

## **DST Realty (UK) Limited**

Report and Financial Statements

Year Ended

31 December 2015

Company Number 03010097

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## **DST Realty (UK) Limited**

### **Company Information**

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<b>Director</b>	G Givens
<b>Company secretary</b>	R W Evans
<b>Registered number</b>	03010097
<b>Registered office</b>	DST House St Marks Hill Surbiton Surrey KT6 4QD
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP The Atrium 1 Harefield Road Uxbridge Middlesex UB8 1EX
<b>Bankers</b>	Lloyds Bank plc 25 Gresham Street London Surrey E2CV 7HN

# **DST Realty (UK) Limited**

## **Contents**

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	Page (s)
<b>Strategic Report</b>	1
<b>Director's Report</b>	2 - 3
<b>Independent Auditors' Report</b>	4 - 5
<b>Statement of Comprehensive Income</b>	6
<b>Statement of Financial Position</b>	7
<b>Statement of Changes in Equity</b>	8
<b>Notes to the Financial Statements</b>	9 - 19

# **DST Realty (UK) Limited**

## **Strategic report For the year ended 31 December 2015**

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### **Introduction**

The Director presents his Strategic Report of DST Realty (UK) Limited for the year ended 31 December 2015.

### **Business review**

The profit for the financial year is £540,000 (2014 - £718,000) and no dividend has been proposed or paid during the year (2014 - £Nil).

### **Key performance indicators**

DST Realty (UK) Limited is managed by the director in accordance with the strategies of its parent company, DST Output Limited. For this reason, the director believes that further key performance indicators for the company are not necessary or appropriate to understand the development, performance or position of the business. These strategies and key performance indicators are discussed in the company's parent's group strategic report which does not form part of this report.

### **Principal risks and uncertainties**

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of DST Output Limited, which include those of the company, are discussed in DST Output Limited group strategic report.

### **Impact of the UK deciding to leave the European Union**

The directors have considered the impact of the UK deciding to leave the European Union on 23 June 2016 and do not believe it will have a significant impact on the entity subsequent to the year end.

This report was approved by the board on

26/08/2016

and signed on its behalf.

**G Givens**  
Director



# **DST Realty (UK) Limited**

## **Director's report For the year ended 31 December 2015**

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The director presents his report and the audited financial statements for the year ended 31 December 2015.

### **Director's responsibilities statement**

The director is responsible for preparing the Strategic report, the Director's report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare audited financial statements for each financial year. Under that law the director has elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the audited financial statements unless 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 audited financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 audited financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the audited financial statements comply with the Companies Act 2006. He is 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.

### **Principal activity**

The company's principal activity continued to be that of real estate operations. The company owns properties that were leased in the financial year to DST Output (Bristol) Limited, a fellow group subsidiary, and external clients.

### **Results and dividends**

The profit for the year, after taxation, amounted to £540,000 (2014 - £718,000).

Dividends are disclosed in the strategic report.

### **Director**

The following director held office during the year and up to the date of signing these financial statements:

G Givens

### **Director's indemnity**

DST Systems Inc. maintains liability insurance for the director of DST Output (London) Limited. For the purpose of the Companies Act 2006, DST Systems Inc. provides indemnity insurance for the director and secretary of DST Output (London) Limited for the qualifying third party provisions. The indemnity insurance was in place for the whole period up to the date the financial statements were approved.

# DST Realty (UK) Limited

## Director's report For the year ended 31 December 2015

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### Statement of disclosure of information to auditors

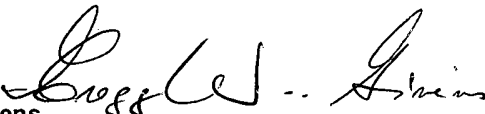
The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26/08/2016 and signed on its behalf.

  
G Givens  
Director

# **DST Realty (UK) Limited**

## **Independent Auditors' report to the members of DST Realty (UK) Limited**

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### **Report on the financial statements**

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#### **Our opinion**

In our opinion DST Realty (UK) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit 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.
- 

#### **What we have audited**

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 December 2015;
- the Statement of comprehensive income for the year ended;
- the Statements of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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#### **Opinions on matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year which the financial statements are prepared is consistent with the financial statements.

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#### **Other matters on which we are required to report by exception**

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##### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

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##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report if, in our opinion, certain disclosures of director's remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

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# **DST Realty (UK) Limited**

## **Independent Auditors' report to the members of DST Realty (UK) Limited**

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### **Responsibilities for the financial statements and the audit**

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#### **Our responsibilities and those of the directors**

As explained more fully in the Director's Responsibilities Statement, the director is 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 & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **What an audit of financial statements involves**

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We conducted our audit in accordance with ISAs (UK & Ireland). 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 director; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the director's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Director's Report and financial statements (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.



Sarah Quinn (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Uxbridge

Date: 26 August 2016



# DST Realty (UK) Limited

## Statement of comprehensive income For the year ended 31 December 2015

	Note	2015 £000	As restated 2014 £000
Turnover	3	780	770
<b>Gross profit</b>		<b>780</b>	<b>770</b>
Administrative expenses		(57)	(40)
Fair value movements on investment property	8	118	-
<b>Operating profit</b>		<b>841</b>	<b>730</b>
Other income		-	300
Interest payable and similar charges	6	(196)	(194)
<b>Profit on ordinary activities before taxation</b>		<b>645</b>	<b>836</b>
Tax on profit on ordinary activities	7	(105)	(118)
<b>Profit for the financial year</b>		<b>540</b>	<b>718</b>

All amounts relate to continuing operations.

There were no other comprehensive income in 2015 or 2014.

The notes on pages 9 to 19 form part of these financial statements.

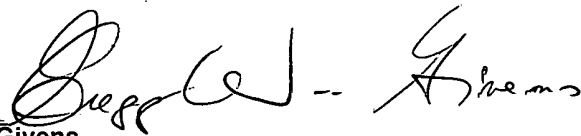
**DST Realty (UK) Limited**  
Registered number: 03010097

**Statement of financial position**  
**As at 31 December 2015**

	Note	2015 £000	As restated 2014 £000
<b>Fixed assets</b>			
Investment property	8	9,750	9,632
		<u>9,750</u>	<u>9,632</u>
<b>Current assets</b>			
Debtors	9	2,432	6,660
Cash at bank and in hand		-	14
		<u>2,432</u>	<u>6,674</u>
Creditors: amounts falling due within one year	10	(837)	(2,061)
<b>Net current assets</b>		<u>1,595</u>	<u>4,613</u>
<b>Total assets less current liabilities</b>		<u>11,345</u>	<u>14,245</u>
Creditors: amounts falling due after more than one year	11	-	(3,440)
<b>Net assets</b>		<u><u>11,345</u></u>	<u><u>10,805</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	352	352
Share premium account		3,496	3,496
Profit and loss account		7,497	6,957
<b>Total equity</b>		<u><u>11,345</u></u>	<u><u>10,805</u></u>

The company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 6 to 19 were approved by the Board of Directors and signed on its behalf by

  
G Givens  
Director

Date: 26/08/2016

The notes on pages 9 to 19 form part of these financial statements.

## DST Realty (UK) Limited

### Statement of changes in equity For the year ended 31 December 2015

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2015	352	3,496	6,957	10,805
<b>Comprehensive income for the year</b>				
Profit for the financial year	-	-	540	540
<b>Total comprehensive income for the year</b>	-	-	540	540
<b>At 31 December 2015</b>	<b>352</b>	<b>3,496</b>	<b>7,497</b>	<b>11,345</b>

### Statement of changes in equity For the year ended 31 December 2014

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2014	352	3,496	6,239	10,087
<b>Comprehensive income for the year</b>				
Profit for the financial year	-	-	718	718
<b>Total comprehensive income for the year</b>	-	-	718	718
<b>At 31 December 2014</b>	<b>352</b>	<b>3,496</b>	<b>6,957</b>	<b>10,805</b>

The notes on pages 9 to 19 form part of these financial statements.

# **DST Realty (UK) Limited**

## **Notes to the financial statements For the year ended 31 December 2015**

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### **1. Accounting policies**

#### **1.1 Basis of preparation of financial statements**

DST Realty (UK) Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors report.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 16.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

Accounting policies have been applied consistently, other than where new policies have been adopted.

The following accounting policies have been applied:

#### **1.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, DST Systems, Inc, includes the company's cash flows in its own consolidated financial statements.
- The company has taken advantage of the exemption, under FRS 102 para 33.7 from disclosing total compensation of key management personnel.
- The company has taken advantage of the exemption for qualifying entities from certain financial instrument disclosures, on the basis that the equivalent disclosures are included in the consolidated financial statements of ultimate parent company.
- The company has taken advantage of the exemption, under FRS 33.1 (a), from disclosing related party transactions as they are all with other companies that are wholly owned by DST Systems, Inc.

This information is included in the consolidated financial statements of DST Systems, Inc as at 31 December 2015 and these financial statements may be obtained from 333 West 11th Street, Kansas City, MO 64105, USA.

#### **1.3 Turnover**

Rental income, in respect of property leases, is recognised as turnover in the profit and loss account on a straight line basis over the period to which it relates. Rental income received for future periods is deferred to the period to which it relates.

# **DST Realty (UK) Limited**

## **Notes to the financial statements For the year ended 31 December 2015**

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### **1. Accounting policies (continued)**

#### **1.4 Investment property**

The company's property are classified as investment property as it leases it out to other group and external companies under an operating lease.

Investment property are carried at fair value at year end with any gains and losses arising from changes in the fair value of investment property recognised in the profit and loss account, through the Statement of Comprehensive Income.

#### **1.5 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### **1.6 Reserves**

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- The share premium account includes the premium on issue of equity shares, net of any issue costs.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

# DST Realty (UK) Limited

## Notes to the financial statements For the year ended 31 December 2015

### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the directors have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's investment property assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty

- Investment property (see note 8)

Investment Property is presented at its fair value at the balance sheet date. The fair value is determined by independent valuers registered with the Royal Institution of Chartered Surveyors in the United Kingdom, adopting the Market Rent method. The fair value of the investment property is re-assessed at each balance sheet date.

- Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

### 3. Turnover

All turnover is derived from a single class of business within the United Kingdom. The company leases its real estate to group companies and external clients under operating leases. The fair value of assets held for use as operating leases was £9.8m (2014 - £9.6m). The aggregate amount of rentals received under operating leases was £0.78m (2014 - £0.77m).

### 4. Operating profit

The operating profit is stated after charging:

	2015 £000	2014 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	10	9

# DST Realty (UK) Limited

## Notes to the financial statements For the year ended 31 December 2015

### 5. Employees

The company has no employees other than the director (2014 - none), who did not receive any remuneration (2014 -£Nil).

### 6. Interest payable and similar charges

	2015 £000	2014 £000
Bank interest payable on bank loans and overdrafts	196	194

### 7. Taxation

	2015 £000	2014 £000
<b>Corporation tax</b>		
UK corporation tax charge on profit for the year	105	113
Adjustments in respect of previous periods	2	6
	107	119
<b>Total current tax</b>	107	119
<b>Deferred tax</b>		
Adjustments in respect of prior years	(2)	(1)
<b>Total deferred tax</b>	(2)	(1)
<b>Tax on profit on ordinary activities</b>	105	118

# DST Realty (UK) Limited

## Notes to the financial statements For the year ended 31 December 2015

### 7. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 -lower than) the standard rate of corporation tax in the UK of 20.25% (2014 -21.50%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	645	835
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 -21.50%)	131	180
<b>Effects of:</b>		
Adjustments to tax charge in respect of prior periods	-	5
Non-taxable income	(26)	(67)
<b>Total tax charge for the year</b>	<b>105</b>	<b>118</b>

#### Factors that may affect future tax charges

Finance Act 2015 included legislation reducing the main UK corporation tax rate from 20% to 19%, effective from 1 April 2017. A further reduction to 18% was also enacted with an effective from date of 1 April 2020. The deferred tax balances have been re-measured at these rates as appropriate as they are the latest substantially enacted tax rates.

The Chancellor has announced that the main UK corporation tax rate will now be reduced to 17% with an effective from date of 1 April 2020. However, as this 17% rate has not yet been substantially enacted it has not been applied to any figures in these accounts.



## DST Realty (UK) Limited

### Notes to the financial statements For the year ended 31 December 2015

#### 8. Investment property

	Land and buildings £000
<b>Fair value</b>	
At 1 January 2014	9,625
Additions at cost	7
Fair value adjustments	-
<b>At 31 December 2014</b>	<b>9,632</b>
	Land and buildings £000
At 1 January 2015	9,632
Additions at cost	-
Fair value adjustments	118
<b>At 31 December 2015</b>	<b>9,750</b>

The freehold investment property is subject to security arising from £nil (2014 - £3.9m) loan with Lloyds Bank PLC.

The company's investment property are presented at its fair value at 31 December 2015, on the basis of the market rent method. The valuation was undertaken by Colliers International Valuation UK LLP, a firm of independent valuers registered with the RICS Valuer Registration Scheme (VRS), in accordance with the RICS Valuation Professional Standards (incorporating International Valuation Standards) of January 2014 issued by the Royal Institution of Chartered Surveyors in the United Kingdom.

The yield range of 7% to 7.75% (2014: 7% - 7.75%) to the current rental income were used to arrive at the fair value.

# DST Realty (UK) Limited

## Notes to the financial statements For the year ended 31 December 2015

### 9. Debtors

	2015 £000	2014 £000
Amounts owed by group undertakings	2,392	6,396
Other debtors	37	165
Prepayments and accrued income	-	98
Deferred tax asset	3	1
	<u>2,432</u>	<u>6,660</u>

Amounts owed to group undertakings are unsecured, repayable on demand and do not bear any interest.

### 10. Creditors: Amounts falling due within one year

	2015 £000	2014 £000
Bank loans and overdrafts	-	480
Amounts owed to group undertakings	630	1,219
Other creditors	-	129
Other taxation and social security	13	-
Accruals and deferred income	194	233
	<u>837</u>	<u>2,061</u>

Amounts owed to group undertakings are unsecured, repayable on demand and do not bear any interest.

# DST Realty (UK) Limited

## Notes to the financial statements For the year ended 31 December 2015

### 11. Creditors: Amounts falling due after more than one year

	2015 £000	2014 £000
Bank loans and overdrafts	-	3,440
	<u>-</u>	<u>3,440</u>

#### Secured loans

On 30 June 2011, the company undertook a mortgage with Lloyds TSB totalling £5.6m in relation to the freehold property held. The mortgage was secured on the property and bears interest at LIBOR + 2.45% per annum. The outstanding loan amount was settled during the year.

### 12. Deferred taxation

	Deferred tax £000
Charged to the profit or loss	3
<b>At 31 December 2015</b>	<u><u>3</u></u>

The deferred tax balance brought forward at 1 January 2014 was £Nil, the charge to the profit or loss was £1k and the balance carried forward at 31 December 2014 was £1k.

The deferred tax asset is made up as follows:

	2015 £000	2014 £000
Accelerated capital allowances	3	1
	<u>3</u>	<u>1</u>

### 13. Called up share capital

	2015 £000	2014 £000
<b>Authorised, allotted, called up and fully paid</b>		
352,498 (2014: 352,497) Authorised shares of £1 each	<u>352</u>	<u>352</u>

# **DST Realty (UK) Limited**

## **Notes to the financial statements For the year ended 31 December 2015**

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### **14. Post balance sheet events**

In April 2016, the land and buildings in DST Realty (UK) Limited were sold for £11.2m and leased back by DST Bristol Limited until January 2028. There is no financial impact arising from this transaction on the 2015 financial statements.

### **15. Controlling party**

The immediate parent undertaking is DST Output Limited, a company incorporated in England and Wales.

The ultimate parent undertaking company and controlling party is DST Systems, Inc, a company incorporated in the United States of America.

DST Output Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of DST Output Limited can be obtained from Evolution House, Choats Road, Dagenham, Essex, RM9 6BF.

DST Systems, Inc is the parent undertaking of the largest group of undertakings to consolidate these financial statements. The consolidated financial statements of DST Systems, Inc are available from 333 West 11th Street, Kansas City, MO 64105, USA.

## DST Realty (UK) Limited

Notes to the financial statements For the year ended 31 December 2015

### 16. First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 December 2014. The date of the transition to FRS102 was 1 January 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS102.

	As previously stated 1 January 2014 £000	Effect of transition 1 January 2014 £000	FRS 102 (as restated) 1 January 2014 £000	As previously stated 31 December 2014 £000	Effect of transition 31 December 2014 £000	FRS 102 (as restated) 31 December 2014 £000
Note						
Fixed assets	9,598	28	9,626	9,385	247	9,632
Current assets	6,091	-	6,091	6,674	-	6,674
Creditors: amounts falling due within one year	(1,709)	-	(1,709)	(2,061)	-	(2,061)
<b>Net current assets</b>	<b>4,382</b>	<b>-</b>	<b>4,382</b>	<b>4,613</b>	<b>-</b>	<b>4,613</b>
<b>Total assets less current liabilities</b>	<b>13,980</b>	<b>28</b>	<b>14,008</b>	<b>13,998</b>	<b>247</b>	<b>14,245</b>
Creditors: amounts falling due after more than one year	(3,920)	-	(3,920)	(3,440)	-	(3,440)
<b>Net assets</b>	<b>10,060</b>	<b>28</b>	<b>10,088</b>	<b>10,558</b>	<b>247</b>	<b>10,805</b>
Capital and reserves	10,060	28	10,088	10,558	247	10,805

## DST Realty (UK) Limited

### Notes to the financial statements For the year ended 31 December 2015

#### 16. First time adoption of FRS 102 (continued)

		As previously stated 31 December 2014 £000	Effect of transition 31 December 2014 £000	FRS 102 (as restated) 31 December 2014 £000
	Note			
Turnover		770	-	770
		770	-	770
Administrative expenses		(260)	220	(40)
<b>Operating profit</b>		510	220	730
Income from investments		300	-	300
Interest payable and similar charges		(194)	-	(194)
Taxation		(118)	-	(118)
<b>Profit on ordinary activities after taxation and for the financial year</b>		498	220	718

Explanation of changes to previously reported profit and equity:

#### 1 Investment Property

FRS102 requires property leased out to other group companies and external parties to be classified as Investment Property at its fair value with the adjustment to fair value taken through the profit and loss account. Previously any property leased out to other group companies were classified as fixed tangible assets and recognised at historical costs less depreciation and impairments. The effect of the change is that tangibles assets with a value of £9,597,000 on 1 January 2014 and £9,385,000 on 31 December 2014 were reclassified to investment property and recognised at its fair value of £9,632,000 at both dates. The equity on transition date was increased by £28,000 for the adjustment of the property to its fair value and the profit for the year ended 31 December 2014 increased by £219,000 as the previous charge for depreciation was reversed, bringing the total increase in the profit and loss account to £247,000 for the year ended 31 December 2014.