

BIOCONTROL LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2014

TUESDAY



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30/06/2015

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COMPANIES HOUSE

BIOCONTROL LIMITED

INDEPENDENT AUDITORS' REPORT TO BIOCONTROL LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Biocontrol Limited for the year ended 31 December 2014 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 we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS

The director is 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.

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 are properly prepared.

OPINION ON FINANCIAL STATEMENTS

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 on pages 2 to 5 have been properly prepared in accordance with the regulations made under that section.

OTHER INFORMATION

On 26/6/15 we reported as auditors to the shareholders of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our report included the following paragraph:

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company is dependent for its funding upon the continuing support of its parent company, AmpliPhi Biosciences Corporation, and the ability of the group to raise additional funding. The directors are confident in the ability of the parent company to be able to continue to support the company and raise further funds, although accept that this cannot be guaranteed. These conditions, along with the other matters disclosed in note 1, indicate the existence of material uncertainties which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

Bishop Fleming LLP

David Butler FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

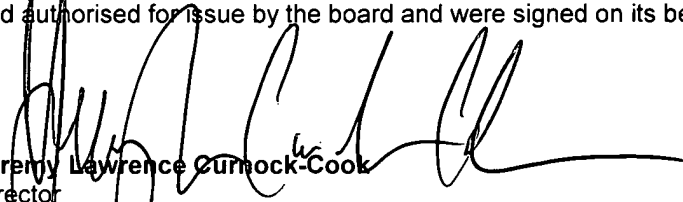
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BIOCONTROL LIMITED
REGISTERED NUMBER: 03452169

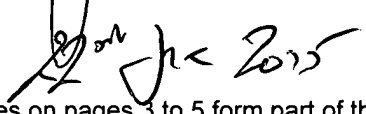
ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	2	52	18,793
CURRENT ASSETS			
Debtors		9,032	8,608
Cash at bank and in hand		42,216	142,187
		<u>51,248</u>	<u>150,795</u>
CREDITORS: amounts falling due within one year		<u>(3,533,953)</u>	<u>(2,990,433)</u>
NET CURRENT LIABILITIES		<u>(3,482,705)</u>	<u>(2,839,638)</u>
NET LIABILITIES		<u>(3,482,653)</u>	<u>(2,820,845)</u>
CAPITAL AND RESERVES			
Called up share capital	4	231,311	231,311
Share premium account		3,515,662	3,515,662
Profit and loss account		<u>(7,229,626)</u>	<u>(6,567,818)</u>
SHAREHOLDERS' DEFICIT		<u>(3,482,653)</u>	<u>(2,820,845)</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf by:


Jeremy Lawrence Curnock-Cook
 Director

Date:

 20th Jan 2015
 The notes on pages 3 to 5 form part of these financial statements.

BIOCONTROL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

Notwithstanding net liabilities of £3,482,653 the directors consider the company to be a going concern as it has the financial support of its ultimate parent company, AmpliPhi Biosciences Corporation.

However the directors acknowledge that there are uncertainties regarding the ability of the ultimate parent company to continue to provide this support. It has incurred losses since inception, has negative operating cash flows and had an accumulated deficit of \$362m as of 31 December 2014. AmpliPhi Biosciences Corporation is seeking additional financing in order to fund operations through 2015; however it cannot provide assurances that it will be successful in obtaining additional funds needed for 2015 and into the future.

As such the company is reliant upon the ultimate parent company being able to secure additional funding to enable it to continue as a going concern.

1.3 Turnover

Turnover comprises revenue grants receivable in the year and other services included at the invoiced value (excluding VAT) of goods and services supplied in the year.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	33% straight line per annum
Laboratory equipment	-	33% straight line per annum

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.6 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

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NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

1.8 Research and development

Research and development expenditure is written off in the year in which it is incurred.

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2014	141,228
Disposals	(131,703)
At 31 December 2014	9,525
Depreciation	
At 1 January 2014	122,435
Charge for the year	7,293
On disposals	(120,255)
At 31 December 2014	9,473
Net book value	
At 31 December 2014	52
At 31 December 2013	18,793

3. FIXED ASSET INVESTMENTS

	£
Cost or valuation	
At 1 January 2014 and 31 December 2014	25,864
Impairment	
At 1 January 2014 and 31 December 2014	25,864
Net book value	
At 31 December 2014	-
At 31 December 2013	-

BIOCONTROL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

3. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Biocontrol International Inc	Ordinary	100%

Name	Business	Registered office
Biocontrol International Inc	Dormant	USA

The aggregate of the share capital and reserves as at 31 December 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Biocontrol International Inc	-	-

4. SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid		
23,131,091 (2013 - 23,131,091) Ordinary shares of £0.01 each	231,311	231,311

5. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent company is Sheffield Acquisitions Inc and the ultimate parent company is AmpliPhi Biosciences Corporation. Both companies are registered in the USA.

AmpliPhi Biosciences Corporation is the parent of both the smallest and largest groups for which group accounts including Biocontrol Limited are prepared. These accounts are publicly available.