

Askham Bryan College Company Limited

Registered number 2800266

Askham Bryan College Company Limited

**Directors' report and financial statements
For the year ended 31 July 2015**

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Askham Bryan College Company Limited

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Directors' report and financial statements

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Askham Bryan College Company Limited

ASKHAM BRYAN COLLEGE COMPANY LIMITED

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 July 2015.

Principal Activities

The principal activities of the Company are to conduct commercial activities and business consultancy and research, using the facilities of Askham Bryan College.

Commercial activities include some commercial letting activities, a visitor farm, and farming activities on farm land owned by or rented to the College.

The farms also provide field study centres adjacent to the College campuses at York and Newton Rigg.

The results for the year are shown on page 7. As the Company had tax losses available for 2013-14 no Gift Aid payment was made out of that year's commercial activities. The current year has shown a deficit so it is recommended that no payment of gift aid be made out of accumulated reserves.

The Governors of Askham Bryan College have confirmed that they will not require repayment of short term amounts due to Askham Bryan College within 12 months of the date of approval of these accounts, following the re-alignment of the outstanding inter-company charges along with a revision to how they are calculated. The dairy funded by Askham Bryan College at the Sewborwen farm in Cumbria is now fully operational but is being affected by the depressed milk prices.

In addition, during the year the company operated lease over Newham Grange Farm in Middlesbrough and assumed the activities of a visitor farm previously conducted by Middlesbrough Council. The directors see this venture as an opportunity to diversify the activities of the company. Although the company has continued to trade at a loss in the current year the Directors believe that the Company will return to profitability within a reasonable time given a return to realistic milk prices and the continued operation of the revised inter-company changes with the College.

Proposed dividend

The Directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors who held office during the year and up to the date this report was signed were as follows:

Mr I Youdan

Mrs E J Philip (employed by College)

Mr I Brown – Resigned 7th October 2015

Mr A Alton – Appointed 7th October 2015

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None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

According to the register of directors' interests, no rights to subscribe for shares in, or debentures of the company were granted to any of the directors or their immediate families, or exercised by them during the financial year.

Political and charitable contributions

The Company made no political contributions or charitable donations during the year.

Auditors

The directors appointed RSM Audit LLP (formerly Baker Tilly UK Audit LLP) as auditors for the year ended 31 July 2015.

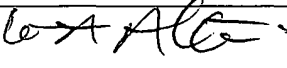
Disclosure of Information to auditors

At the date of making this report each of the company's directors, as set out above, confirm the following:

- So far as each 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
- Each director has taken all steps that they ought to have taken as a director in order to make them self 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.

Approval

The report of the directors has been prepared in accordance with special provisions of Part 15 of the Companies Act 2006 relating to small companies and was approved by the Board on 14th December 2015 and signed on its behalf by:

A Alton Director 14 th December 2015	 Askham Bryan College Limited Askham Bryan York YO23 3FR
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Askham Bryan College Company Limited

Statement of directors' responsibilities for the financial statements

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and a fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those financial statements, the directors are required to:

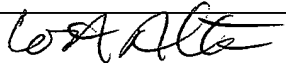
- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare 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 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.

The directors are responsible for the maintenance and the integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors are responsible for ensuring that the directors' reports and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom.

Approved by the Board on 14th December 2015 and signed on its behalf by:

A Alton Director 14 th December 2015	 Askham Bryan College Askham Bryan York YO23 3FR
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Askham Bryan College Company Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASKHAM BRYAN COLLEGE COMPANY LIMITED YEAR ENDED 31 JULY 2015

We have audited the financial statements of Askham Bryan College Company Limited for the year ended 31 July 2015 on pages 7 to 16. 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).

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 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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.

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/apb/scope/private

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 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
- The directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.



Christopher Moss, Senior Statutory Auditor
For and on behalf of RSM UK Audit LLP
Statutory Auditor, Chartered Accountants
Bluebell House, Preston, PR2 5PE

Askham Bryan College Company Limited

Profit and loss account For the year ended 31 July 2015

	Note	2015 £	2014 £
Turnover	2	1,975,138	2,387,753
Cost of Sales		<u>(1,529,380)</u>	<u>(1,526,080)</u>
Gross Profit		445,758	861,673
Administrative expenses		(1,701,085)	(1,026,801)
Trading (loss)/profit		<u>(1,255,327)</u>	<u>(165,128)</u>
Operating income		<u>1,076,967</u>	<u>157,468</u>
Operating (loss)/profit	4	(178,360)	(7,660)
Other interest receivable and similar income		102	289
(Loss)/profit on ordinary activities before taxation	5	<u>(178,258)</u>	<u>(7,371)</u>
Tax on profit on ordinary activities		0	0
(Loss)/profit for the financial year		<u><u>(178,258)</u></u>	<u><u>(7,371)</u></u>

There is no difference between the historical cost loss for the year, and the loss on ordinary activities for the year as stated above.

The company has no gains or losses other than those recognised through the profit and loss account for the accounting year.

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Balance Sheet

As at 31 July 2015

	Note	£	2015 £	2014 £
Fixed assets				
Tangible assets	6		524,301	512,934
Current assets				
Stocks	7	1,355,245		1,421,843
Debtors	8	284,124		250,726
Cash at bank and in hand		469,761		171,769
		<u>2,109,130</u>		<u>1,844,338</u>
Creditors: amounts falling due within one year	9	(757,449)		(1,592,471)
Net current assets			<u>1,351,395</u>	<u>251,567</u>
Total assets less current liabilities			<u>1,875,696</u>	<u>764,801</u>
Creditors: amounts falling due after more than one year	10		(2,115,000)	(825,847)
Provisions for liabilities and charges			-	-
Net (Liabilities)/Assets			<u>(239,304)</u>	<u>(61,046)</u>
Capital and Reserves				
Called up share capital	12		1	1
Profit and loss account	13		<u>(239,305)</u>	<u>(61,047)</u>
Shareholders (defecit)/funds			<u>(239,304)</u>	<u>(61,046)</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (Effective April 2008).

These financial statements were approved by the board of directors on 14th December 2015 and were signed on its behalf by:

A Alton
Director



Askham Bryan College Company Limited

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

Fixed assets and depreciation

Depreciation is provided by the Company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and Machinery	8-10 years
Computer equipment	3-5 years

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Leases

All other leases are accounted for "operating leases" and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

Stocks

Livestock, crops, fertilisers and sundry stock are valued as at the end of the financial year by Messrs. Stephenson and Sons and Harrison and Hetherington Limited based on total input costs plus maturity value.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain

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items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover is the revenue arising from the sales of goods and services. It is stated at the fair value of consideration receivable, net of value added tax, rebates and discounts.

Revenue from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms.

Gift Aid

Provision will be made in the accounts for any gift aid which is intended to be paid to the parent organisation, Askham Bryan College, out of surplus of the current year.

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2. Analysis of turnover and loss on ordinary activities before taxation

The whole of the turnover and loss before taxation arose in the UK and resulted from the company's principal activities.

Loss on ordinary activities before taxation is stated after charging/ (crediting)

	2015 £	2014 £
Auditors remuneration	2,500	2,500
Depreciation and other amounts written off tangible fixed assets:		
Depreciation of owned assets	56,090	66,324
Depreciation of assets held under hire purchase arrangements	-	5,132
Profit on disposal of assets		(2,386)

Remuneration of Directors

None of the directors received any remuneration in respect of their position in the company.

3. Staff numbers and costs

The Company does not have any employees. All staff are employed by the parent organisation.

The average number of persons employed by the College (including directors) on Company activities during the year, analysed by category, was as follows:

	2014	2015
Farm Workers	12	6
Research etc.	6	7
Administration	8	1
	26	14

The aggregate payroll costs of these persons were as follows:

Wages and salaries	562,965	471,730
Social security costs	38,125	28,202
Other pension costs	85,668	54,713
	686,758	554,645

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4. Other interest receivable and similar income

	2015 £	2014 £
Bank interest receivable	102	100
	<u>102</u>	<u>100</u>

5. Taxation

	2015 £	2014 £
Current Tax	0	0
Deferred Tax	0	0
Tax on loss on ordinary activities	<u>0</u>	<u>0</u>

6. Tangible Fixed Assets

	Equipment £	Total £
At 1 August 2014	952,328	952,328
Additions	72,589	72,589
Disposals	-	-
At 31 July 2015	<u>1,024,917</u>	<u>1,024,917</u>
Depreciation	439,394	439,394
Charge for period	61,222	61,222
Disposals	-	-
At 31 July 2015	<u>500,616</u>	<u>500,616</u>
Net book value		
At 31 July 2015	<u>524,301</u>	<u>524,301</u>
At 31 July 2014	<u>512,934</u>	<u>512,934</u>

Tangible fixed assets include equipment purchased in the year under hire purchase agreements. The net book value of tangible fixed assets includes an amount of NIL (2014 £33,412) in respect of assets held under hire purchase agreements. The depreciation charge on these assets for the year was £NIL (2014 - £5,132).

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7. Stocks

	2015 £	2014 £
Growing crops & residual values	138,893	148,602
Livestock	969,578	1,016,737
Produce, manure, consumable stores, fertilisers and feeding stuffs	246,774	256,504
	1,355,245	1,421,843

8. Debtors

Trade Debtors	221,277	118,262
Prepayments and accrued income	62,847	132,464
	284,124	250,726

9. Creditors: amounts falling due within one year

Trade creditors	199,956	121,615
Amounts owed to group undertakings	548,707	1,368,419
Accruals and deferred income	8,786	93,760
Hire purchase agreements	-	8,677
	757,449	1,592,471

The following liabilities disclosed under creditors falling due within one year are secured by the company

Hire purchase agreements	-	8,677
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10. Creditors: amounts falling due after more than one year

	2015 £	2014 £
Loan from parent	2,100,000	800,000
15,000 redeemable preference shares of £1 each (Allotted, called up and fully paid)	15,000	15,000
Hire purchase agreements	-	10,847
	2,115,000	825,847

The loan from Askham Bryan College is repayable on 31 December 2030 and incurs interest at 2% over the Lloyds Bank base rate.

The holders of the redeemable shares have the right to redeem at par the whole or any part of the redeemable shares on 1 April and 1 October in each or any from 1 October 1993 upon giving to the Company not less than three months notice in writing of such intention to do so. In any event all redeemable shares which may from time to time be in issue and which have not previously been redeemed in the

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manner aforesaid shall be redeemed at a date no later than twenty-five years from their issue thereof.

The following liabilities disclosed under creditors falling due after more than one year are secured by the Company:

	£	£
Loan from parent	2,100,000	800,000
Hire purchase agreements	-	10,847

The loan from Askham Bryan College is secured by a debenture over the assets of the Company.

	2015 £	2014 £
Commitments under hire purchase agreements		
Amounts payable within 1 year	0	0
Amounts payable between 1 and 2 years	0	0
Amounts payable between 3 and 5 years	0	0
	<u>0</u>	<u>0</u>

11. Provisions for liabilities and charges

	2015 £	2014 £
Provision for deferred Tax		
Accelerated capital allowances	69,322	69,322
Other short term timing differences	(69,322)	(69,322)
Provision for deferred Tax	<u>0</u>	<u>0</u>
Provision at start of period	0	0
Deferred Tax charge in Profit and Loss account for period (note 5)	0	0
Provision at end of period	<u>0</u>	<u>0</u>

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12. Called up share capital

	2015 £	2014 £
Authorised	100	100
Equity: Ordinary shares of £1 each	100	100
Allotted, called up and fully paid	1	1

The ordinary shares and redeemable shares (note 10) rank pari-passu in all respects for the payment of any dividends.

13. Profit and loss account

	2015 £	2014 £
Opening balance at 1 August	(61,047)	(53,676)
Recognised gains and losses relating to the year	(178,258)	(7,371)
Closing balance at 31 July	(239,305)	(61,047)

14. Commitments

	2015 £	2014 £
Capital commitments were as follows		
Contracted	0	0
Authorised but not contracted	0	0

15. Pension scheme

All staff are employed by Askham Bryan College, the Company's parent organisation.

All staff members are entitled to join the pension scheme of the College, details of which are shown in that organisation's accounts.

16. Related party disclosures

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

17. Ultimate parent body

The company is a subsidiary undertaking of Askham Bryan College, which is a corporation established under the Further and Higher Education Act 1992 and is an exempt charity for the purposes of the Charities Act 1993 as amended by the Charities Act 2011.

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18. Going concern

Askham Bryan College, the parent company, have provided confirmation that they do not intend to withdraw financial support for the foreseeable future.