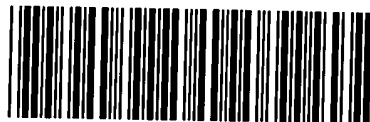


REGISTERED NUMBER: 08175428 (England and Wales)

Annual Report and
Financial Statements for the Period 1 July 2015 to 31 December 2016
for
Stephenson Rocket Limited

THURSDAY



A6XF6EXN

A28

11/01/2018

#12

COMPANIES HOUSE

Stephenson Rocket Limited

Contents of the Financial Statements
for the Period 1 July 2015 to 31 December 2016

	Page
Company Information	1
Report of the Directors	2
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5
Profit and Loss Account	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

Stephenson Rocket Limited

Company Information
for the Period 1 July 2015 to 31 December 2016

DIRECTORS:

W D Clouston
R D C Clouston
M Bowes

SECRETARY:

W D Clouston

REGISTERED OFFICE:

Stockbridge House
Trinity Gardens
Newcastle Upon Tyne
Tyne and Wear
NE1 2HJ

REGISTERED NUMBER:

08175428 (England and Wales)

AUDITOR:

Deloitte LLP
Statutory Auditor
Newcastle upon Tyne
United Kingdom

SOLICITORS:

Muckle LLP
Time Central
32 Gallowgate
Newcastle Upon Tyne
NE1 4BF

Stephenson Rocket Limited

Report of the Directors

for the Period 1 July 2015 to 31 December 2016

The directors present their annual report on the affairs of Stephenson Rocket Limited (the "company") together with the financial statements and independent auditor's report for the period ended 31 December 2016. The comparative period is for the year ended 30 June 2015.

This Report of the Directors has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. The directors have not prepared a Strategic Report in accordance with the provisions applicable to companies entitled to the small companies' exemption under s414B of the Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the company is the development of property.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The construction of a 357 space multi storey car park with offices on top within the Stephenson Quarter area was completed in August 2015. This building forms part of a wider proposed development by the Clouston Group (the group headed by Clouston Group Limited, 'the group'). The group has also developed a hotel in the area and intends to develop this area further to include residential apartments, commercial offices, exhibition and event space, retail and restaurant facilities.

The company now operates the car park with rent payable to Newcastle City Council. The car park is designed to serve the current and future needs of the Crowne Plaza hotel and the Stephenson Quarter. During 2017 the revenue earned as grown and is predicted reach full potential in 2019 when the next phase of the Stephenson Quarter is completed.

Based on the company's forecast and projections, and taking into account reasonably possible changes in trading performance, the Directors recognise that due to the overheads exceeding the expected income generated from the car park, the company may require group support to be able to fund its ongoing operations. Consequently a letter of support has been received from the parent company, Clouston Group Limited, confirming its commitment to provide support to the company if required for the next 12 months.

The directors have assessed the ability of Clouston Group Limited to provide this support and acknowledge that a material uncertainty exists over the going concern assumption of the Group. Further details can be found in the financial statements of Clouston Group Limited for the period ending 31 December 2016.

The directors have therefore concluded that due to the reliance on the group a material uncertainty exists that casts significant doubt upon the company's ability to obtain the financial support that it needs to enable it to continue as a going concern. As a consequence, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

FINANCIAL POSITION

The results of the company are shown on page 7. The profit of £461,347 (2015: profit of £269,297) has been added to reserves.

DIVIDENDS

The directors do not recommend the payment of a dividend (2015: £Nil).

DIRECTORS

The directors who served during the year, and up to the date of signing, are shown below:

R D C Clouston

A D Schofield (resigned on 28 November 2017)

M Bowes (appointed on 28 November 2017)

W D Clouston (appointed on 29 November 2017)

Stephenson Rocket Limited

Report of the Directors (continued)
for the Period 1 July 2015 to 31 December 2016

AUDITOR

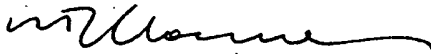
Each of the directors at the date of approval of this report separately confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware;
and
- the director has taken all the 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board:



.....
W D Clouston - Director

11 January 2018

Stephenson Rocket Limited

Statement of Directors' Responsibilities
for the Period 1 July 2015 to 31 December 2016

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 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 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.

Independent Auditor's Report to the Members of
Stephenson Rocket Limited

We have audited the financial statements of Stephenson Rocket Limited for the period ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, 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 Statement of Directors' Responsibilities, 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 Report of the Directors 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 31 December 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company is reliant on support from its parent company (Clouston Group Limited) in order to meet its liabilities as they fall due. The directors have assessed the ability of Clouston Group Limited to be able to provide support and have acknowledged a material uncertainty exists within the going concern assumption of Clouston Group Limited. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matter 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 Report of the Directors for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

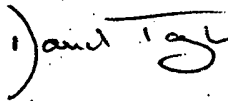
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Report of the Directors.

Independent Auditor's Report to the Members of
Stephenson Rocket Limited (continued)

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Directors or from the requirement to prepare a Strategic Report.



David Taylor FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Newcastle upon Tyne
United Kingdom

11 January 2018

Stephenson Rocket Limited

Profit and Loss Account
for the Period 1 July 2015 to 31 December 2016

	Notes	Period 1.7.15 to 31.12.16 £	Year Ended 30.6.15 £
TURNOVER		4,385,509	8,770,047
Cost of sales		(3,021,935)	(7,948,152)
GROSS PROFIT		1,363,574	821,895
Administrative expenses		(315,897)	(4,329)
OPERATING PROFIT	3	1,047,677	817,566
Interest payable and similar expenses	4	(469,879)	(511,407)
PROFIT BEFORE TAXATION		577,798	306,159
Tax on profit	5	(116,451)	(36,862)
PROFIT FOR THE FINANCIAL PERIOD		461,347	269,297

All activities derive from continuing operations.

There were no items of other comprehensive income or losses recognised in the current period or prior year. Therefore no separate statement of other comprehensive income has been presented. The notes on pages 10 to 15 form part of these financial statements.

Stephenson Rocket Limited

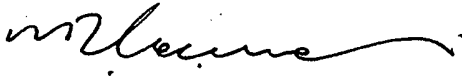
Balance Sheet

As at 31 December 2016

	Notes	31.12.2016 £	30.06.2015 £
CURRENT ASSETS			
Debtors	6	744,126	1,012,492
Cash at bank and in hand		366,159	14,649
		<u>1,110,285</u>	<u>1,027,141</u>
CREDITORS			
Amounts falling due within one year	7	(746,682)	(1,124,885)
NET CURRENT ASSETS/(LIABILITIES)		<u>363,603</u>	<u>(97,744)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS/(LIABILITIES)		<u>363,603</u>	<u>(97,744)</u>
CAPITAL AND RESERVES			
Called-up share capital	8	100	100
Profit and loss account	8	363,503	(97,844)
SHAREHOLDERS' FUNDS/(DEFICIT)		<u>363,603</u>	<u>(97,744)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements of Stephenson Rocket Limited (Registered number: 08175428) were approved by the Board of Directors on 11 January 2018 and were signed on its behalf by:


.....
W D Clouston - Director

Stephenson Rocket Limited

Statement of Changes in Equity
for the Period 1 July 2015 to 31 December 2016

	Called-up share capital £	Profit and loss account £	Total equity £
Balance at 1 July 2014	100	(367,141)	(367,041)
Changes in equity			
Total comprehensive income	-	269,297	269,297
Balance at 30 June 2015	100	(97,844)	(97,744)
Changes in equity			
Total comprehensive income	-	461,347	461,347
Balance at 31 December 2016	100	363,503	363,603

Stephenson Rocket Limited

Notes to the Financial Statements for the Period 1 July 2015 to 31 December 2016

1. **ACCOUNTING POLICIES**

Accounting policies

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

General information and basis of accounting

Stephenson Rocket Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. 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 Report of the Directors on page 2.

The financial statements have been prepared under the historical cost convention, and in accordance with the provisions of Section 1A of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102 1A) issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The company has early adopted The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 in the period.

The company 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. The company is consolidated in the financial statements of its parent, Clouston Group Limited, which may be obtained at the registered office given on page 1. Exemptions have been taken in these separate company financial statements in relation to financial instruments, presentation of a cash flow statement, related party transactions and remuneration of key management personnel.

Based on the company's forecast and projections, and taking into account reasonably possible changes in trading performance, the Directors recognise that due to the overheads exceeding the expected income generated from the car park, the company may require group support to be able to fund its ongoing operations. Consequently a letter of support has been received from the parent company, Clouston Group Limited, confirming its commitment to provide support to the company if required for the next 12 months.

The directors have assessed the ability of Clouston Group Limited to provide this support and acknowledge that a material uncertainty exists over the going concern assumption of the Group. Further details can be found in the financial statements of Clouston Group Limited for the period ending 31 December 2016.

The directors have therefore concluded that due to the reliance on the group a material uncertainty exists that casts significant doubt upon the company's ability to obtain the financial support that it needs to enable it to continue as a going concern. As a consequence, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover is the amount derived from the operation of the car park and development of properties on behalf of customers net of VAT and other sales related taxes. All turnover originated in the United Kingdom. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Taxation

Current tax, including UK corporation tax and foreign tax, 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.

Stephenson Rocket Limited

Notes to the Financial Statements - continued
for the Period 1 July 2015 to 31 December 2016

1. ACCOUNTING POLICIES - continued

Taxation - (continued)

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Borrowings

Interest-bearing loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are released to stock (where the loan relates directly to the funding of a development) using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

Leases

Assets held under finance leases and hire purchase contracts are capitalised at their fair value on the inception of the leases and depreciated over the shorter of their lease term or their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital amount outstanding. Rentals under operating leases are charged on a straight line basis over the lease term.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost represents the purchase of land, the direct cost of construction and related professional fees. Net realisable value is based on estimated selling price less all further costs to completion.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Stephenson Rocket Limited

Notes to the Financial Statements - continued
for the Period 1 July 2015 to 31 December 2016

1. **ACCOUNTING POLICIES - continued**

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

2. **INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The company had no employees during the period (2015: year).

The directors of the company are also directors of Clouston Group Ltd, Silverlink Properties Limited, Silverlink Property Developments plc, Maudon Limited, Trinity Gardens Developments plc, Stockbridge House Limited, One Trinity Gardens Limited, Silverlink Stephenson Limited, Stephenson Quarter Developments Limited, Stephenson Hotel Enterprise Limited and Stephenson Hotel Limited. During the year the directors received total emoluments of £1,500,476 (2015: £417,647) from Clouston Group Ltd. It is not practicable to allocate these between their services as directors of the company and their services to other group companies.

3. **OPERATING PROFIT**

The operating profit is stated after charging:

	Period 1.7.15 to 31.12.16 £	Year Ended 30.06.15 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	-	4,248

The fee of £10,000 for the audit of the company's annual financial statements is borne by the parent company Clouston Group Ltd.

Stephenson Rocket Limited

Notes to the Financial Statements - continued
for the Period 1 July 2015 to 31 December 2016

4. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.7.15 to 31.12.16 £	Year Ended 30.06.15 £
Construction funding	469,879	511,407

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

Analysis of the tax charge

The tax charge on the profit for the period/year was as follows:

	Period 1.7.15 to 31.12.16 £	Year Ended 30.06.15 £
Current tax: UK corporation tax	116,451	36,862
Tax on profit	116,451	36,862

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.2016 £	30.06.2015 £
Amounts owed by group undertakings	100	37,569
Amounts recoverable on contract	257,596	923,132
Other debtors	12,059	-
Other taxation	-	51,791
Prepayments and accrued income	474,371	-
	744,126	1,012,492

Amounts owed by group undertakings are repayable on demand.

Stephenson Rocket Limited

Notes to the Financial Statements - continued
for the Period 1 July 2015 to 31 December 2016

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.2016	30.06.2015
	£	£
Trade creditors	279,024	315,368
Amounts owed to group undertakings	170,789	26,593
Other taxation	40,767	-
Accruals and deferred income	256,102	782,924
	<u>746,682</u>	<u>1,124,885</u>

Amounts owed to group undertakings are repayable on demand.

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.2016	30.06.2015
			£	£
100	Ordinary shares	£1 each	<u>100</u>	<u>100</u>

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

9. COMMITMENTS UNDER OPERATING LEASES

At 31 December the Company had future minimum lease payments under non-cancellable operating leases as follows:

	31.12.2016	30.06.2015
	£	£
Within one year	-	-
Between one and five years	1,531,200	-
More than 5 years	14,494,200	-
Total	<u>16,025,400</u>	<u>-</u>

The operating lease can be cancelled by the lessor with 2 weeks notice however, the company cannot cancel the lease.

10. THE IMMEDIATE AND ULTIMATE CONTROLLING PARTY

The immediate parent company is Silverlink Stephenson Limited, a company incorporated in England.

The ultimate parent company is Clouston Group Ltd, a company incorporated in England. Copies of the financial statements of Clouston Group Ltd are available from Companies House, Crown Way, Cardiff, CF4 3UZ. Clouston Group Ltd heads the only group in which these financial statements are consolidated. The registered office of the parent company is the same as that of the company.

The ultimate controlling party of the group is W D Clouston.

Stephenson Rocket Limited

Notes to the Financial Statements - continued
for the Period 1 July 2015 to 31 December 2016

11. EXPLANATION OF TRANSITION TO FRS 102

This is the first period that the Company has presented its financial statements under Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) issued by the Financial Reporting Council.

The last financial statements under previous UK GAAP were for the year ended 30 June 2015 and the date of transition to FRS 102 was therefore 1 July 2014. As a consequence of adopting FRS 102, there have been no significant changes in accounting policies nor significant accounting adjustments required to the comparative balances.