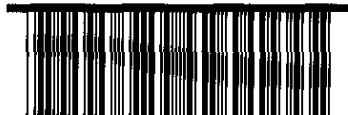


SCTR LIMITED

Report and Accounts

31 March 2002



SCT	SE7YNKJ1	0053
COMPANIES HOUSE		30/04/03

SCTR Limited

Registered No. 206549

DIRECTORS

B Shaw
E Stallins
N Thomson

SECRETARY

G Palmer

AUDITORS

Ernst & Young LLP
George House
50 George Square
Glasgow
G2 1RR

BANKERS

Bank of America

SOLICITORS

Scottish Enterprise (Legal Division)
150 Broomielaw
Atlantic Quay
Glasgow
G2 8LU

REGISTERED OFFICE

150 Broomielaw
Atlantic Quay
Glasgow
G2 8LU

MAIN US OFFICE

One Memorial Drive
Ste 1220
Cambridge
MA 02142

 ERNST & YOUNG

DIRECTORS' REPORT

The company was incorporated on 25 April 2000 and commenced trading on 1 January 2001.

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

RESULTS

The profit for the year, after taxation, amounted to £Nil. The directors do not recommend payment of a dividend.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company provides facilities and advice to Scottish organisations wishing to carry on business in the US. It operates from four locations situated in Florida, California, Texas and Virginia.

FUTURE DEVELOPMENTS

The company aims to develop its role in assisting Scottish organisations to succeed in the US.

FIXED ASSETS

Details of the company's fixed assets are given in note 7 of the accounts.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year were as follows:

K McMurrich
E Stallins
N Thomson

In addition B Shaw was appointed on 12 June 2002. K McMurrich resigned on 16 April 2002.

There are no directors' interests requiring disclosure under the Companies Act 1985.

On behalf of the board



N Thomson
Director

28 April 2003

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts 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 accounts comply with the Companies Act 1985. They are also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCTR LIMITED

We have audited the company's accounts for the year ended 31 March 2002 which comprise Profit and Loss Account, Balance Sheet and the related notes 1 to 13. These accounts have been prepared on the basis of the accounting policies set out therein.

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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, 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.

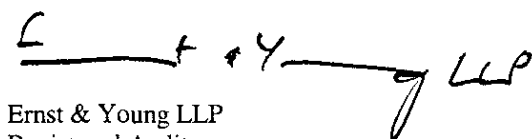
Basis of audit opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 March 2002 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
Glasgow

28 April 2003

SCTR Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 March 2002

			3 months to 31 March
	Notes	2002 £	2001 £
TURNOVER	2	238,379	11,031
Release of grants		24,967	22,174
Other operating income	3	763,267	235,910
		<u>1,071,613</u>	<u>269,115</u>
Staff costs	6	531,005	134,531
Depreciation and amortisation		24,967	22,174
Other operating charges		515,641	112,410
		<u>1,071,613</u>	<u>269,115</u>
OPERATING PROFIT		-	-
Tax on profit on ordinary activities		-	-
PROFIT FOR THE FINANCIAL PERIOD		<u>-</u>	<u>-</u>

SCTR Limited

BALANCE SHEET at 31 March 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible assets	7	83,302	94,318
CURRENT ASSETS			
Debtors	8	35,470	32,989
Cash at bank and in hand		232,678	113,972
		268,148	146,961
CREDITORS: amounts falling due within one year	9	268,048	146,861
NET CURRENT ASSETS		100	100
TOTAL ASSETS LESS CURRENT LIABILITIES		83,402	94,418
Accruals and deferred income			
Deferred grants	10	83,302	94,318
		100	100
CAPITAL AND RESERVES			
Share capital	11	100	100



N Thomson

Director

28 April 2003

NOTES TO THE ACCOUNTS
at 31 March 2002

1. ACCOUNTING POLICIES

Fundamental accounting concept

The accounts have been prepared under the going concern concept because the parent undertaking has agreed to provide adequate funds for the company to meet its liabilities as they fall due.

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Capital grants

Grants in respect of capital expenditure on acquiring fixed assets are capitalised and released to the profit and loss account in line with the depreciation policy.

Depreciation

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:

Furniture and equipment - over 4 to 10 years
Computer - over 4 years

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable. In addition, Scottish based directors are members of the Scottish Enterprise Pension and Life Assurance Scheme which is a defined benefit scheme.

2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties for services which fall within the company's ordinary activity, namely the provision of facilities and advice to Scottish organisations wishing to carry on business in the US.

SCTR Limited

NOTES TO THE ACCOUNTS at 31 March 2002

3. OTHER OPERATING INCOME

Other operating income represents funding from Scottish Enterprise.

4. OPERATING PROFIT

This is stated after charging/(crediting):

	3 months to 31 March	
	2002	2001
	£	£
Auditors' remuneration – audit services	3,000	3,000
Depreciation of fixed assets	24,967	22,174
Operating leases – property	196,895	18,058
Rental income	(103,360)	(4,700)
Loss/(gain) on foreign exchange	6,951	(143)
	<u> </u>	<u> </u>

5. DIRECTORS' REMUNERATION

	3 months to 31 March	
	2002	2001
	£	£
Directors' emoluments	59,352	14,765
	<u> </u>	<u> </u>

The Scottish based directors are members of the Scottish Enterprise Pension and Life Assurance Scheme which is a defined benefit scheme. The other director is a member of a defined contribution scheme.

6. STAFF COSTS

	3 months to 31 March	
	2002	2001
	£	£
Wages and salaries	479,985	119,987
Social security costs	-	7,462
Other pension costs	51,020	7,082
	<u> </u>	<u> </u>
	531,005	134,531
	<u> </u>	<u> </u>

SCTR Limited

NOTES TO THE ACCOUNTS at 31 March 2002

7. TANGIBLE FIXED ASSETS

	<i>Computer</i>	<i>Furniture and equipment</i>	<i>Total</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Cost			
At 1 April 2001	49,982	66,510	116,492
Additions	6,265	7,686	13,951
Disposals	-	-	-
Cost at 31 March 2002	56,247	74,196	130,443
Depreciation:			
At 1 April 2001	12,496	9,678	22,174
Charge for the period	14,061	10,906	24,967
Disposals	-	-	-
As at 31 March 2002	26,557	20,584	47,141
Net book value:			
At 31 March 2002	29,690	53,612	83,302
At 31 March 2001	37,486	56,832	94,318

8. DEBTORS

	<i>2002</i>	<i>2001</i>
	<i>£</i>	<i>£</i>
Trade debtors	31,959	-
Prepayments and accrued income	3,511	32,989
	35,470	32,989

9. CREDITORS DUE WITHIN ONE YEAR

	<i>2002</i>	<i>2001</i>
	<i>£</i>	<i>£</i>
Amount due to parent undertaking	265,048	143,861
Accrued charges	3,000	3,000
	268,048	146,861

SCTR Limited

NOTES TO THE ACCOUNTS at 31 March 2002

10. DEFERRED GRANTS

	2002	2001
	£	£
Balance at 1 April 2001	94,318	-
Received during the period	13,951	116,492
Released during the period	(24,967)	(22,174)
	<u>83,302</u>	<u>94,318</u>

11. SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	2002	2001	2002	2001
	£	£	£	£
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12. OTHER FINANCIAL COMMITMENTS

The company had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and buildings</i>	
	2002	2001
	£	£
Operating leases which expire:		
within one year	-	38,282
within two to five years	275,000	204,532
	<u>275,000</u>	<u>242,914</u>

13. ULTIMATE PARENT UNDERTAKING

The company is a wholly owned subsidiary undertaking of Scottish Enterprise.

The accounts of the company are consolidated within the group accounts of Scottish Enterprise and copies of these accounts are available from The Secretary, Scottish Enterprise, 150 Broomielaw, Atlantic Quay, Glasgow, G2 8LU