REGISTERED NUMBER: 08443364

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

FOR

MEDICITY NOTTINGHAM LIMITED

MEDICITY NOTTINGHAM LIMITED

CONTENTS OF THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEDICITY NOTTINGHAM LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 to 8, together with the financial statements of MediCity Nottingham Limited for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters that we are required to state to it in a special 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, for our work, for this report, or for the opinions that we have formed.

Respective responsibilities of the directors and auditor
The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion
We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion
In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Mark Doleman FCA

21 July 2016

Mark Doleman FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, United Kingdom

MEDICITY NOTTINGHAM LIMITED

BALANCE SHEET
31 DECEMBER 2015

	Note	2015 £'000	2014 £'000
NON-CURRENT ASSETS			
Property, plant and equipment	2	700	138
CURRENT ASSETS			
Trade and other receivables		337	143
Cash and cash equivalents		310	62
		647	205
CURRENT LIABILITIES			
Trade and other payables		(860)	(356)
Deferred revenue		(18)	(19)
Borrowings		(30)	(30)
		(908)	(405)
NET CURRENT LIABILITIES		(261)	(200)
TOTAL ASSETS LESS CURRENT LIABILITIES		439	(62)
NON-CURRENT LIABILITIES			
Deferred revenue		(15)	(32)
Borrowings		(730)	(122)
		(745)	(154)
NET LIABILITIES		(306)	(216)
EQUITY			
Called-up share capital	3	-	-
Retained earnings		(306)	(216)
DEFICIT ATTRIBUTABLE TO OWNERS OF THE COMPANY		(306)	(216)

These abbreviated financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The financial statements of MediCity Nottingham Limited, registered number 08443364, were approved and authorised for issue by the Board of Directors on .... and were signed on its behalf by:

....

D Browning - Director

25 July 2016

1. SIGNIFICANT ACCOUNTING POLICIES

General information and accounting convention
MediCity Nottingham Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales.

Basis of preparation
The financial statements are prepared on a going concern basis under the historical cost convention. These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates and figures have been presented to the nearest thousand.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the Company has transitioned to FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework, from the previously extant UK Generally Accepted Accounting Practice ('UK GAAP') for all periods presented. No material adjustments arose as a result of this transition and therefore the Directors do not consider it is necessary to present a reconciliation of equity or comprehensive income as previously reported under UK GAAP.

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 and the amendments to company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 prior to their mandatory effective date of accounting periods beginning on or after 1 January 2016. These financial statements are separate financial statements.

Going concern
This is the third year of operations since the foundation of the Company and it continues to make progress towards achieving profitability, however the Company made a loss during the year under review. The results for future years are subject to a significant level of uncertainty, with future performance being reliant upon continuing to attract new tenants into the facility leased by MediCity Nottingham Limited. However, having reviewed the business plans in place, the Directors believe, with reasonable certainty, that the Company has adequate resources to continue in operational existence for the foreseeable future. In support of this, the shareholder companies have confirmed their willingness to provide necessary support to the business. Accordingly, the going concern basis of preparation has been adopted for these financial statements.

1. *SIGNIFICANT ACCOUNTING POLICIES - **continued***

Property, plant and equipment
Assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation
Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold buildings:	over the term of the lease
Plant and machinery:	10% to 33% per annum straight line
Fixtures and fittings:	10% per annum straight line
Equipment:	10% to 33% per annum straight line

Pension costs
The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the Statement of Comprehensive Income.

Leases
Operating leases and the annual rentals are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease in accordance with the terms of the lease agreements.

Borrowing costs
Borrowing costs relating to loans are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

1. **SIGNIFICANT ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Government grants

Government grants in respect of capital expenditure are treated as deferred income and are credited to the Statement of Comprehensive Income over the estimated useful life of the assets to which they relate.

Government grants in respect of revenue expenditure are recognised in the Statement of Comprehensive Income in the period in which the expenditure was incurred

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method less provision for impairment. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote. Trade receivables do not carry interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

1. SIGNIFICANT ACCOUNTING POLICIES - continued
Financial assets

Classification
Financial assets held by the Company are classified as 'trade receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of the initial recognition. Trade receivables are measured at amortised cost using the effective interest method, less any impairment.

Recognition and measurement
Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value.

Impairment of assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses on continuing operations are recognised in the Statement of Comprehensive Income in those categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Comprehensive Income unless the asset is carried at the re-valued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

1. **SIGNIFICANT ACCOUNTING POLICIES - continued**

Financial liabilities
Classification
Financial liabilities held by the Company are classified according to the substance of the contractual arrangement entered into.

Recognition and measurement
Financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments throughout the expected life of the financial liability.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Cash and cash equivalents
Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Revenue
The revenue in the Statement of Comprehensive Income for the year represents amounts invoiced during the period, exclusive of Value Added Tax. Revenue attributable to services provided are recognised on a monthly basis and is accrued or deferred as necessary.

Critical accounting judgements and key sources of estimation uncertainty
In preparing the financial statements, management is required to make estimates and assumptions, in accordance with IFRSs, that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual amounts and results could differ from those estimates.

No critical accounting judgements and key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year have been identified.

Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current year
In the current year the Company has adopted the following Standards and Interpretation with no material impact on the financial statements of the Company.

Amendments:

IAS 19	Defined Benefit Plans: Employee Contributions (Nov 2013)
Various	Annual improvements 2010 – 2012 cycle (Dec 2013)
Various	Annual Improvements 2011 – 2013 cycle (Dec 2013)

2. PROPERTY, PLANT AND EQUIPMENT

	Total
	£'000
COST	
At 1 January 2015	144
Additions	608
Disposals	(1)
At 31 December 2015	751
DEPRECIATION	
At 1 January 2015	6
Charge for the year	45
At 31 December 2015	51
CARRYING AMOUNT	
At 31 December 2015	**700**
At 31 December 2014	138

3. SHARE CAPITAL

	Nominal Value	2015	2014
		£	£
Allotted, issued and fully paid.			
1 Ordinary	£1	1	1

4. ULTIMATE PARENT COMPANY

The Company's immediate parent is BioCity Group Limited, a company incorporated in England & Wales. BioCity Group Limited owns 100% of the issued share capital of MediCity Nottingham Limited. The Company's ultimate parent is BioCity Nottingham Limited which is a company incorporated in England & Wales. BioCity Nottingham Limited is the parent undertaking of the largest and smallest group of companies for which group financial statements including the financial statements of this company are prepared. BioCity Nottingham Limited is a company limited by guarantee and in the opinion of the Directors the Company has no ultimate controlling party.