

**Company Registration No. 02892663**

**C-Side Limited**

**Annual Report and Financial Statements**

**For the year ended 30 June 2016**



## **C-Side Limited**

### **Annual report and financial statements 2016**

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## **C-Side Limited**

### **Annual report and financial statements 2016**

#### **Officers and professional advisers**

##### **Directors**

P Bennett  
G George  
G Pettet  
M Swindon

##### **Registered Office**

Park House  
Crawley Business Quarter  
Manor Royal  
Crawley  
West Sussex  
RH10 9AD

##### **Bankers**

Royal Bank of Scotland plc  
Kirkstone House  
139 St Vincent Street  
Glasgow  
G2 5JF

##### **Solicitors**

SJ Berwin LLP  
10 Queen Street Place  
London  
EC4R 1BE

##### **Independent auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Crawley, United Kingdom

##### **Company Secretary**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Crawley, United Kingdom

## C-Side Limited

### Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

#### Review of the business

The trading results of the company are shown on page 7. The position of the company at the balance sheet date is shown on page 8. The directors do not recommend the payment of a dividend (2015 - £nil).

The company continues to make an operating profit as it on-charges all costs to its parent company.

Despite the challenging trading conditions that the economy has presented, the parent company has traded well during FY16 leaving it in a robust position to deal with any such challenges during FY17. With more sites coming on stream in London, the directors are confident that the company will trade strongly throughout the coming year.

#### Key performance indicators

The key performance indicator is judged to be the depreciation of the company's tangible fixed assets (see note 7), which is on-charged at cost plus 5% to The Laine Pub Company Limited. Depreciation was £565,837 in the year (2015 - £441,361).

#### Principal risks and uncertainties

As a result of the transfer of trade and assets to The Laine Pub Company Limited in the financial year 2007 liquidity risk is the principal risk facing the company. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance via its immediate parent company The Laine Pub Company Limited. For further details on liquidity risk, please refer to note 1. The company is reliant on the support of its parent company, The Laine Pub Company Limited, as such other risks have been considered but not included as they are not considered principal risks to this company.

#### Future developments

Further acquisitions are planned for FY17 which will grow Laine's London estate and the investment programme in refits and relaunches will continue in further sites in the Brighton estate.

#### Events after the balance sheet date

There have been no events to disclose since the balance sheet date.

Approved by the Board and signed on its behalf by:



M Swindon  
Director

15<sup>th</sup> November 2016

#### Registered Office

Park House  
Crawley Business Quarter  
Manor Royal  
Crawley  
West Sussex  
RH10 9AD

## **C-Side Limited**

### **Directors' report**

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 30 June 2016.

#### **Principal activity**

The company's principal activity is as a lessor of leisure clubs and public houses to The Laine Pub Company Limited, it's Parent.

#### **Principal risks and uncertainties**

Details of risks and uncertainties can be found in the Strategic report on page 2 and form part of this report by cross-reference.

#### **Future developments and events after the balance sheet date**

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic report on page 2 and form part of this report by cross-reference.

#### **Dividends**

The directors do not recommend the payment of a dividend (2015 - £nil).

#### **Going concern**

The directors have a reasonable expectation that the company, with ongoing support from the group's parent company will continue in operational existence for the foreseeable future. The group was successfully refinanced in June 2014 with new financing consisting of debt and equity finance being introduced with new investments from funds managed by Risk Capital Partners and Graphite Enterprise Trust plc. Bank financing was also renewed with a new long term loan agreement. Further details regarding the adoption of the going concern basis can be found at note 1 to the financial statements.

#### **Financial risk management objectives and policies**

As a result of the transfer of trade and assets to The Laine Pub Company Limited in the financial year 2007 liquidity risk is the principal risk facing the company. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance via its immediate parent company, The Laine Pub Company Limited. For further details on liquidity risk, please refer to note 1.

#### **Directors**

The company has not made qualifying third party indemnity provisions for the benefit of its directors during the year. The directors of the company throughout the year and to the present date were:

P Bennett  
G George  
G Pettet  
M Swindon

## C-Side Limited

### Directors' report (continued)

#### Auditor

Deloitte LLP has expressed their willingness to continue in office as auditor of the company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting. Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) the director has taken all the steps that he ought to have taken as a director in order to make himself 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 provisions of s418 of the Companies Act 2006.

#### Approval of reduced disclosures

The company, as a qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS 102 paragraph 1.12. The company's shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the company by shareholders holding in aggregate 5 per cent or more of the total allocated shares in the company. They should be served no later than 30 June 2017.

Approved by the Board and signed on its behalf by:

  
M Swindon  
Director  
15<sup>th</sup> November 2016

**Registered Office**  
Park House  
Manor Royal  
Crawley  
West Sussex  
RH10 9AD

## **C-Side Limited**

### **Directors' responsibilities statement**

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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;
- state whether applicable UK 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 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 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 integrity of the corporate and financial information included 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.

## **Independent auditor's report to the members of C-Side Limited**

We have audited the financial statements of C-Side Limited for the year ended 30 June 2016 which comprise profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes 1 to 13. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 30 June 2016 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.

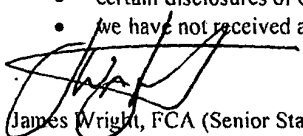
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and 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.

  
James Wright, FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Crawley, United Kingdom

15 November 2016



## **C-Side Limited**

### **Profit and loss account For the year ended 30 June 2016**

	Note	2016 £	2015 £
Turnover and gross profit	3	594,129	463,429
Administrative expenses		(565,837)	(441,361)
Operating profit on ordinary activities before taxation	5	28,292	22,068
Tax charge on profit on ordinary activities	6	(61,936)	(35,148)
Loss for the financial year		<u>(33,644)</u>	<u>(13,080)</u>

Results for both the current and preceding financial years are derived from the continuing operations of the company.

The notes on pages 10 - 17 form part of the financial statements.

### **Statement of comprehensive income For the year ended 30 June 2016**

	Note	2016 £	2015 £
Reported loss for the financial year		(33,644)	(13,080)
Tax relating to components of other comprehensive income		56,191	6,703
Other comprehensive income		56,191	6,703
Total comprehensive income/(expense) for the year		<u>22,547</u>	<u>(6,377)</u>

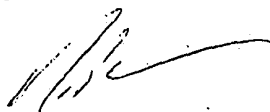
## C-Side Limited

### Balance sheet As at 30 June 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	7	4,063,441	4,386,585
<b>Current assets</b>			
Debtors, amounts - owed by group undertakings		6,476,209	5,882,081
<b>Creditors: (amounts falling due within one year)</b>	8	<u>(3,911,225)</u>	<u>(3,618,112)</u>
<b>Net current assets</b>		<u>2,564,984</u>	<u>2,263,969</u>
<b>Total assets less current liabilities</b>		<u>6,628,425</u>	<u>6,650,554</u>
<b>Provisions for liabilities</b>	9	<u>(363,085)</u>	<u>(407,761)</u>
<b>Net assets</b>		<u>6,265,340</u>	<u>6,242,793</u>
<b>Capital and reserves</b>			
Called up share capital	10	232	232
Revaluation reserve		1,441,770	1,490,711
Profit and loss account		<u>4,823,338</u>	<u>4,751,850</u>
<b>Total shareholders' funds</b>		<u>6,265,340</u>	<u>6,242,793</u>

The financial statements of C-Side Limited (registered number 02892663) were approved by the board of directors and authorised for issue on *15<sup>th</sup> November* 2016.

Signed on behalf of the Board of Directors



M Swindon  
Director

## C-Side Limited

### Statement of changes in equity At 30 June 2016

	Called-up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 30 June 2014 as previously stated	232	1,896,899	4,731,419	6,628,550
Changes on transition to FRS 102 (see note 13)	-	(379,380)	-	(379,380)
At 1 July 2014 as restated	232	1,517,519	4,731,419	6,249,170
Loss for the financial year	-	-	(13,080)	(13,080)
Realised surplus from depreciation	-	(33,511)	33,511	-
Deferred tax liability movement	-	6,703	-	6,703
Total comprehensive income	-	(26,808)	20,431	(6,377)
At 30 June 2015	232	1,490,711	4,751,850	6,242,793
Loss for the financial year	-	-	(33,644)	(33,644)
Realised surplus from depreciation	-	(105,132)	105,132	-
Deferred tax liability movement	-	56,191	-	56,191
Total comprehensive income	-	(48,941)	71,488	22,547
At 30 June 2016	232	1,441,770	4,823,338	6,265,340

## **C-Side Limited**

### **Notes to the financial statements For the year ended 30 June 2016**

#### **1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

##### **General information and basis of accounting**

C-Side Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 13.

The functional currency of C-Side Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

C-Side Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. C-Side Limited is consolidated in the financial statements of its parent, The Laine Pub Company Limited, which may be obtained at Park House, Crawley Business Quarter, Manor Royal, Crawley, West Sussex, RH10 9AD.

Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement, financial instruments, related parties and remuneration of key management personnel.

##### **Going concern**

The company is reliant on the support of its parent company, The Laine Pub Company Limited.

In preparing these financial statements the directors have considered the appropriateness of the going concern basis. In forming their view, the Directors have conducted a detailed review of the trading prospects of the company and group for the 12 months from the date of the signing of these accounts in order to assess the company's and group's funding requirements and the group's ability to comply with the covenants attached to the lending received from the bank.

The group was refinanced in June 2014 with new investment from funds managed by Risk Capital Partners and Graphite Enterprise Trust plc, becoming shareholders. The bank financing was also renewed with a new long term loan agreement in June 2014.

At the balance sheet date and to the date the company balance sheet was approved by the board, the group has not breached any of its banking covenants and is not forecast to do so for the next 12 months or foreseeable future. The company has net current assets at the year end of £2,564,984 (2015: £2,263,969) and on this basis, the directors consider it appropriate to prepare the annual report and financial statements on the going concern basis.

## C-Side Limited

### Notes to the financial statements (continued) For the year ended 30 June 2016

#### 1. Accounting policies (continued)

##### Turnover

Turnover represents the amounts receivable for goods and services net of VAT and trade discounts. Turnover represents a management charge based on a mark up against costs incurred.

##### Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is provided on cost or valuation less estimated residual value over the estimated useful lives of the assets on a straight line basis other than leasehold property which is depreciated on a reducing balance basis. The rates of depreciation are as follows:

Freehold land	- no depreciation
Freehold buildings	- straight line over 50 years
Short leasehold properties	- sum of digits method over the life of the lease
Fixtures, fittings and equipment	- 20% straight line

##### Revaluation of properties

As a result of the move to FRS102 properties are now held at deemed cost at the date of transition, 01 July 2014 and are no longer revalued.

Where depreciation charges had previously been increased following a revaluation, an amount equal to the increase is transferred annually from the revaluation reserve to the profit and loss account as a movement on reserves. On the disposal or recognition of a provision for impairment of a revalued fixed asset, any related balance remaining in the revaluation reserve is also transferred to the profit and loss account as a movement on reserves.

##### Taxation

Current tax represents UK corporation tax and is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Deferred tax assets and liabilities are not discounted.

##### Leases

###### *The Company as lessee*

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

## C-Side Limited

### Notes to the financial statements (continued) For the year ended 30 June 2016

#### 2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### *Critical judgements in applying the Company's accounting policies*

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

##### *Sum of digits depreciation method*

During the year ended 30 June 2015 the Directors decided to change the method of depreciation for leasehold Property only from a straight line to a sum of digits method on the grounds it will give a fairer presentation of the results and of the financial position, which has been calculated over the period of the lease. This method is applied to any residual value above two times rateable value, as this is deemed to be the recoverable amount on any lease.

The depreciation charge for leasehold properties was £133,586 (2015: £35,308).

#### 3. Turnover

The total turnover of the company, all of which arises in the United Kingdom, is attributable to its principal activity and is stated net of value added tax. Revenue is recognised at the point at which costs are invoiced to group companies.

#### 4. Information regarding directors and employees

Other than the directors, the company had no employees in either the current or preceding financial year.

Directors' remuneration for both financial years has been borne by The Laine Pub Company Limited, the company's parent undertaking.

#### 5. Profit on ordinary activities before taxation

	2016	2015
	£	£
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible assets	565,837	441,361

The audit fee of £4,000 (2015 - £4,000) has been borne (and paid) by The Laine Pub Company Limited, the parent company.

## C-Side Limited

### Notes to the financial statements (continued) For the year ended 30 June 2016

#### 6. Tax on profit on ordinary activities

The tax charge comprises:

	2016 £	2015 £
<b>Current tax</b>		
United Kingdom corporation tax at 20% (2015 – 20.75%) based on the taxable profit for the year	56,917	(1,999)
Adjustments in respect of prior periods	(6,496)	8,495
<b>Total current tax charge</b>	<b>50,421</b>	<b>6,496</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	25	34,071
Adjustment in respect of prior years	16,668	(4,185)
Effect of change in tax rate	(5,178)	(1,233)
<b>Total deferred tax charge (note 9)</b>	<b>11,515</b>	<b>28,653</b>
<b>Total tax on profit on ordinary activities</b>	<b>61,936</b>	<b>35,148</b>
<b>Other comprehensive income items</b>		
Deferred tax current year credit	(56,191)	(6,703)
<b>Total tax on profit on ordinary activities</b>	<b>(56,191)</b>	<b>(6,703)</b>

The Finance (No 2) Act 2015, which provides for reductions in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and to 18% effective from 1 April 2020, was substantively enacted on 26 October 2015. These rate reductions have been reflected in the calculation of deferred tax at the balance sheet date.

At the year end, there are unused capital losses of £53,000. There is no expiry date for these losses.

The closing deferred tax liability as at 30 June 2016 has been calculated at 18% reflecting the tax rate at which the deferred tax liability is expected to be reversed in future periods.

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

## C-Side Limited

### Notes to the financial statements (continued) For the year ended 30 June 2016

#### 6. Tax on profit on ordinary activities (continued)

	2016 £	2015 £
<b>Profit on ordinary activities before taxation</b>	<b>28,292</b>	<b>22,068</b>
Tax on profit on ordinary activities at standard UK corporation tax rate of 20% (2015 – 20.75%)	5,658	4,579
Effects of:		
Expenses not deductible for tax purposes	51,284	36,070
Effect of tax rate changes	(5,178)	(1,233)
Adjustments in respect of prior periods	10,172	2,310
Group relief not paid for	-	(6,577)
<b>Total tax charge for the year</b>	<b>61,936</b>	<b>35,149</b>



## C-Side Limited

### Notes to the financial statements (continued) For the year ended 30 June 2016

#### 7. Tangible fixed assets

	Freehold land and buildings £	Short leasehold property £	Fixtures, fittings and equipment £	Total £
<b>Cost or valuation</b>				
At 1 July 2015	1,100,000	2,090,629	2,933,719	6,124,348
Additions	-	5,181	237,512	242,693
Disposals	-	-	(29,374)	(29,374)
At 30 June 2016	1,100,000	2,095,810	3,141,857	6,337,667
<b>Accumulated depreciation</b>				
At 1 July 2015	52,174	207,341	1,478,248	1,737,763
Charge for the year	26,087	133,586	406,164	565,837
Disposals	-	-	(29,374)	(29,374)
At 30 June 2016	78,261	340,927	1,855,038	2,274,226
<b>Net book value</b>				
At 30 June 2016	1,021,739	1,754,883	1,286,819	4,063,441
At 30 June 2015	1,047,826	1,883,288	1,455,471	4,386,585

The company's freehold land and buildings and leasehold properties were revalued as at 30 June 2013, by independent professional valuers AW Gore and Co., on an existing use basis in accordance with the RICS Appraisal and Valuation manual. The properties have been valued as fully-equipped operational entities having regard to their trading potential.

As a result of the move to FRS102 at transitional date on 01 July 2014 the properties will no longer be revalued and the properties will take the value at the date of transition as their deemed cost. The directors have considered the valuation at 30 June 2013 and do not consider that any adjustment is required to the recorded valuation. The historical cost of revalued freehold land and buildings is £1,278,312 (2015 - £1,278,312) and the net book value on an historical cost basis is £798,826 (2015 - £824,913). For short leasehold property the net book value on an historical cost basis is £112,226 (2015 - £240,628). The company's properties act as security for banking facilities provided to the company's immediate parent by the Royal Bank of Scotland plc.

#### 8. Creditors: amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	3,911,225	3,611,616
Corporation tax	-	6,496
	<u>3,911,225</u>	<u>3,618,112</u>

## C-Side Limited

### Notes to the financial statements (continued) For the year ended 30 June 2016

#### 9. Provisions for liabilities

	2016 £	2015 £
<b>Deferred taxation</b>		
Provision at the start of the year	407,761	385,810
Credit to the profit and loss account	(5,153)	32,839
Adjustment in respect of prior years	16,668	(4,185)
Deferred tax charge in SOCI for the period	(56,191)	(6,703)
Balance at the end of the year	<u>363,085</u>	<u>407,761</u>

During the year beginning 1 July 2016, the net reversal of deferred tax assets and liabilities is expected to increase the corporation tax charge for the year by £16,000 (FY15: £nil).

Potential deferred tax assets of £10,000 (FY15: £11,000) relating to capital losses respectively have not been recognised as there is insufficient evidence that the assets will be recovered.

#### 10. Called up share capital

	2016 £	2015 £
<b>Called up, allotted and fully paid</b>		
232 (2015 – 232) Ordinary shares of £1 each	<u>232</u>	<u>232</u>

#### 11. Financial commitments

At 30 June 2016, the company had total commitments under non-cancellable operating leases as follows:

	2016 Land and buildings £	2015 Land and buildings £
<b>Leases which expire:</b>		
- Within one year	572,392	607,955
- Within two to five years	2,055,399	2,154,205
- After five years	6,910,270	7,385,523
	<u>9,538,062</u>	<u>10,147,683</u>

## C-Side Limited

### Notes to the financial statements (continued) For the year ended 30 June 2016

#### 12. Related parties, Intermediate and ultimate parent companies and controlling entity

The company has taken advantage of the exemption available under section 33 of FRS 102 not to disclose transactions with other members of the group as a 100% owned subsidiary.

The immediate parent undertaking is C-Side (Holdings) Limited, a company registered in England and Wales, whilst the ultimate parent company is The Laine Acquisition Limited, a company also registered in England and Wales.

Following the refinancing of the group the directors consider there to be no controlling party of the company. Copies of the accounts of The Laine Acquisition Limited, which consolidate the results of C-Side Limited, can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

#### 13. Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 30 June 2014 and the date of transition to FRS 102 was therefore 1 July 2014. As a consequence of adopting FRS 102, a number of accounting policies have changed to comply with that standard. Leasehold properties will no longer be revalued, they have been recognised at deemed cost on the date of transition. In addition deferred tax relating to the revaluation of properties has also been recognised.

##### *Reconciliation of equity*

Note	At 1 July 2014 £	At 30 June 2015 £
Equity reported under previous UK GAAP	6,628,550	6,615,470
Adjustments to equity on transition to FRS 102		
I Recognition of deferred tax liability on the revaluation reserve	(379,380)	(372,677)
Equity reported under FRS 102	6,249,170	6,242,793

##### Notes to the reconciliation of equity at 1 July 2014

- I As a result of the transition to FRS 102 deferred tax of £372,677 was recognised as a deferred tax liability and reducing the equity within the revaluation reserve.