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NI 38987

NORTHERN IRELAND SCIENCE PARK PROPERTY LIMITED

Report and Financial Statements

31 March 2002

REGISTERED  
10 DEC 2002  
27

DEPARTMENT OF ENTERPRISE  
TRADE AND INVESTMENT  
REGISTERED  
4 COMPANIES REGISTRY

# Northern Ireland Science Park Property Limited

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Registered No. NI 38987

## **DIRECTORS**

Professor R W E Shannon	(resigned 1 April 2002)
Mr D Gibson	(resigned 1 April 2002)
Mr M Black	(Chairman)
Dr C Barnett	
Dr N Apsley	
Mr H Martin	(resigned 1 April 2002)
Mr G Jebb	(appointed 31 December 2001)
Mr F Adair	(appointed 12 September 2002)
Mr T Rogers	(appointed 12 September 2002)

## **SECRETARY**

Cypher Services Limited	(appointed 1 April 2002)
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## **AUDITORS**

Ernst & Young LLP  
Bedford House  
16 Bedford Street  
Belfast  
BT2 7DT

## **BANKERS**

Ulster Bank Limited  
PO Box 232  
11-16 Donegall Square East  
Belfast

## **SOLICITORS**

Cleaver Fulton Rankin  
50 Bedford Street  
Belfast  
BT2 7FW

## **REGISTERED OFFICE**

50 Bedford Street  
Belfast  
BT2 7FW

# Northern Ireland Science Park Property Limited

## DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 March 2002.

### RESULTS

The result for the year was £Nil.

### ACTIVITIES

The principal activity of Northern Ireland Science Park Property Limited is to manage the land and property assets of the Northern Ireland Science Park Foundation Limited in fulfilment of the Northern Ireland Science Park Foundation Limited's objects and in accordance with the policies of Northern Ireland Science Park (Holdings) Limited.

Post the year end, the company has purchased a site at Queen's Road, Belfast and secured all necessary permission for the building of an Innovation Centre. Work on the first phase of site infrastructure and the Innovation Centre has begun, with completion expected in mid 2003.

Discussions on the use of the Thomson Dock scheduled monument area has begun with a number of interested parties to secure the ideal future of that area, not only in the furtherance of Northern Ireland Science Park's objectives, but also in recognition of its wider importance as an industrial, cultural and tourism asset of Belfast and Northern Ireland.

The company has taken in its first tenants and expects to fill its temporary accommodation in 2002/3, with businesses waiting to occupy the Innovation Centre.

### DIRECTORS AND THEIR INTERESTS

The directors during the year are listed on page 1. Mr Gary Jebb replaced Mr Hubert Martin as the representative of Queens University. Mr F Adair and Mr T Rogers were appointed on 12 September 2002. Mr Hubert Martin, Professor RWE Shannon and Mr D Gibson resigned on 1 April 2002. The directors have no interests in the share capital of the company.

### AUDITORS

Ernst & Young LLP have expressed their willingness to continue in office as auditors and a resolution for their re-appointment will be put to the forthcoming Annual General Meeting.

### SMALL COMPANY EXEMPTIONS

The directors have taken advantage of the exemptions conferred by Part VIII of the Companies (Northern Ireland) Order 1986 and with the Financial Reporting Standard for Smaller Entities.

By Order of the Board



13 November 2002

Secretary

D. Adair

## Northern Ireland Science Park Property Limited

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### 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;
- 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 (Northern Ireland) Order 1986. 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.

## Northern Ireland Science Park Property Limited

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHERN IRELAND SCIENCE PARK PROPERTY LIMITED**

We have audited the company's financial statements for the year ended 31 March 2002, which comprise the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes 1 to 14. These financial statements have been prepared on the basis of the accounting policies set out therein.

#### **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 (Northern Ireland) Order 1986. 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 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986 and applicable to small companies.

  
Registered Auditor  
Belfast

2 December 2002

# Northern Ireland Science Park Property Limited

## PROFIT AND LOSS ACCOUNT for the year ended 31 March 2002

			<i>From incorporation to 31 March</i>
	<i>Notes</i>	<i>2002 £</i>	<i>2001 £</i>
<b>TURNOVER</b>	2	11,265	6,478
Operating expenses		13,532	6,478
<b>OPERATING LOSS</b>	3	2,267	-
Bank interest receivable		2,522	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		255	-
Taxation on ordinary activities	4	255	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		-	-

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit for the year ended 31 March 2002 of £Nil (£Nil for the period ended 31 March 2001).

# Northern Ireland Science Park Property Limited

## BALANCE SHEET

as at 31 March 2002

	Notes	2002 £	2001 £
<b>FIXED ASSETS</b>			
Tangible assets	5	1,004,575	206,209
		<u>1,004,575</u>	<u>206,209</u>
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		5,001,712	-
Debtors	6	69,768	129,513
		<u>5,071,480</u>	<u>129,513</u>
<b>CREDITORS: amounts falling due in less than one year</b>	7	5,071,479	129,512
<b>NET CURRENT ASSETS</b>		<u>1</u>	<u>1</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,004,576</u>	<u>206,210</u>
<b>ACCRUALS AND DEFERRED INCOME</b>			
Deferred credit	8	1,004,575	206,209
		<u>1</u>	<u>1</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	1	1
Profit and loss account	10	-	-
		<u>1</u>	<u>1</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VIII of the Companies (Northern Ireland) Order 1986 and with the Financial Reporting Standard for Smaller Entities.

*T.G. Black*  
Director

13 November 2002

# Northern Ireland Science Park Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

### 1. ACCOUNTING POLICIES

#### *Accounting convention*

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and comply with the Financial Reporting Standard for Smaller Entities.

#### *Fixed assets*

Tangible fixed assets represent property development costs capitalised. No depreciation has been charged as the asset is incomplete. The asset should be in use by 30 June 2003.

#### *Deferred Credit*

Grant Payments in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets.

Grant Payments of a revenue nature are credited to income in the period to which they relate.

### 2. TURNOVER

Northern Ireland Science Park Property Limited receives payments, in line with expenditure, from its ultimate parent undertaking, Northern Ireland Science Park Foundation Limited, which receives grants from the Department of Enterprise, Trade and Investment.

Payments of a revenue nature are credited to income in the period to which they relate.

### 3. OPERATING LOSS

This is stated after charging:

		<i>From incorporation to 31 March</i>	
		<i>2002</i>	<i>2001</i>
		<i>£</i>	<i>£</i>
Auditors' remuneration	- audit services	1,000	1,000
	- non audit services	500	-
		<u>          </u>	<u>          </u>

### 4. TAXATION ON ORDINARY ACTIVITIES

		<i>From incorporation to 31 March</i>	
		<i>2002</i>	<i>2001</i>
		<i>£</i>	<i>£</i>
UK Corporation tax at 10% (2001 - 20%)		255	-
		<u>          </u>	<u>          </u>



# Northern Ireland Science Park Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

### 5. TANGIBLE FIXED ASSETS

	<i>Total</i> £
Cost:	
At 1 April 2001	206,209
Additions	798,366
At 31 March 2002	<u>1,004,575</u>
Depreciation:	
At 1 April 2001 and 31 March 2002	-
Net book value:	
At 31 March 2002	<u>1,004,575</u>
At 31 March 2001	<u>206,209</u>

### 6. DEBTORS

	2002 £	2001 £
Trade debtors	788	-
Prepayment	74	-
Intercompany – Northern Ireland Science Park Foundation Limited	-	129,513
– Northern Ireland Science Park (Holdings) Limited	68,906	-
	<u>69,768</u>	<u>129,513</u>

### 7. CREDITORS: amounts falling due in less than one year

	2002 £	2001 £
Trade creditors	155,288	129,512
Accruals	106,995	-
Bank overdraft	398,489	-
Intercompany – Northern Ireland Science Park Foundation Limited	4,410,452	-
Corporation tax	255	-
	<u>5,071,479</u>	<u>129,512</u>

# Northern Ireland Science Park Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2002

### 8. ACCRUALS AND DEFERRED INCOME

*Deferred credit:*

	2002 £	2001 £
Balance as at 1 April	206,209	-
Received during the year	798,366	206,209
Balance as at 31 March	1,004,575	206,209

Under the terms of a funding agreement dated 22 March 2002 entered into with the Department of Enterprise Trade and Investment, the group is entitled to receive capital grants up to £14,125,825 by 31 December 2004. The capital grant is to be repaid out of distributable reserves beginning with the financial year commencing on 1 April 2019 provided such repayment would not prejudice the future needs of the project and the science park generally.

### 9. SHARE CAPITAL

	2002 £	Authorised 2001 £
Ordinary shares of £1 each	100,000	100,000

	2002 No.	2001 No.	Allotted, called up and fully paid 2002 £	2001 £
Ordinary shares of £1 each	1	1	1	1

# Northern Ireland Science Park Property Limited

## NOTES TO THE FINANCIAL STATEMENTS at 31 March 2002

### 10. RECONCILIATION OF SHAREHOLDERS' FUNDS

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total £</i>
At 25 July 2000	1	-	1
Profit for the period		-	-
At 31 March 2001	1	-	1
Profit for the year		-	-
At 31 March 2002	1	-	1

### 11. CONTINGENT LIABILITY

The group has granted fixed charges over its present and future freehold and leasehold property and on any rents receivable arising out of the lease of these properties and a floating charge over the undertaking, goodwill, property and assets both present and future in favour of the Department of Enterprise, Trade and Investment in respect of all receipts of grant due or to become due under the terms of a funding agreement dated 22 March 2002. It has also given an unlimited guarantee to repay all monies due on intra group receipts of capital grants under the funding agreement. At 31 March 2002, the group had received capital advances totalling £6 million.

### 12. CAPITAL COMMITMENTS

Amounts approved by the board, not contracted for and not provided in the financial statements amounted to the sum of £9,000,000 (2000 - £Nil).

### 13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption within FRS 8 "Related Party Disclosures" from disclosing transactions with its related companies as group accounts are prepared.

### 14. ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Northern Ireland Science Park (Holdings) Limited, whose ultimate parent undertaking is Northern Ireland Science Park Foundation Limited.