Research Parks Limited. Any losses are to be borne in equal shares.

The agreement also states that Carisbrooke Research Parks Limited was required to pay £100,000 into an escrow account to defray marketing costs and other items of infrastructure or plot expenditure.

As at 31 July 2006, the company's stake in this partnership amounted to a net liability of £29,825 (2005 : net asset of £5,276).

7. SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>50,002</u>	<u>50,002</u>	<u>50,002</u>	<u>50,002</u>
Equity shares				
Ordinary shares of £1 each	<u>50,002</u>	<u>50,002</u>	<u>50,002</u>	<u>50,002</u>

8. PROFIT AND LOSS ACCOUNT

	2006 £	2005 £
Balance brought forward	(393)	(900)
Profit for the financial year	<u>437</u>	<u>507</u>
Balance carried forward	<u>44</u>	<u>(393)</u>

UNIVERSITY OF ESSEX RESEARCH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2006

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Profit for the financial year	437	507
Opening shareholders' funds	<u>49,609</u>	<u>49,102</u>
Closing shareholders' funds	<u>50,046</u>	<u>49,609</u>