

COMPANY REGISTRATION NUMBER: 05177378

Urban&Civic Resolution Limited
Financial Statements
30 September 2021



Urban&Civic Resolution Limited

Financial Statements

Year ended 30 September 2021

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Urban&Civic Resolution Limited

Officers and Professional Advisers

Director	D L Wood
Company secretary	Urban&Civic (Secretaries) Limited
Registered office	50 New Bond Street London W1S 1BJ
Auditor	BDO LLP Chartered accountants & statutory auditor 55 Baker Street London W1U 7EU

Urban&Civic Resolution Limited

Director's Report

Year ended 30 September 2021

The director presents his report and the financial statements of the company for the year ended 30 September 2021.

Directors

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

D L Wood

P A J Leech

(Resigned 14 June 2021)

Director's responsibilities statement

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the 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 them to ensure that the 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.

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.

Urban&Civic Resolution Limited

Director's Report *(continued)*

Year ended 30 September 2021

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The directors has taken advantage of the small company exemption from providing a strategic report under section 414B of the Companies Act 2006.

This report was approved by the board of directors on 18 March 2022 and signed on behalf of the board by:



D L Wood
Director

Registered office:
50 New Bond Street
London
W1S 1BJ

Urban&Civic Resolution Limited

Independent Auditor's Report to the Members of Urban&Civic Resolution Limited

Year ended 30 September 2021

Opinion on the 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 September 2021 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.

We have audited the financial statements of Urban&Civic Resolution Limited ("the company") for the year ended 30 September 2021 which comprise the statement of income and retained earnings, statement of financial position and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Urban&Civic Resolution Limited

Independent Auditor's Report to the Members of Urban&Civic Resolution Limited *(continued)*

Year ended 30 September 2021

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

We have nothing to report in respect of the following matters in relation to which 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to take advantage of the small companies' exemptions in preparing the Director's report and from the requirement to prepare a Strategic report.

Urban&Civic Resolution Limited

Independent Auditor's Report to the Members of Urban&Civic Resolution Limited (continued)

Year ended 30 September 2021

Responsibilities of the director

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, and for such internal control as the Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the directors and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company legislation) and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work included agreeing the financial statement disclosures to underlying supporting documentation, review of Board minutes, enquiries of management, enquiries of external advisers, review of correspondence with external legal advisers, and review of press releases.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries, in particular unusual account combinations or those posted by senior management. We evaluated whether there was evidence of bias by the directors in accounting estimates that represented a risk of material misstatement due to fraud and evaluating the business rationale of any significant transactions that were unusual or outside the normal course of business.

Urban&Civic Resolution Limited

Independent Auditor's Report to the Members of Urban&Civic Resolution Limited (continued)

Year ended 30 September 2021

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

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Thomas Edward Goodworth (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
55 Baker Street
London
W1U 7EU

18 March 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number: OC305127).

Urban&Civic Resolution Limited
Statement of Income and Retained Earnings
Year ended 30 September 2021

	Note	2021 £	2020 £
Turnover	4	13,000	13,000
Gross profit		<u>13,000</u>	<u>13,000</u>
Administrative expenses		(25)	(2)
Operating profit		<u>12,975</u>	<u>12,998</u>
Interest payable and similar expenses	6	<u>(16,751)</u>	<u>(16,649)</u>
Loss before taxation		<u>(3,776)</u>	<u>(3,651)</u>
Tax on loss	7	<u>-</u>	<u>-</u>
Loss for the financial year and total comprehensive loss		<u>(3,776)</u>	<u>(3,651)</u>
Retained losses at the start of the year		<u>(185,477)</u>	<u>(181,826)</u>
Retained losses at the end of the year		<u>(189,253)</u>	<u>(185,477)</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 14 form part of these financial statements.

Urban&Civic Resolution Limited

Statement of Financial Position

30 September 2021

	Note	2021 £	2020 £
Current assets			
Stocks	8	379,511	379,511
Debtors	9	7,800	3,900
Cash at bank and in hand		72	22
		<u>387,383</u>	<u>383,433</u>
Creditors: amounts falling due within one year	10	<u>(576,635)</u>	<u>(568,909)</u>
Net current liabilities		<u>(189,252)</u>	<u>(185,476)</u>
Total assets less current liabilities		<u>(189,252)</u>	<u>(185,476)</u>
Net liabilities		<u>(189,252)</u>	<u>(185,476)</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	<u>(189,253)</u>	<u>(185,477)</u>
Shareholders' deficit		<u>(189,252)</u>	<u>(185,476)</u>

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

These financial statements were approved by the board of directors and authorised for issue on 18 March 2022, and are signed on behalf of the board by:



D L Wood
Director

Company registration number: 05177378

The notes on pages 10 to 14 form part of these financial statements.

Urban&Civic Resolution Limited

Notes to the Financial Statements

Year ended 30 September 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 50 New Bond Street, London, W1S 1BJ. The principal activity of the company is property development.

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.

In preparing the financial statements of this company, advantage has been taken of the following disclosure exemptions as permitted by FRS102:

- the requirements of Section 7 Statement of Cash flows.
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).
- the requirements of Section 11 Financial Instruments paragraph 11.39 to 11.48A.
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Urban&Civic Plc as at 30 September 2021 and these financial statements may be obtained from Companies House.

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

Going concern

Urban&Civic Resolution Limited (the Company) is reliant on funding provided by Urban&Civic plc and fellow Group undertakings. Given Urban&Civic plc has confirmed that it shall continue to provide such support for the foreseeable future, and for a period of at least 12 months from the signing of these financial statements, the Directors consider it reasonable to rely on the continuation on this financing in making their assessment of the ability of the Company to continue as a going concern. The Directors have additionally considered the impact of Covid-19 and the resulting economic uncertainty.

In order to assess the potential impact of Covid-19, financial forecasts and sensitivity analysis have been prepared for the Group (which also incorporate Company forecasts) for a period in excess of 12 months from the date of approval of these financial statements. Based on these forecasts and assurances of support from other Group undertakings, the Directors consider that the Company has adequate resources for a period in excess of 12 months from the date of approval of these financial statements, and accordingly have concluded that it is appropriate for the Company to prepare its own financial statements on a going concern basis.

Urban&Civic Resolution Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The company makes certain estimates and assumptions regarding the future. These judgements and estimates affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates are continually evaluated based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

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

Stock impairment

Stock represents land and property assets held for resale. Typically, assets are acquired or an agreement is entered into with a landowner to promote their site through the planning system. The asset increases in value following receipt of planning consent. As such management must ascertain the likelihood of such a change of use planning consent being obtained. In the event that planning consent is denied for a particular asset, management must establish the future prospects for the site with respect to a planning appeal or alternative planning application. The carrying value of the stock asset may need to be impaired in the event that the prospects of obtaining planning consent are reduced.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Revenue recognition

Turnover represents rental income, excluding Value Added Tax and arises solely within the United Kingdom.

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 it is probable the expenses recognised will be recovered.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Urban&Civic Resolution Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

3. Accounting policies *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and subsequently at amortised cost or their recoverable amount. Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterpart or default or significant delay in payment) that the company will be unable to collect all of the amounts due under the terms receivable. The amount of such a provision is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade debtors, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses. On confirmation that the trade debtor will not be collectable the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

Financial liabilities including trade creditors, other creditors, accruals and amounts due to group undertakings are originally recorded at fair value and subsequently stated at amortised cost under the effective interest method.

4. Turnover

Turnover arises from:

	2021	2020
	£	£
Rental income	<u>13,000</u>	<u>13,000</u>

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

5. Operating profit/ (loss)

Auditors remuneration was borne by another group company in the current and prior year.

The company has no employees other than the directors who did not receive any remuneration (2020: £nil).

6. Interest payable and similar expenses

	2021	2020
	£	£
Other interest payable and similar charges	<u>16,751</u>	<u>16,649</u>

Urban&Civic Resolution Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

7. Tax on loss

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year varies from the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Loss on ordinary activities before taxation	<u>(3,776)</u>	<u>(3,651)</u>
Loss on ordinary activities by rate of tax	(100)	(694)
Group relief	<u>100</u>	<u>694</u>
Tax on loss	<u>-</u>	<u>-</u>

8. Stocks

	2021 £	2020 £
At 1 October 2020 and 30 September 2021	<u>379,511</u>	<u>379,511</u>

There is no material difference between the replacement cost of stocks and the amounts stated above. There were no costs of inventories expensed in the current or previous period in cost of sales and no impairment losses incurred. There are no provisions against stocks.

9. Debtors

	2021 £	2020 £
Trade debtors	<u>7,800</u>	<u>3,900</u>

10. Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	573,385	565,009
Accruals and deferred income	3,250	3,250
Social security and other taxes	-	650
	<u>576,635</u>	<u>568,909</u>

Amounts owed to group undertakings are unsecured, bear interest at 3% (2020: 3%) and are repayable on demand.

Urban&Civic Resolution Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2021

11. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

12. Reserves

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

13. Related party transactions

The company has taken advantage of the exemption allowed by FRS102 Section 33, 'Related Party Transactions', not to disclose any transactions with entities that are included in the consolidated financial statements of Urban&Civic Plc and are 100% owned.

14. Controlling party

The company's immediate controlling undertaking is Urban&Civic North East Limited a company incorporated in England and Wales.

The ultimate parent undertaking and controlling party of the company is the Wellcome Trust through its corporate trustee, The Wellcome Trust Limited.

The largest Group which consolidate the results of the Company are those of Urban&Civic plc. The results of Urban&Civic plc are not consolidated at a higher level. The Wellcome Trust holds a portfolio of investments, which are accounted for at fair value through profit or loss in its financial statements.

Copies of the Wellcome Trust Annual Report and Financial Statements are available from Wellcome Trust's website (www.wellcome.org/news-and-reports/reports).