

COMPANY REGISTRATION NUMBER: 04002326

BYW Limited
Financial statements
31 December 2016



BYW Limited

Financial statements

Year ended 31 December 2016

Contents	Page
Officers and professional advisers	1
Directors' report	2
Independent auditor's report to the members	4
Statement of income and retained earnings	6
Statement of financial position	7
Notes to the financial statements	8

BYW Limited

Officers and professional advisers

The board of directors

R C Youngs (Non-Executive)
C H Bradley-Watson
O B Chipperfield
E J King

Company secretary

O B Chipperfield

Registered office

Dencora Court
Meridian Way
Norwich
Norfolk
NR7 0TA

Auditor

Lovewell Blake LLP
Chartered Accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

BYW Limited

Directors' report

Year ended 31 December 2016

The directors present their report and the financial statements of the company for the year ended 31 December 2016.

Principal activities

The principal activity is that of a property management company.

Directors

The directors who served the company during the year were as follows:

R C Youngs (Non-Executive)
C H Bradley-Watson
O B Chipperfield
E J King

Dividends

The directors do not recommend the payment of a dividend.

Directors' responsibilities statement

The directors are responsible for preparing the directors' 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). 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 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;
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

BYW Limited

Directors' report *(continued)*

Year ended 31 December 2016

This report was approved by the board of directors on 30/08/2017..... and signed on behalf of the board by:

O.B. Chipperfield

O B Chipperfield
Director

Registered office:
Dencora Court
Meridian Way
Norwich
Norfolk
NR7 0TA

BYW Limited

Independent auditor's report to the members of BYW Limited

Year ended 31 December 2016

We have audited the financial statements of BYW Limited for the year ended 31 December 2016, on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

BYW Limited

Independent auditor's report to the members of BYW Limited *(continued)*

Year ended 31 December 2016

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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; and
- the directors were not entitled to take advantage of the small companies exemption in preparing the Strategic Report.

Lovewell Blake LLP

Simon Watson FCCA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered Accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

7 September 2017

BYW Limited

Statement of income and retained earnings

Year ended 31 December 2016

		2016	2015
	Note	£	£
Turnover	4	191,533	104,166
Cost of sales		(3,249)	(371)
Gross profit		188,284	103,795
Administrative expenses		(81,028)	(80,827)
Operating profit		107,256	22,968
Profit before taxation		107,256	22,968
Tax on profit	6	(21,451)	(4,594)
Profit for the financial year and total comprehensive income		85,805	18,374
Retained earnings at the start of the year		1,267,498	1,249,124
Retained earnings at the end of the year		1,353,303	1,267,498

All the activities of the company are from continuing operations.

The notes on pages 8 to 13 form part of these financial statements.

BYW Limited

Statement of financial position

31 December 2016

	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	7		260,220		260,220
Current assets					
Debtors	8	913,914		920,362	
Cash at bank and in hand		211,678		118,941	
		<u>1,125,592</u>		<u>1,039,303</u>	
Creditors: Amounts falling due within one year	9	<u>(32,507)</u>		<u>(32,023)</u>	
Net current assets			<u>1,093,085</u>		<u>1,007,280</u>
Total assets less current liabilities			<u>1,353,305</u>		<u>1,267,500</u>
Net assets			<u>1,353,305</u>		<u>1,267,500</u>
Capital and reserves					
Called up share capital	11		2		2
Profit and loss account	12		<u>1,353,303</u>		<u>1,267,498</u>
Members funds			<u>1,353,305</u>		<u>1,267,500</u>

These financial statements were approved by the board of directors and authorised for issue on 30.08.2017... and are signed on behalf of the board by:

O. B. Chipperfield

O B Chipperfield
Director

Company registration number: 04002326

The notes on pages 8 to 13 form part of these financial statements.

BYW Limited

Notes to the financial statements

Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Dencora Court, Meridian Way, Norwich, Norfolk, NR7 0TA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Dencora 2000 Limited which can be obtained from Companies House, Crown Way, Maindy, Cardiff. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable, stated net of discounts and of Value Added Tax. Specific policies are as follows:

Rental income - rental and related income is credited to turnover on a straight-line basis over the lease term. The aggregate of lease incentives are recognised over the lease term on a straight line basis.

Management fees - property management fees are credited to turnover in the accounting year to which they relate.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

BYW Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current and deferred taxation assets and liabilities are not discounted.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax arises from timing difference that are differences between taxable profits and total comprehensive income stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted.

Tangible assets

All fixed assets are initially recorded at cost.

BYW Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Financial instruments

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest. Such assets are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of income immediately.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a contract is entered into, and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the profit and loss in finance costs or finance income as appropriate.

4. Turnover

Turnover arises from:

	2016 £	2015 £
Management fees	168,677	103,266
Rental income	22,856	900
	<u>191,533</u>	<u>104,166</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Auditor's remuneration

	2016 £	2015 £
Fees payable for the audit of the financial statements	<u>1,000</u>	<u>1,000</u>

BYW Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2016

6. Tax on profit

Major components of tax expense

	2016 £	2015 £
Current tax:		
UK current tax expense	21,451	4,594
Tax on profit	<u>21,451</u>	<u>4,594</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is the same as (2015: the same as) the standard rate of corporation tax in the UK of 20% (2015: 20%).

The differences are explained below:-

	2016 £	2015 £
Profit on ordinary activities before taxation	107,256	22,968
Profit on ordinary activities by rate of tax	<u>21,451</u>	<u>4,594</u>

7. Tangible assets

	Land and Buildings £
Cost	
At 1 Jan 2016 and 31 Dec 2016	<u>260,220</u>
Carrying amount	
At 31 December 2016	<u>260,220</u>

8. Debtors

	2016 £	2015 £
Trade debtors	36,828	1,800
Amounts owed by group undertakings	845,406	850,000
Prepayments and accrued income	31,680	66,400
Other debtors	—	2,162
	<u>913,914</u>	<u>920,362</u>

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	9	26,429
Accruals and deferred income	6,764	1,000
Corporation tax	21,451	4,594
Social security and other taxes	4,283	—
	<u>32,507</u>	<u>32,023</u>

BYW Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2016

10. Financial instruments

Risks

Exposure to credit, liquidity and cash flow interest risks arises in the normal course of the company's business. These risks are limited by the company's financial management policies and practices described below:

Credit risk

The company is at risk from its tenants defaulting on rents. To minimise the risk the company carries out credit checks on all new tenants to assess their creditworthiness and has procedures in place to deal with tenants who have defaulted.

Liquidity risk

The directors have ultimate responsibility for liquidity risk management in maintaining adequate reserves, banking facilities and reserve borrowing facilities. They do this by continuously monitoring forecasts and actual cashflows and matching the maturity profiles of financial assets and liabilities.

11. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

12. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

13. Operating leases

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	<u>18,750</u>	<u>-</u>

14. Contingencies

The company is party to an inter-company guarantee given to The Royal Bank of Scotland plc in respect of the bank borrowings of Dencora 2000 Limited (the ultimate parent company) and certain subsidiaries. The borrowings under this guarantee total £20,936,000.

BYW Limited

Notes to the financial statements *(continued)*

Year ended 31 December 2016

15. Related party transactions

The company has taken advantage of the exemptions conferred by FRS 102 from the requirement to make disclosures concerning wholly owned group companies, on the basis that its results are consolidated in the financial statements of its parent company.

Transactions with non wholly owned subsidiaries are as follows:

During the year, the company paid a management charge of £80,000 (2015 - £80,000) to a fellow group member.

Included in creditors as at 31 December 2016 is an amount due to the fellow group member of £Nil (2015 - £24,000).

The company charged management fees to other related parties totalling £5,000.

Included within debtors as at 31 December 2016 are amounts due from other group members of £3,750 (2015: £Nil).

16. Controlling party

The immediate parent company and ultimate controlling party is Dencora 2000 Limited, a company registered in England and Wales.

Dencora 2000 Limited prepares group financial statements and copies can be obtained from Companies House, Crown Way, Maindy, Cardiff.