

Registered number: 03341897

Bio Park Hertfordshire Limited

Annual report for the year ended 31 July 2015

WEDNESDAY



A51G0RLS

A13

24/02/2016

#201

COMPANIES HOUSE

Company Information
Registered Number: 03341897

Director

J Barnes

Secretary

AM Puddefoot

Registered Office

BioPark
Broadwater Road
Welwyn Garden City
Hertfordshire
AL7 3AX

Auditors

Grant Thornton UK LLP
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

Bankers

National Westminster Bank plc
10 St Peter's Street
St Albans
Hertfordshire
AL1 3LY

Director's Report

For the year ended 31 July 2015

Financial Statements

The director presents her annual report and financial statements for the year ended 31 July 2015.

Principal Activities

The Company's principal activities consist of the letting and facilities management of the Bio Park Hertfordshire facility in Welwyn Garden City.

Dividends

The director does not propose a dividend for the year ended 31 July 2015.

Donations

The Company did not make any charitable or political donations during the year.

Director

J Barnes

The director who held office at 31 July 2015 had no interest in the shares of the company.

Director's Responsibilities Statement

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period. In preparing these financial statements, the director is 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 director is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable her to ensure that the financial statements comply with the Companies Act 2006.

The director confirms that:

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

To the best of my knowledge:

- the financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws) give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.

Director's Report (continued)

Disclosure of information to auditors

At the date of making this report the company's director, as set out on page 1, confirmed the following:

- so far as the director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- the director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Going Concern

The ultimate parent company The University of Hertfordshire has agreed to provide funds in order to ensure that the company can settle its liabilities as they fall due.

As a result it is the consideration of the director, that the accounts should be prepared on a going concern basis

Auditors

A resolution to reappoint Grant Thornton UK LLP as auditors of the company will be proposed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 2006.

Approval

This report was authorised and approved by the Board on 11/11/2015 and signed on its behalf by:



J Barnes
Director

Report of the independent auditor to the members of Bio Park Hertfordshire Limited

We have audited the financial statements of Bio Park Hertfordshire Ltd for the year ended 31 July 2015 which comprise the balance sheet, the profit and loss account and the related notes. 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 auditor

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 and express an opinion on 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2015 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 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.
- the director was not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report.



Richard Shaw
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

16 November 2015

Profit and Loss Account
For the year ended 31 July 2015

	Notes	2015 £	2014 £
Turnover		2,322,809	2,103,041
Cost of sales		<u>(2,219,804)</u>	<u>(1,542,077)</u>
Gross Profit		103,005	560,964
Administrative Expenses		<u>(176,300)</u>	<u>(537,417)</u>
Operating (Loss)/Profit		<u>(73,295)</u>	<u>23,547</u>
Exceptional Items	1	<u>(923,045)</u>	<u>80,000</u>
(Loss)/Profit on Ordinary Activities before interest		(996,340)	103,547
Other Interest receivable and similar income		47,250	-
Interest payable and similar charges		<u>(80,013)</u>	<u>-</u>
(Loss)/Profit on Ordinary activities before Taxation	2	(1,029,103)	103,547
Taxation	4	<u>112,307</u>	<u>(12,007)</u>
(Loss)/Profit on Ordinary activities after Taxation		<u>(916,796)</u>	<u>91,540</u>

All losses arise from continuing activities and are recognised in the Profit and Loss Account above.

There were no other recognised gains or losses in the year.

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

Balance Sheet
Company No. 03341897
As at 31 July 2015

	Notes	2015 £	2014 £ Restated
Fixed Assets			
Tangible Assets	5	1,799,832	2,765,097
Current assets			
Debtors	6	1,097,887	603,059
Debtors due within more than 1 year	7	720,000	880,000
Cash at bank and in hand		10,961	10,000
		<u>1,828,848</u>	<u>1,493,059</u>
Creditors: amounts falling due within one year	8	<u>(5,095,208)</u>	<u>(4,807,782)</u>
Net current liabilities		<u>(3,266,360)</u>	<u>(3,314,723)</u>
Total assets less current liabilities		<u>(1,466,528)</u>	<u>(549,625)</u>
Net liabilities		<u>(1,466,528)</u>	<u>(549,625)</u>
Capital and reserves			
Called-up Share Capital	9	2	2
Reserves	10	<u>(1,466,530)</u>	<u>(549,627)</u>
Equity Shareholders' deficit	11	<u>(1,466,528)</u>	<u>(549,625)</u>

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

The financial statements on pages 5 to 14 were authorised and approved by the Board on 11/11/2015 and signed on its behalf by:



J Barnes
Director

Notes to the Financial Statements

For the year ended 31 July 2015

Statement of Accounting Policies

The principal accounting policies are summarised below.

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and Financial Reporting Standard for Smaller Entities (Effective April 2008).

The ultimate Parent Company University of Hertfordshire has agreed to continue to provide funds in order to ensure that the company can settle its liabilities as they fall due.

As a result, the accounts have been prepared on a going concern basis.

Turnover

Turnover is recognised net of VAT and relates to rental of laboratory spaces and provision of conference facilities in the period. Laboratory space is invoiced in advance and credited to "accruals and deferred income" and released to income in the appropriate period.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life at the following rates per annum;

Fixture and Fittings	- 25%
Laboratory Equipment	- 10%
Leasehold Improvements	- Over the term of the lease
Computer Equipment	- 33%

Pension Costs

The company participates in a pension scheme providing benefits on final pensionable pay, contributions being charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary.

Taxation

Corporation taxation is provided at amounts expected to be paid or recovered using tax rates that have been enacted or substantially enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the Balance Sheet date.

Timing Differences are differences between the company's taxable profits and its results as stated in the financial statements. Deferred tax is measured at the average tax rates expected to apply in the periods in which the timing differences are expected to reverse based on rates and laws that have been enacted or substantially enacted by the Balance Sheet date.

Notes to the Financial Statements (continued)

For the year ended 31 July 2015

Deferred Tax is measured on a non-discounted basis

Cash Flow Statement

The company has taken advantage of the exemption available under FRS 1 (revised) for wholly owned subsidiary companies and has not presented its own cash flow statement. FRS 1 (revised) requires reporting entities within its scope to prepare a cash flow statement in the manner set out in the FRS. Cash flows are increases or decreases in amounts of cash, and cash is cash in hand and deposits repayable from any qualifying institution repayable on demand.

1 Exceptional Items

During the year ended 31 July 2015 a review was undertaken of the value of land and buildings belonging to the company as part of the University of Hertfordshire Group's annual review of the estate. The review considered the current value in use of all buildings and was conducted by the Director of Estates. In light of further information set out in a condition and suitability survey prepared by the University's team of external advisers, the review concluded that one of the Group's properties had suffered a permanent diminution in value reflecting the current state of the premises and with consideration of possible future options that are available with regard to the premises and the site. The company leases this building from another company in the Group and has leasehold improvements with a cost of £3,412,131, on the balance sheet. Impairment of these leasehold improvements has resulted in a charge of accelerated depreciation to the profit and loss account of £923,045. (See Note 5).

The prior year figure of £80,000, relates to the sale on 27 July 2014 of Bio Park Hertfordshire Limited's 49% shareholding in the joint venture BioPark Interactive Limited (49 share of £1 each) back to ServerChoice Limited, receiving the consideration of £100,000.

2 Operating Loss on Ordinary Activities before Taxation is stated after charging:

	2015 £	2014 £
Operating Lease Rentals	250,000	250,000
Auditors' Remuneration - Audit fee	1,044	848
Depreciation	196,403	193,010
	<hr/>	<hr/>

3 Employees

The employment costs represent amounts recharged to the company by Exemplas Holdings Limited for the services those employees provide to the company. The number of employees represents the number of individuals to which the recharged staff costs relate.

Notes to the Financial Statements (continued)

For the year ended 31 July 2015

Number of Employees

The average monthly number of employees during the year (including executive director) was:

	2015	2014
Operation	9	7
Administration	2	2
	<u>11</u>	<u>9</u>

Employment Costs

	2015 £	2014 £
Salaries	335,109	259,286
Social security costs	33,998	25,701
Other pension costs	30,130	20,215
	<u>399,237</u>	<u>305,202</u>

Director

	2015 £	2014 £
Director's Emoluments (including pension contributions & Non-Executive Director Costs)	8,414	16,085
	<u></u>	<u></u>

Director's Pension

	2015 Number	2014 Number
Directors whose Retirement Benefits are accrued under Defined Contribution Schemes	1	1
Directors whose Retirement Benefits are accrued under Defined Benefits Schemes	0	0

Notes to the Financial Statements (continued)

For the year ended 31 July 2015

4 Taxation

	2015	2014
	£	£
Current Tax:		
UK Corporation Tax on (Loss)/Gain at 20.67% (2014: 22.33%)	0	0
Deferred Tax:		
Origination and Reversal of Timing Differences	(111,737)	16,681
Effect of Change in Rate on Opening Balances	-	(3,633)
Adjustment in respect of prior years	(570)	(1,041)
Total Deferred Tax	(112,307)	12,007
Tax on Profit on Ordinary Activities	(112,307)	12,007

Tax assessed for the period is lower than the standard rate of Corporation Tax in the UK 20.67% (2014: 22.33%). The differences are explained below:

	2015	2014
	£	£
(Loss)/Profit on Ordinary Activities before Tax	(1,029,103)	103,547
(Loss)/Profit on Ordinary Activities multiplied by standard rate in the UK 20.67% (2014: 22.33%)	(212,672)	23,124
Effects of:		
Expenses not deductible for Tax purposes	97,215	13,366
Income not taxable for Tax purposes	-	(17,865)
Other Timing Differences	(766)	-
Group Relief claimed for no Payment	-	-
Group Relief Payable	-	-
Depreciation in excess of Capital Allowances for period	108,127	3,215
Trade Losses carried back	-	-
Losses not Utilised	-	-
Utilisation of Tax Losses brought forward	8,096	(21,840)
Adjustments in respect of prior years	-	-
Tax Rate Difference	-	-
Current Tax Credit for the period	-	-

Notes to the Financial Statements (continued)

For the year ended 31 July 2015

5 Tangible Fixed Assets

	Leasehold Improvements	Laboratory Equipment	Computer Equipment	Fixtures & Fittings	Total
	£	£	£	£	£
Cost					
1 August 2014	3,257,950	213,543	20,399	22,260	3,514,152
Additions	154,183	-	-	-	154,183
Disposals	-	-	-	-	-
31 July 2015	3,412,133	213,543	20,399	22,260	3,668,335
Depreciation					
1 August 2014	626,455	93,755	19,366	9,479	749,055
Charge for the year	168,451	21,354	1,033	5,565	196,403
Eliminated on disposal	-	-	-	-	-
Impairment	923,045	-	-	-	923,045
31 July 2015	1,717,951	115,109	20,399	15,044	1,868,503
Net book amount					
At 31 July 2015	1,694,182	98,434	-	7,216	1,799,832
At 31 July 2014	2,631,495	119,788	1,033	12,781	2,765,097

Notes to the Financial Statements (continued)

For the year ended 31 July 2015

6 Debtors

	2015 £	2014 £ Restated
Trade Debtors	183,850	383,977
Other Debtors	160,000	120,000
Amounts owed by Group companies	707,185	42,992
Corporation Tax	1,253	1,253
Deferred Tax	22,975	-
Prepayments and Accrued Income	22,624	54,837
	<u>1,097,887</u>	<u>603,059</u>

Debtors have been restated to show gross amounts owed by Group companies

	2015 £	2014 £
7 Debtors greater than one year	<u>720,000</u>	<u>880,000</u>

The debtor due after more than one year relates to a loan made by Bio Park Hertfordshire Limited to Bio Park Interactive Limited for £1 million commencing on the 25 of July 2014 (balance at 31 July 2014 is £880,000) for the purchase of assets. The loan is repayable over 5 years. Interest at a rate of 5% is payable monthly on the outstanding loan balance. As security, Bio Park Hertfordshire Limited has first fixed charge and ownership of the goods in the event of any default in payment of the loan.

8 Creditors: amounts falling due within one year

	2015 £	2014 £ Restated
Trade Creditors	150,688	111,284
Amounts owed to Group Companies	4,017,839	3,534,015
Deferred Tax	-	89,332
Other Creditors including other Taxation	6,150	53,358
Accruals and Deferred Income	920,531	1,019,793
	<u>5,095,208</u>	<u>4,807,782</u>

Creditors have been restated to show gross amounts owed to Group Companies

Notes to the Financial Statements (continued)

For the year ended 31 July 2015

9 Called-up Share Capital

	Authorised 2015 Number	2014 Number	Allotted, called-up and fully paid 2015 £	2014 £
£1 Ordinary shares	2	2	2	2
	<hr/>	<hr/>	<hr/>	<hr/>

10 Reserves

	2015 £	2014 £
At 1 August	(549,734)	(641,167)
(Loss)/Profit for the year	(916,796)	91,540
At 31 July	<hr/> (1,466,530) <hr/>	<hr/> (549,627) <hr/>

11 Reconciliation of Movements in Shareholders' Deficit

	2015 £	2014 £
(loss)/Profit for the year (2014 Restated)	(916,796)	91,540
Opening shareholders' deficit	<hr/> (549,732) <hr/>	<hr/> (641,165) <hr/>
Closing shareholders' deficit	<hr/> (1,466,528) <hr/>	<hr/> (549,625) <hr/>

12 Other Financial Commitments

At the financial year end the Company had annual commitments under non-cancellable operating leases as set out below:

Notes to the Financial Statements (continued)

For the year ended 31 July 2015

	Land and Buildings	
	2015	2014
	£	£
Operating Leases which expire:		
- in over five years	250,000	250,000
	<hr/>	<hr/>

13 Related Party Transactions

The company has taken advantage of FRS 8 which exempts wholly owned subsidiary undertakings from disclosing transactions with entities that are part of the group or investees of the group qualifying as related parties.

14 Parent Undertaking

The University of Hertfordshire is the company's ultimate parent undertaking. Copies of the consolidated group accounts of the University of Hertfordshire are available from College Lane, Hatfield, Hertfordshire, AL10 9AB.