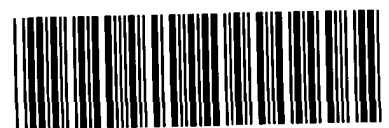


**THE BIORENEWABLES DEVELOPMENT CENTRE
LIMITED**

Report and Financial Statements

31 July 2017

SATURDAY



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COMPANIES HOUSE

THE BIORENEWABLES DEVELOPMENT CENTRE LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

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THE BIORENEWABLES DEVELOPMENT CENTRE LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

I A Graham
R Peet
J H Clark
S J McQueen Mason
J Ross

SECRETARY

M J Slade

REGISTERED OFFICE

Heslington Hall
Heslington
York
YO10 5DD

BANKERS

HSBC
13 Parliament Street
York
YO10 1XS

AUDITOR

KPMG LLP
Chartered Accountants and Statutory Auditor
Leeds

THE BIORENEWABLES DEVELOPMENT CENTRE LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of the company for the year ended 31 July 2017. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

PRINCIPAL ACTIVITY

The principal activity of the company is to provide commercial research and development services in the field of Biorenewables. This is achieved by providing access to state of the art industrial biotechnology analytical, genomics and processing equipment; providing specialist consultancy and expertise in the field; developing and licensing know how and intellectual property; developing commercially advantageous products and processes, and acting as a major centre for biorenewables development and training.

GOING CONCERN

The directors have no concerns over the going concern of the Company. The Company is a wholly owned subsidiary of the University of York which will provide ongoing support to the Company in the unlikely event of it needing to do so.

STRATEGIC REVIEW

The company (BDC) has further consolidated its new location at an industrial estate outside York with further collaborative projects using vacant warehouse space on the site and plans to move the remaining BDC scale up facilities across from the York Science Park into warehouse space in the latter part of 2017.

A revised BDC business plan was produced for the period to mid 2021 and describes how the company will work towards a roughly even income split from, firstly, economic development grant funded work; secondly collaborative research and development grant funded work; and thirdly commercial work. Major economic development application expressions of interest have been accepted for further ERDF (£1.5M) and HEFCE (£5M) projects and the BDC team are in detailed discussions with BEIS regarding funding support for the UK alliance of scale up centres, BioPilotsUK.

Over the last year the BDC team has established a strong pipeline of collaborative R+D grant, including H2020 and Innovate-UK funded projects, and repeat commercial business with funding from WRAP, Zerowaste Scotland, Drax, Unilever and GSK. Work has also been undertaken by the BDC team to identify areas for further business growth including synthetic biology and toll manufacturing.

The BDC also played an important role in a nationally significant Science and Innovation Audit for the Bioeconomy of the North of England. It is expected this will be published in late 2017 and will represent an important body of information for future BDC interactions with local and national government.

The Directors and the Company have the support of The University of York, and believe the business plan accurately reflects the current status and future aims of the BDC.

RESULTS

The results for the year are set out in detail on page 7.

THE BIORENEWABLES DEVELOPMENT CENTRE LIMITED

DIRECTORS' REPORT

DIRECTORS

The Directors who held office during the year are as follows:

J Ross
I A Graham
J H Clark
S J McQueen Mason
R Peet

AUDITOR

Each of the persons 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 auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006. A resolution to reappoint KPMG LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



M J Slade
Company Secretary
30 November 2017

THE BIORENEWABLES DEVELOPMENT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 judgments 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; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
BIORENEWABLES DEVELOPMENT CENTRE LIMITED**

Opinion

We have audited the financial statements of The Biorenewables Development Centre Limited ("the company") for the year ended 31st July 2017, which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st July 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 BIORENEWABLES DEVELOPMENT CENTRE LIMITED

- 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 financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Clare Partridge (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

xx December 2017

INCOME STATEMENT

Year ended 31 July 2017

	Note	2017 £	2016 £
Turnover		671,101	204,878
Cost of sales		(53,526)	(73,063)
Gross profit		617,575	131,815
Administrative expenses		(1,866,002)	(1,726,033)
Other operating income		1,080,100	1,921,571
OPERATING (LOSS)/ PROFIT/	2	(168,327)	327,353
Interest receivable		5	50
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(168,322)	327,403
Tax on profit on ordinary activities	5	-	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(168,322)	327,403

The notes on pages 10 to 13 are an integral part of this income statement.

The Company has no recognised gains or losses other than those above and, therefore, no separate statement of total recognised gains and losses has been presented.

All of the activities undertaken by the Company during the current and prior period are continuing activities.

THE BIORENEWABLES DEVELOPMENT CENTRE LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 July 2017

		2017 £	2016 £
Company Registration Number: 7239727	Note		
FIXED ASSETS			
Tangible assets	6	1,928,436	2,789,296
CURRENT ASSETS			
Stock	7	70,748	68,080
Debtors	8	586,813	343,202
Cash at bank		46,095	133,304
		703,656	544,586
CREDITORS: amounts falling due within one year	9	(1,384,253)	(1,917,721)
NET CURRENT LIABILITIES		(680,597)	(1,373,135)
CREDITORS: amounts falling due after more than one year		-	-
NET ASSETS		1,247,839	1,416,161
CAPITAL AND RESERVES			
Profit and loss account		1,247,839	1,416,161
TOTAL SHAREHOLDER'S FUNDS		1,247,839	1,416,161

The notes on pages 10 to 14 are an integral part of this statement of financial position.

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A small entities, on the grounds of the company qualifying as a small company under the provisions of the Companies Act 2006.

These financial statements were approved by the Board of Directors on 30 November 2017.

Signed on behalf of the Board of Directors



I A Graham
Director

STATEMENT OF CHANGES IN EQUITY

	Profit and loss account £	Total £
Balance at 1 August 2015	1,088,758	1,088,758
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		
Profit for the financial year	327,403	327,403
Total comprehensive income for the year	327,403	327,403
Balance at 31 July 2016	<u>1,416,161</u>	<u>1,416,161</u>

	Profit and loss account £	Total £
Balance at 1 August 2016	1,416,161	1,416,161
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		
Loss for the financial year	(168,322)	(168,322)
Total comprehensive income for the year	(168,322)	(168,322)
Balance at 31 July 2017	<u>1,247,839</u>	<u>1,247,839</u>

THE BIORENEWABLES DEVELOPMENT CENTRE LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The Biorenewables Development Centre Limited (the 'company') is a private company, limited by guarantee, domiciled in England and Wales, company registration number 7239727. The registered office is Heslington Hall, Heslington, York, YO10 5DD.

The financial statements are prepared on the historical cost convention. The presentation currency is pounds sterling.

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A small entities, on the grounds of the company qualifying as a small company under the provisions of the Companies Act 2006. There were no material departures from that standard, and the company has applied relevant disclosure exemptions, including exemption from the requirement to prepare a cash flow statement.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

In assessing the appropriateness of the application of the going concern basis, the Directors have considered the available forecasts, the uncertainties around the general economic environment, the current and future trading performance of the company and its available financial resources, including written confirmation from the parent entity of ongoing financial support. Following this review the directors have concluded that they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom Generally Accepted Accounting Principles.

Turnover

All turnover has been derived in the United Kingdom. For goods and services turnover consists of the invoiced value (excluding VAT) for goods and services supplied to third parties and it is recognised when the goods have been delivered or supplied. Lease income is recognised on a straight line basis over the term of the lease, net of VAT.

Key estimates and uncertainties

The directors do not consider there to be any judgements or estimates that contain sufficient uncertainty to have a significant impact upon the figures presented in these financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows;

Plant and equipment	20% straight line basis
Office equipment	33% straight line basis
Motor vehicles	25% straight line basis
Furniture and fittings	20% straight line basis

NOTES TO THE ACCOUNTS

Deferred capital grants

Revenue grants are recognised in the profit and loss account so as to match them with expenditure to which they contribute. Where grants are matched to specific capital assets they are recognised when the performance conditions relating to those assets are met.

Stock

Stock is valued at the lower of cost and net realisable value.

2. OPERATING PROFIT/ (LOSS)

	2017 £	2016 £
Operating loss is stated after charging/(crediting):		
Depreciation	996,924	1,223,031
Deferred capital grants released	(1,080,100)	(1,920,000)
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	2,020	1,160
	<u> </u>	<u> </u>

3. EMPLOYEES

The Company has no employees other than its directors, as the business is operated by the University of York as part of a management agreement.

4. DIRECTORS

The directors did not receive any emoluments in respect of their services to the Company.

5. TAXATION

	2017 £	2016 £
Tax at 20% profit on ordinary activities	-	(65,481)
Adjustments relating to capital grants received	-	65,481
	<u> </u>	<u> </u>
Tax charge per accounts	<u> </u>	<u> </u>

THE BIORENEWABLES DEVELOPMENT CENTRE LIMITED

NOTES TO THE ACCOUNTS

6. FIXED ASSETS

	Plant and equipment	Leasehold improvements	Office equipment	Furniture and fixtures	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 August 2016	6,110,727	264,294	28,160	33,149	26,400	6,462,730
Additions	125,095	2,152	7,937			136,065
At 31 July 2017	6,235,822	266,446	36,097	34,030	26,400	6,598,795
Depreciation						
At 1 August 2016	3,588,725	44,049	16,486	5,441	18,733	3,673,434
Charge for the year	924,704	53,289	8,774	6,806	3,350	996,924
At 31 July 2017	4,513,429	97,338	25,260	12,247	22,083	4,670,358
Net book value						
At 31 July 2016	2,522,002	220,245	11,674	27,708	7,667	2,789,296
At 31 July 2017	1,722,393	169,108	10,836	21,783	4,317	1,928,436

7. STOCK

	2017 £	2016 £
Consumable items	70,748	68,080

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	98,444	41,478
Social security and other taxes	10,277	12,831
Other debtors	469,312	280,530
Amounts due from group undertakings	8,780	8,363
	586,813	343,202

THE BIORENEWABLES DEVELOPMENT CENTRE LIMITED

NOTES TO THE ACCOUNTS

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	253,205	1,004,182
Accruals and deferred income	467,625	139,092
Amounts due to group undertakings	663,423	774,447
	<u>1,384,253</u>	<u>1,917,721</u>

10. SHARE CAPITAL

The company, being limited by guarantee, has no shareholders.

11. RELATED PARTY TRANSACTIONS

There are no related party transactions to report. Transactions with the University of York and its wholly owned subsidiaries (which therefore eliminate on consolidation) are not required to be disclosed.

12. ULTIMATE PARENT UNDERTAKING

In the opinion of the directors, the University of York is regarded as the ultimate parent undertaking and controlling party. The largest and smallest group in which the results of the company are consolidated is that headed by The University of York. Copies of the parent's consolidated financial statements may be obtained from The Registrar and Secretary, University of York, Heslington, York, North Yorkshire, YO10 5DD.