

Birmingham Technology (Venture Capital) Limited
Annual report and financial statements
for the year ended 31 March 2010

Registered number 2188943

FRIDAY



AW0XH07H

A15

24/12/2010

433

COMPANIES HOUSE

Birmingham Technology (Venture Capital) Limited

Annual report and financial statements for the year ended 31 March 2010

	Page
Directors' report for the year ended 31 March 2010	1
Independent auditors' report to the members of Birmingham Technology (Venture Capital) Limited	2
Profit and loss account for the year ended 31 March 2010	4
Balance sheet as at 31 March 2010	5
Notes to the financial statements for the year ended 31 March 2010	6

Birmingham Technology (Venture Capital) Limited

Directors' report for the year ended 31 March 2010

The directors present their annual report together with the audited financial statements of the company (registered number 2188943) for the year ended 31 March 2010. The directors have taken the exemption under the special provisions relating to small companies within Part 15 of the Companies Act 2006 from undertaking the detailed business review requirements of section 417 of the Companies Act 2006.

Principal activities

The company holds investments in the form of equity and loans to technology companies based on the Birmingham Science Park Aston.

Results and dividends

The results for the period are set out on page 5 and the loss of £9,648 (2009 9 month period profit of £21,776) has been deducted from (2009 transferred to) reserves.

The sale of the company's entire investment in The Logistics Business Limited (1,700 Ordinary shares of £1 each) was completed in July 2009 for £9,150 realising a gain on disposal of £7,450.

Going concern

The ability of the Company to continue as a going concern is dependent upon the continuing support of Birmingham City Council. The financial statements do not include any adjustments that might be necessary should the company be unable to continue as a going concern. In the opinion of the directors the going concern basis is appropriate for the preparation of the financial statements as the confirmation of ongoing financial support has been received from Birmingham City Council.

Directors

The directors during the period and up to the date of signing the financial statement were

Councillor M Whitby	(Chairman)
Councillor Sir Albert Bore	
Councillor N Summerfield	(Resigned 16 July 2010)
Councillor T Ali	(Appointed 29 June 2009, Resigned 16 July 2010)
Councillor T Huxtable	(Appointed 16 July 2010)
Councillor S Shah	(Appointed 16 July 2010)
Hon Alderman D Roy	(Appointed 29 June 2009)
Professor J King CBE	

Directors' Indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity insurance policy which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the year Directors' and Officers' liability insurance in respect of itself and its Directors.

Birmingham Technology (Venture Capital) Limited

Directors' report for the year ended 31 March 2010 (continued)

Directors' responsibilities statement

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 prepared 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 judgements 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.

Statement on disclosure of information to auditors

Each person who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006

By order of the Board



P R Lines
Company secretary

20 December 2010

Independent auditors' report to the members of Birmingham Technology (Venture Capital) Limited

We have audited the financial statements of Birmingham Technology (Venture Capital) Limited for the year ended 31 March 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 March 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with 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.

Independent auditors' report to the members of Birmingham Technology (Venture Capital) Limited (continued)

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 Directors' Report in accordance with the small company regime



Stephen Snook (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

23 December 2010

Birmingham Technology (Venture Capital) Limited

Profit and loss account for the year ended 31 March 2010

		Year ended 31 March 2010	9 month period ended 31 March 2009
	Note	£	
Turnover	1	-	2,250
Administrative expenses		(18,158)	(4,125)
Operating loss		(18,158)	(1,875)
Profit on disposal of fixed asset investments	6	7,450	-
Interest receivable and similar income	2	1,000	22,000
(Loss)/profit on ordinary activities before taxation	3	(9,708)	20,125
Tax on (loss)/profit on ordinary activities	4	60	1,651
(Loss)/profit for the financial period	11	(9,648)	21,776

The notes on pages 7 to 14 form part of these financial statements

The results of the company arise entirely from the continuing activities of the company

The (loss)/profit for the period includes all recognised gains and losses, consequently no statement of recognised gains and losses has been prepared

There is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

Birmingham Technology (Venture Capital) Limited

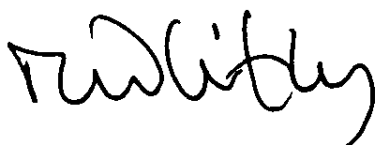
Balance sheet as at 31 March 2010

		Year ended 31 March 2010	9 month period ended 31 March 2009
	Notes	£	£
Fixed assets			
Investments	6	30,000	31,700
Current assets			
Debtors	7	22,468	21,468
Creditors' amounts falling due within one year	8	(15,268)	(6,320)
Net current assets		7,200	15,148
Net assets		37,200	46,848
Capital and reserves			
Called up share capital	10	5,500	5,500
Profit and loss account	11	31,700	41,348
Total shareholders' funds	12	37,200	46,848

The notes on pages 7 to 14 form part of these accounts

Approved by the Board on 20 December 2010 and signed on its behalf by

Director



COUNCILLOR M. WHITBY

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010

1 Accounting policies

Basis of preparation

The accounts are prepared on the going concern basis, under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006. The accounting policies have been consistently applied.

Going concern

The ability of the Company to continue as a going concern is dependent upon the continuing support of Birmingham City Council. The financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. The directors have received confirmation from Birmingham City Council that ongoing support will be provided. Therefore, in the opinion of the directors, the going concern basis is appropriate for the preparation of the financial statements.

Investments

Investments in investee companies are stated at cost except where the directors become aware of any diminution in value, in which case a provision is made for such diminution.

Turnover

Turnover represents income received and receivable in the period in respect of directors' fees.

Taxation (including deferred taxation)

The charge for taxation is based on the profits for the year and takes into account taxation deferred in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Statement of cash flows

The parent undertaking, Birmingham Technology Limited, has included a cash flow statement in its financial statements for the period ended 31 March 2010. Under the exemptions of Financial Reporting Standard 1 (revised 1996) 'Cash Flow Statements' no cash flow statement is required in the financial statements of this company.

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

2 Interest receivable and similar income

	Year ended 31 March 2010	9 month period ended 31 March 2009
	£	£
On loans to group undertakings	1,000	22,000

3 (Loss)/profit on ordinary activities before taxation

The (loss)/profit on ordinary activities before taxation is stated after charging the following amounts

	Year ended 31 March 2010	9 month period ended 31 March 2009
	£	£
Management fee payable to parent undertaking	14,500	2,250
Profit on disposal of investment	7,450	-
Auditors' remuneration		
- audit fees	2,496	1,875

None of the directors received any emoluments during the period in respect of their services to the company (2009 9 month period £nil) There were no employees paid by the company during either the current period or the prior year

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

4 Tax on (loss)/profit on ordinary activities

Analysis of charge in the period:

	Year ended 31 March 2010	9 month period ended 31 March 2009
	£	£
Current tax		
UK corporation tax charge on profits of the period	-	5,635
Adjustments in respect of prior years	(60)	(7,286)
Total current tax credit	(60)	(1,651)
Deferred tax		
Current period charge (note 9)	-	-
Tax credit on (loss)/profit on ordinary activities	(60)	(1,651)

Factors affecting tax credit for the period:

The tax assessed for the year is higher (2009 (9 month period) lower) than the standard rate of corporation tax in the United Kingdom of 28% (2009 28%)

	Year ended 31 March 2010	9 month period ended 31 March 2009
	£	£
(Loss)/profit on ordinary activities before tax	(9,708)	20,125
Tax (credit)/charge on (loss)/profit on ordinary activities at the standard UK rate of corporation tax 28% (2009 28%)	(2,718)	5,635
Effects of:		
Expenses not deductible for tax purposes	(2,086)	-
Other timing differences	4,804	-
Adjustments in respect of prior periods	(60)	(7,286)
Current tax credit for the period	(60)	(1,651)

Based on current investment plans there are no significant factors that will affect the tax charge in future years

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

5 Dividends

	Year ended 31 March 2010	9 month period ended 31 March 2009
	£	£
Dividends paid to redeemable ordinary shareholder	-	957,999

Following the cancellation of the £1,599,999 Cumulative Redeemable Preference Shares on 19 August 2008, the C Redeemable Ordinary Share was entitled to receive a dividend of the maximum distributable reserves available to the company, less £1. A dividend of £957,999 was paid on 27 January 2009 and the 'C' Redeemable Ordinary Share was redeemed on the same date.

There were no dividends paid or proposed during the year ended 31 March 2010.

6 Investments

	£
Cost – equity shares	
At 1 April 2009	253,700
Disposals	(1,700)
At 31 March 2010	252,000
Provisions	
At 31 March 2010 and 1 April 2009	222,000
Net book amount	
At 31 March 2010	30,000
At 31 March 2009	31,700

The sale of the company's entire investment in The Logistics Business Limited (1,700 Ordinary shares of £1 each) was completed in July 2009 for £9,150 realising a gain on disposal of £7,450.

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

6 Investments (continued)

Investments in investee companies, all of which are incorporated in the United Kingdom and unlisted, are detailed as follows

Name of company	Shares at cost £	Details of share holding	Percentage holding
Tech-Ni-Plant Limited	252,000	9,608 Ordinary shares of £1 each 20,000 Cumulative redeemable preference shares of £1 each	41.6%

The directors have made provisions for impairment in the value of investments based on their assessment of the value of the investments at 31 March 2010. The directors consider the value of the investments to be supported by their underlying assets.

The unaudited capital and reserves of Tech-Ni-Plant Limited were £40,639 at 31 December 2009 (at 31 March 2009 (9 month period) £35,376) and the company made a profit of £4,395 for the 9 month period to 31 December 2009 (2009 for the period to 31 March 2009 (9 month period) £4,965).

7 Debtors

	31 March 2010	31 March 2009
Amounts falling due within one year	£	£
Amounts owed by group undertakings	22,468	21,468

Amounts owed by the group undertakings are repayable on demand. Interest is payable on non trading balances at 6% per annum (2009 6%). Trading balances are repayable on demand without interest charges. Intercompany balances are unsecured.

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

8 Creditors: amounts falling due within one year

	31 March 2010	31 March 2009
	£	£
Corporation tax payable	-	60
Amounts owed to group undertakings	15,268	6,260
	15,268	6,320

The amounts owed to group undertakings are repayable on demand. Interest was payable on trading balances at 6% per annum during the period (2009: 6%). Intercompany balances are unsecured.

9 Deferred taxation

	31 March 2010	31 March 2009
	£	£
Deferred taxation		
Deferred tax liability at 31 March 2010 and 1 April 2009	-	-

The full potential deferred tax asset, calculated on the liability method at 28% (2009: 28%), is £282,631 (2009: 9 month period) £279,913) calculated as follows:

	31 March 2010	31 March 2009
	£	£
Tax losses carried forward	66,964	62,160
Capital losses	215,667	217,753
Undiscounted deferred tax asset (unrecognised)	282,631	279,913

The potential deferred tax asset of £282,631 arises as a result of tax losses and capital losses. This asset has not been recognised at the year end due to uncertainty over the timing and nature of future profits.

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

10 Called up share capital

Authorised	31 March 2010	31 March 2009
	£	£
Equity		
5,000 'A' Ordinary shares of £1 each	5,000	5,000
5,000 'B' Ordinary shares of £1 each	5,000	5,000
	10,000	10,000
Allotted and fully paid	31 March 2010	31 March 2009
	£	£
Equity		
5,000 'A' Ordinary shares of £1 each	5,000	5,000
500 'B' Ordinary shares of £1 each	500	500
	5,500	5,500

The company's shares carry the following rights

'A' Ordinary, 'B' Ordinary shares

An 'A' Ordinary shareholder is entitled to receive a notice of and to attend at any general meeting and has one vote on a show of hands and on a poll one vote for each 'A' Ordinary Share of which he is the holder. The 'B' Ordinary Shares have the same rights as the 'A' Ordinary Shares and rank pari passu with the 'A' Ordinary Shares.

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

11 Profit and loss account

	£
At 1 April 2009	41,348
Loss for the year	(9,648)
At 31 March 2010	31,700

12 Reconciliation of movements in shareholders' funds

	Year ended 31 March 2010	9 month period ended 31 March 2009
	£	£
Opening shareholders' funds	46,848	983,072
(Loss)/profit for the financial period	(9,648)	21,776
Dividend paid to 'C' Redeemable Ordinary Share	-	(957,999)
Redemption of 'C' Redeemable Ordinary Share	-	(1)
Closing shareholders' funds	37,200	46,848

13 Ultimate parent undertaking and controlling party

The company is part of the Birmingham Technology Limited group, which is the smallest group to consolidate these financial statements. The ultimate parent undertaking and controlling party is Birmingham City Council, which is the parent undertaking of the largest group to consolidate these financial statements. Copies of Birmingham Technology Limited's and Birmingham City Council's consolidated financial statements can be obtained from the Company Secretary at Faraday Wharf, Holt Street, Aston Science Park, Birmingham B7 4BB.

Birmingham Technology (Venture Capital) Limited

Notes to the financial statements for the year ended 31 March 2010 (continued)

14 Related party disclosures

The amounts owed to / from group companies, including subsidiary undertakings, are repayable on demand. Interest on these balances was payable and receivable at 6% (2009 6%). The amounts of these transactions are shown in note 2. The company pays certain administration charges to Birmingham Technology Limited and other group companies, which amounted to £14,500 in the period ended 31 March 2010 (2009 (9 month period) £2,250).