

# **HALLMARK – BY DEVELOPMENT LIMITED**

Report and Financial Statements  
31 December 2016

THURSDAY



\*L6FYA4GB\*

LD3

28/09/2017

#130

COMPANIES HOUSE

## Contents

|                                   |    |
|-----------------------------------|----|
| Directors' report                 | 1  |
| Strategic report                  | 3  |
| Independent auditor's report      | 4  |
| Statement of profit and loss      | 6  |
| Statement of comprehensive income | 7  |
| Statement of changes in equity    | 8  |
| Statement of financial position   | 9  |
| Notes                             | 10 |

## **Directors' report**

The directors present their report for the year ended 31 December 2016.

### **Directors of the Company**

The directors who held office during the year were as follows:

- A Boutrolle (resigned 18 October 2016)
- P Carter (resigned 18 May 2016)
- N Guerin
- J Heanen (resigned 18 May 2016)
- G Lambert (appointed 18 October 2016)

### **Dividends**

No dividends have been paid or proposed during the year (2015: £nil).

### **Future developments**

The Company intends to continue its current activities in the future.

### **Financial instruments**

The Company finances its activities with a combination of cash, intercompany loans where required and short term deposits. Other financial assets and liabilities such as trade debtors and trade creditors arise directly from the Company's operating activities.

Financial instruments give rise to credit and liquidity risk. Information on how risks arise and their management is set out in the Strategic Report.

### **Directors' liabilities**

The Articles of Association of the Company provide that in certain circumstances the directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of section 234 of the Companies Act 2006. Indemnity provisions of this nature have been in place during the year and remain in place but have not been utilised by the directors.

### **Going concern**

The Company's business activities, together with the factors likely to affect its future development and its financial position are set out above and in the Strategic Report. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and accordingly the report and financial statements are prepared on a going concern basis.

## **Directors' report** *(continued)*

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report, the Strategic 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 they 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 of the profit or loss for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper 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.

### **Directors' statement as to disclosure of information to auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board



N. Guerin  
Director

Becket House  
1 Lambeth Palace Road  
London SE1 7EU

15 September 2017

## Strategic report

### Business review

The profit for the year was £56k (2015: *loss of £14k*). The financial position as at 31 December 2016 is shown in the Company's statement of financial position on page 9.

The Company's core business during 2016 was property development.

Turnover for the year was £12,625k (2015: *£nil*). The profit before tax was £70k, (2015: *loss of £14k*).

During the year the company transitioned from the Financial Reporting Standard for Smaller Entities (effective January 2015) to FRS 101 - Reduced Disclosure Framework and has taken advantage of the disclosure exemptions allowed under this standard. The Company's parent undertaking, BY Development Limited, was notified of and did not object to the use of FRS 101 'Reduced Disclosure Framework'. Details of the recognition or measurement differences arising on the adoption of FRS 101 are included in note 18 to these financial statements.

### Principal risks and uncertainties

The Company is exposed to a range of risks particular to the property development and construction industries.

The Company's risk management approach used to identify risks and manage these is in accordance with the procedures established by its parent company Bouygues Construction SA. Assessments are carried out on each project to ensure significant risks are identified and managed appropriately. Building development activities are subcontracted with significant risks being passed down to the subcontractors involved.

Before engaging in new contracts, the Company undertakes debtor reviews via reputable credit check agencies. Once contracts have been signed, the Company continues to monitor debtors on an ongoing basis.

### Key performance indicators

The Company's management regard the level of revenue and profit before tax as the key indicators of the Company's financial performance. These are monitored on a regular basis to assess whether the Company is achieving the targets set. These indicators are presented within the financial statements.

By order of the board

  
N Guerin  
Director

Becket House  
1 Lambeth Palace Road  
London SE1 7EU

15 September 2017

## **Independent auditor's report**

### **to the members of Hallmark – BY Development Limited**

We have audited the financial statements of Hallmark – BY Development Limited for the year ended 31 December 2016 which comprise the Statement of Profit and Loss, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 and Financial Statements 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 year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

- the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and Strategic Report have been prepared in accordance with the applicable legal requirements.

#### **Other matters**

The corresponding figures for the year ended 31 December 2015 are unaudited.

## **Independent auditors' report**

**to the members of Hallmark – BY Development Limited** *(continued)*

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' Report or Strategic 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.

*Ernst & Young LLP*

*David Marshall (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Southampton*

*21/9/2017*

**Statement of profit and loss**  
*for the year ended 31 December 2016*

|                                      | <i>Note</i> | <b>2016<br/>£000</b> | <b>Unaudited<br/>2015<br/>£000</b> |
|--------------------------------------|-------------|----------------------|------------------------------------|
| <b>Revenue</b>                       | <b>3</b>    | <b>12,625</b>        | -                                  |
| <b>Cost of sales</b>                 |             | <b>(12,418)</b>      | -                                  |
| <b>Gross profit</b>                  |             | <b>207</b>           | -                                  |
| Administrative expenses              |             | (12)                 | (14)                               |
| <b>Operating profit/(loss)</b>       | <b>4</b>    | <b>195</b>           | (14)                               |
| Interest payable and similar charges | 7           | (125)                | -                                  |
| <b>Profit/(loss) before tax</b>      |             | <b>70</b>            | (14)                               |
| Income tax expense                   | 8           | (14)                 | -                                  |
| <b>Profit/(loss) for the year</b>    | <b>16</b>   | <b>56</b>            | (14)                               |

The results in the statement of profit and loss relate to continuing operations.

The notes on pages 10 to 17 form part of these Financial Statements.

**Statement of comprehensive income**  
*for the year ended 31 December 2016*

|  | <i>Note</i> | <b>2016</b><br><b>£000</b> | Unaudited<br>2015<br>£000 |
|--|-------------|----------------------------|---------------------------|
| <b>Profit/(loss) for the year</b>              | <i>16</i>   | <b>56</b>                  | (14)                      |
| <b>Total comprehensive income for the year</b> |             | <b>56</b>                  | (14)                      |

The notes on pages 10 to 17 form part of these Financial Statements.

**Statement of changes in equity**  
*for the year ended 31 December 2016*

|  | <i>Called up<br/>share capital<br/>£000</i> | <i>Retained<br/>earnings<br/>£000</i> | <i>Total Equity<br/>£000</i> |
|--|---|---------------------------------------|------------------------------|
| <b>At 1 January 2015 (unaudited)</b>           | 2   | (2)                                   | -                            |
| Share capital issued                           | 2   | -                                     | 2                            |
| Result for the year                            | -   | (14)                                  | (14)                         |
| <b>Total comprehensive income for the year</b> | -   | (14)                                  | (14)                         |
| <b>At 31 December 2015 (unaudited)</b>         | 4   | (16)                                  | (12)                         |
| Result for the year                            | -   | 56                                    | 56                           |
| <b>Total comprehensive income for the year</b> | -   | 56                                    | 56                           |
| <b>At 31 December 2016</b>                     | 4   | 40                                    | 44                           |

No equity dividends were paid during 2016 (2015: £nil)

The notes on pages 10 to 17 form part of these Financial Statements.

**Statement of financial position**  
*at 31 December 2016*

|  | <i>Note</i> | <b>2016<br/>£000</b> | Unaudited<br>2015<br>£000 |
|--|-------------|----------------------|---------------------------|
| <b>Non-current assets</b>                    |             |                      |                           |
| Tangible assets                              | 9           | -                    | 905                       |
|  |             | <hr/>                | <hr/>                     |
| <b>Current assets</b>                        |             |                      |                           |
| Inventories                                  | 10          | -                    | 997                       |
| Debtors                                      | 11          | 674                  | 9                         |
| Cash and cash equivalents                    | 12          | 2,639                | 31                        |
|  |             | <hr/>                | <hr/>                     |
|  |             | 3,313                | 1,037                     |
| <b>Current liabilities</b>                   |             |                      |                           |
| Creditors                                    | 13          | (3,269)              | (2)                       |
|  |             | <hr/>                | <hr/>                     |
| <b>Net current assets</b>                    |             | 44                   | 1,035                     |
|  |             | <hr/>                | <hr/>                     |
| <b>Total assets less current liabilities</b> |             | 44                   | 1,940                     |
|  |             | <hr/>                | <hr/>                     |
| <b>Non-current liabilities</b>               |             |                      |                           |
| Creditors                                    | 14          | -                    | (1,952)                   |
|  |             | <hr/>                | <hr/>                     |
| <b>Net assets/(liabilities)</b>              |             | 44                   | (12)                      |
|  |             | <hr/>                | <hr/>                     |
| <b>Capital and reserves</b>                  |             |                      |                           |
| Called up share capital                      | 15          | 4                    | 4                         |
| Retained earnings                            | 16          | 40                   | (16)                      |
|  |             | <hr/>                | <hr/>                     |
| <b>Total equity</b>                          |             | 44                   | (12)                      |
|  |             | <hr/>                | <hr/>                     |

These financial statements on pages 6 to 9 were approved and authorised by the board of directors on 15 September 2017 and were signed on its behalf by:

  
N Guerin  
Director

The notes on pages 10 to 17 form part of these Financial Statements.

## Notes

*(forming part of the financial statements)*

### 1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Hallmark – BY Development Limited (the “Company”) for the year ended 31 December 2016 were authorised for issue by the board of directors on the date shown on the statement of financial position. Hallmark – BY Development Limited is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company’s financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The principal accounting policies adopted by the Company are set out in note 2.

### 2 Accounting policies

#### *Basis of preparation*

The Company has transitioned to FRS101 from the Financial Reporting Standard for Smaller Entities (effective January 2015) for all periods presented. Further details in relation to the transition are disclosed in note 18.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2016.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirements of paragraphs 45(b) and 46-52 of IFRS 2 *Share based Payment*, because the share based payment arrangement concerns the instruments of another group entity;
- b) the requirements of IFRS 7 *Financial Instruments: Disclosures*;
- c) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*;
- d) the requirement in paragraph 38 of IAS 1 ‘Presentation of Financial Statements’ to present comparative information in respect of:
  - i.) Paragraph 79(a)(iv) of IAS 1;
  - ii.) Paragraph 73(e) of IAS 16 *Property, Plant and Equipment*;
  - iii.) Paragraph 118(e) of IAS 38 *Intangible Assets*;
- e) the requirements of paragraphs 10(f), 39(c) and 134-136 of IAS 1 *Presentation of Financial Statements*;
- f) the requirements of IAS 7 *Statement of Cash Flows*;
- g) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- h) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*;
- i) the requirements of IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- j) the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*.

## **Notes (continued)**

### **2 Accounting policies (continued)**

#### ***Judgements and key sources of estimation uncertainty***

Preparing financial statements requires the use of estimates and assumptions which may have affected the amounts reported for assets and liabilities at the end of the reporting period, and the amounts of income and expenses reported for the financial year. Those estimates and assumptions have been applied consistently on the basis of past experience and of various other factors regarded as reasonable forming the basis of assessments of the valuations of assets and liabilities for accounting purposes. Actual results may differ materially from these estimates if different assumptions or conditions apply. The main areas in which estimates and assumptions are involved are as follows:

#### **Accounting for construction contracts**

The Company makes estimates of the total selling price and costs to complete on construction contracts. Further details are set out in the accounting policies below.

#### ***Accounting policies and valuation methods***

### **2.1 Assets**

#### **Current assets**

##### ***Inventories***

Inventories are stated at the lower of cost or realisable value.

##### ***Trade and other receivables***

Trade receivables are essentially short term, and are carried at face value net of impairment allowances recorded to reflect the probability of recovery.

In line with the percentage of completion method of accounting for long- term contracts, trade receivables include:

- Statements issued as works are executed or services provided, and accepted by the project owner; and
- Unbilled receivables, arising where works are entitled to acceptance but billing or acceptance by the project owner has been temporarily delayed.

##### ***Cash and cash equivalents***

Cash equivalents (short-term investments) are measured at fair value and classified as available-for-sale financial assets.

##### **Cash and short-term deposits:**

Because of the short-term nature of these items, the carrying amounts shown in the financial statements are a reasonable estimate of market value.

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.2 Liabilities and shareholders' equity

##### a) Non-current liabilities

###### *Non-current creditors*

Non-current creditors are measured at fair value at initial recognition, and subsequently at amortised cost

##### b) Current liabilities

###### *Trade and other payables*

Because of the short-term nature of these liabilities, the carrying amounts shown in the financial statements are a reasonable estimate of market value.

#### 2.3 Statement of profit and loss

##### a) Revenue

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding VAT.

##### b) Accounting for construction contracts

All activities related to construction contracts are accounted for using the percentage of completion method.

Under this method, the revenue recognised equals the latest estimate of the total selling price of the contract multiplied by the actual completion rate determined by reference to the physical state of progress of the works. The latest estimate of the total selling price takes account of claims accepted by the client. If it is regarded as probable that a contract will generate a loss on completion, a provision for expected losses on completion is recognised as a current provision in the balance sheet. The loss is provided for in full as soon as it can be reliably measured, irrespective of the completion rate.

##### c) Operating profit/loss

Operating profit/loss represents the net amount of all income and expenses not generated by financing activities, and excluding corporation tax.

#### 2.4 Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised on all differences between the carrying amount and the tax base of assets or liabilities (balance sheet liability method). These differences arise from:

- Temporary differences between the carrying amount and tax base of assets or liabilities, which may be:
  - o items generating a tax liability in the future (deferred tax liabilities), arising mainly from income that is liable to tax in future periods; or
  - o items deductible from taxable profits in the future (deferred tax assets). Deferred tax assets are reviewed at the end of each reporting period, and recognised where it is probable there will be sufficient taxable profits to enable the temporary differences to be offset.
- Tax losses available for carry-forward (deferred tax assets), provided that there is a strong probability of recovery in future periods.

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.4 Income taxes (continued)

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the statement of profit and loss.

### 3 Analysis of revenue on ordinary activities before taxation

|                               | 2016<br>Turnover<br>£000 | 2015<br>Turnover<br>£000 |
|-------------------------------|--------------------------|--------------------------|
| <i>By activity</i>            |                          |                          |
| Construction services         | 12,625                   | -                        |
|                               | <hr/>                    | <hr/>                    |
|                               | 12,625                   | -                        |
|                               | <hr/>                    | <hr/>                    |
| <i>By geographical market</i> |                          |                          |
| United Kingdom                | 12,625                   | -                        |
|                               | <hr/>                    | <hr/>                    |
|                               | 12,625                   | -                        |
|                               | <hr/>                    | <hr/>                    |

### 4 Operating profit

|                                      | 2016<br>£000 | 2015<br>£000 |
|--------------------------------------|--------------|--------------|
| <i>This is stated after charging</i> |              |              |
| <i>Auditors' remuneration:</i>       |              |              |
| Audit of these financial statements  | 2            | -            |
|                                      | <hr/>        | <hr/>        |

### 5 Directors' Remuneration

No remuneration is payable or receivable by the Directors in respect of qualifying services provided to the Company.

### 6 Staff numbers and costs

The Company had no employees during the year under review (2015: nil).

## Notes (continued)

### 7 Interest payable and similar charges

|                        | 2016<br>£000 | 2015<br>£000 |
|------------------------|--------------|--------------|
| Other interest payable | 125          | -            |
|                        | <u>125</u>   | <u>-</u>     |

### 8 Taxation

#### *Tax charged in the statement of profit and loss*

|                            | 2016<br>£000 | 2015<br>£000 |
|----------------------------|--------------|--------------|
| <b>Current income tax:</b> |              |              |
| UK corporation tax         | 14           | -            |
|                            | <u>14</u>    | <u>-</u>     |
| Total current income tax   | <u>14</u>    | <u>-</u>     |

#### *Factors affecting the tax charge for the current year*

The current tax charge for the year is equal to (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are explained below.

|   | 2016<br>£000 | 2015<br>£000 |
|---|--------------|--------------|
| <b>Total current income tax reconciliation:</b>                             |              |              |
| Profit/(loss) before tax  | 70           | (14)         |
|   | <u>14</u>    | <u>(3)</u>   |
| Tax calculated at UK standard rate of corporation tax of 20% (2015: 20.25%) | 14           | (3)          |
| <b>Effects of:</b>  |              |              |
| Tax losses arising not recognised   | -            | 3            |
|   | <u>14</u>    | <u>-</u>     |
| Total tax charge reported in the statement of profit and loss (see above)   | <u>14</u>    | <u>-</u>     |

#### *Factors that may affect future tax charges*

The Company's tax charge may benefit in the future from group relief receivable from other group entities in the UK. This will depend on the availability of losses and the tax position of these other entities.

Deferred tax assets have not been recognised on tax losses arising where there is uncertainty as to value where such losses are surrendered to other group entities or as to when the underlying timing differences will reverse against future taxable profits. At 31 December 2016 there were unrecognised deferred tax assets, which mainly relate to tax losses carried forward, of £3k (2015: £3k).

The UK corporation tax rate will reduce to 19% from 1 April 2017 and to 17% from 1 April 2020.

**Notes (continued)**

**9 Tangible assets**

|                                    | <b>Land and<br/>buildings<br/>£000</b> | <b>Total<br/>£000</b> |
|------------------------------------|--|-----------------------|
| <i>Cost</i>                        |  |                       |
| At beginning of year               | 905                                    | 905                   |
| Transfer to work in progress       | (905)                                  | (905)                 |
| Additions                          | -                                      | -                     |
|                                    | <hr/>                                  | <hr/>                 |
| <b>At end of year</b>              | -                                      | -                     |
|                                    | <hr/>                                  | <hr/>                 |
| <i>Depreciation and impairment</i> |  |                       |
| At beginning of year               | -                                      | -                     |
| Transfer of assets                 | -                                      | -                     |
| Charge for year                    | -                                      | -                     |
|                                    | <hr/>                                  | <hr/>                 |
| <b>At end of year</b>              | -                                      | -                     |
|                                    | <hr/>                                  | <hr/>                 |
| <i>Net book value</i>              |  |                       |
| <b>At 31 December 2016</b>         | -                                      | -                     |
|                                    | <hr/>                                  | <hr/>                 |
| At 31 December 2015                | 905                                    | 905                   |
|                                    | <hr/>                                  | <hr/>                 |

**10 Inventories**

|                  | <b>2016<br/>£000</b> | <b>2015<br/>£000</b> |
|------------------|----------------------|----------------------|
| Work in progress | -                    | 997                  |
|                  | <hr/>                | <hr/>                |
|                  | -                    | 997                  |
|                  | <hr/>                | <hr/>                |

**11 Debtors**

|                                    | <b>2016<br/>£000</b> | <b>2015<br/>£000</b> |
|------------------------------------|----------------------|----------------------|
| Prepayments and accrued income     | 486                  | -                    |
| Other taxation and social security | 188                  | 9                    |
|                                    | <hr/>                | <hr/>                |
|                                    | 674                  | 9                    |
|                                    | <hr/>                | <hr/>                |

**Notes (continued)**

**12 Cash and cash equivalents**

|  | 2016<br>£000 | 2015<br>£000 |
|--|--------------|--------------|
| Cash at bank and in hand                 | 664          | 31           |
| Short term deposits – group undertakings | 1,975        | -            |
|  | <u>2,639</u> | <u>31</u>    |

**13 Creditors - current**

|   | 2016<br>£000 | 2015<br>£000 |
|---|--------------|--------------|
| Amounts owed to group undertakings                | 561          | -            |
| Accruals and deferred income                      | 140          | -            |
| Accruals and deferred income – group undertakings | 2,568        | -            |
| Other creditors                                   | -            | 2            |
|   | <u>3,269</u> | <u>2</u>     |

**14 Creditors – non-current**

|   | 2016<br>£000 | 2015<br>£000 |
|---|--------------|--------------|
| Amounts owed to group undertakings                | -            | 957          |
| Accruals and deferred income – group undertakings | -            | 995          |
|   | <u>-</u>     | <u>1,952</u> |

**15 Called up share capital**

|   | 2016<br>£000 | 2015<br>£000 |
|---|--------------|--------------|
| <i>Authorised, allotted, called up and fully paid</i> |              |              |
| Ordinary shares of £1 each – 4,000 shares             | 4            | 4            |
|   | <u>4</u>     | <u>4</u>     |

## Notes (continued)

### 16 Reserves

|                     | Retained<br>earnings<br>£000 | Total<br>£000 |
|---------------------|------------------------------|---------------|
| At 1 January 2016   | (16)                         | (16)          |
| Result for the year | 56                           | 56            |
|                     | <hr/>                        | <hr/>         |
| At 31 December 2016 | 40                           | 40            |
|                     | <hr/>                        | <hr/>         |

### 17 Ultimate parent company and parent undertaking of smallest group of which the Company is a member

The Company is a subsidiary undertaking of Bouygues SA which is the ultimate parent company and controlling party, incorporated in France.

The largest group in which the results of the Company are consolidated is that headed by Bouygues SA. The consolidated financial statements of the group are available to the public and may be obtained from 32 Avenue Hoche, 75008, Paris, France.

The smallest group in which the results of the Company are consolidated is that headed by Bouygues Construction SA. The consolidated financial statements of the group are available to the public and may be obtained from 1 avenue Eugene Freyssinet, 78061 Saint Quentin-en-Yvelines, Cedex, France.

The Company's immediate parent undertaking is BY Development Limited, a company incorporated in England and Wales.

### 18 Transition to FRS 101

For all periods up to and including the year ended 31 December 2015, the Company prepared its financial statements in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). These financial statements, for the year ended 31 December 2016, are the first the Company has prepared in accordance with FRS 101.

Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 January 2015 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 January 2015, the Company's date of transition to FRS 101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101. No adjustments have been required to the Company's balance sheet as at 1 January 2015 prepared under the Financial Reporting Standard for Smaller Entities (effective January 2015) and its previously published financial statements prepared under the Financial Reporting Standard for Smaller Entities (effective January 2015) for the year ended 31 December 2015.

On transition to FRS 101, the company has applied the requirements of paragraphs 6-33 of IFRS 1 "First time adoption of International Financial Reporting Standards".