

**Urban&Civic (Management) Limited**  
**Financial Statements**  
**30 September 2016**

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# **Urban&Civic (Management) Limited**

## **Financial Statements**

**Year ended 30 September 2016**

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# **Urban&Civic (Management) Limited**

## **Officers and Professional Advisers**

### **The board of directors**

P A J Leech  
R E Butler  
W N Hugill  
D Wood

### **Company secretary**

Urban&Civic (Secretaries) Limited

### **Registered office**

4th Floor  
115 George Street  
Edinburgh  
EH2 4JN

### **Auditor**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

# **Urban&Civic (Management) Limited**

## **Directors' Report**

### **Year ended 30 September 2016**

The directors present their report and the financial statements of the company for the year ended 30 September 2016.

#### **Directors**

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

P A J Leech	
R E Butler	
W N Hugill	
D Wood	(Appointed 1 July 2016)
J M Austen	(Resigned 1 July 2016)

#### **Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

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

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

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

#### **Small company provisions**

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

# Urban&Civic (Management) Limited

## Directors' Report *(continued)*

**Year ended 30 September 2016**

This report was approved by the board of directors on 3 March 2017 and signed on behalf of the board by:



Urban&Civic (Secretaries) Limited  
Company Secretary

Registered office:  
4th Floor  
115 George Street  
Edinburgh  
EH2 4JN

# **Urban&Civic (Management) Limited**

## **Independent Auditor's Report to the Shareholders of Urban&Civic (Management) Limited**

**Year ended 30 September 2016**

We have audited the financial statements of Urban&Civic (Management) Limited for the year ended 30 September 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes. 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).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2016 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.

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

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **Urban&Civic (Management) Limited**

## **Independent Auditor's Report to the Shareholders of Urban&Civic (Management) Limited *(continued)***

**Year ended 30 September 2016**

### **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; and
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

*BDO LLP*

Thomas Edward Goodworth (Senior Statutory Auditor)

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

3 March 2017

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

# Urban&Civic (Management) Limited

## Statement of Comprehensive Income

Year ended 30 September 2016

	Note	2016 £	2015 £
<b>Turnover</b>	<b>3</b>	<b>12,145,251</b>	11,054,658
<b>Gross profit</b>		<b>12,145,251</b>	11,054,658
Administrative expenses		(15,281,197)	(9,903,862)
<b>Operating (loss)/profit</b>	<b>4</b>	<b>(3,135,946)</b>	1,150,796
Other interest receivable and similar income	<b>7</b>	<b>745</b>	–
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(3,135,201)</b>	1,150,796
Tax on (loss)/profit on ordinary activities	<b>8</b>	<b>(3,385)</b>	(307,849)
<b>(Loss)/profit for the financial year and total comprehensive income</b>		<b>(3,138,586)</b>	842,947

All the activities of the company are from continuing operations.

The notes on pages 9 to 17 form part of these financial statements.



# Urban&Civic (Management) Limited

## Statement of Financial Position

30 September 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	9	800,553	981,839
<b>Current assets</b>			
Debtors	10	12,564,852	11,808,296
Cash at bank and in hand		156,849	38,111
		<u>12,721,701</u>	<u>11,846,407</u>
<b>Creditors: amounts falling due within one year</b>	11	(10,796,069)	(9,335,168)
<b>Net current assets</b>		<u>1,925,632</u>	<u>2,511,239</u>
<b>Total assets less current liabilities</b>		<u>2,726,185</u>	<u>3,493,078</u>
<b>Provisions</b>			
Taxation including deferred tax	13	(49,082)	(45,697)
<b>Net assets</b>		<u>2,677,103</u>	<u>3,447,381</u>
<b>Capital and reserves</b>			
Called up share capital	16	300,000	300,000
Profit and loss account	17	2,377,103	3,147,381
<b>Shareholders funds</b>		<u>2,677,103</u>	<u>3,447,381</u>

These financial statements were approved by the board of directors and authorised for issue on 3 March 2017, and are signed on behalf of the board by:



D Wood  
Director

Company registration number: SC149767

The notes on pages 9 to 17 form part of these financial statements.

# Urban&Civic (Management) Limited

## Statement of Changes in Equity

Year ended 30 September 2016

	Called up share capital £	Profit and loss account £	Total £
<b>At 1 October 2014</b>	300,000	1,091,783	1,391,783
Profit for the year		842,947	842,947
<b>Total comprehensive income for the year</b>	—	842,947	842,947
Equity-settled share-based payments	—	1,212,651	1,212,651
<b>Total investments by and distributions to owners</b>	—	1,212,651	1,212,651
<b>At 30 September 2015</b>	300,000	3,147,381	<b>3,447,381</b>
Loss for the year		(3,138,586)	<b>(3,138,586)</b>
<b>Total comprehensive income for the year</b>	—	(3,138,586)	<b>(3,138,586)</b>
Equity-settled share-based payments	—	2,368,308	<b>2,368,308</b>
<b>Total investments by and distributions to owners</b>	—	2,368,308	<b>2,368,308</b>
<b>At 30 September 2016</b>	<u>300,000</u>	<u>2,377,103</u>	<u><b>2,677,103</b></u>

The notes on pages 9 to 17 form part of these financial statements.

# **Urban&Civic (Management) Limited**

## **Notes to the Financial Statements**

**Year ended 30 September 2016**

### **1. 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'.

Urban&Civic (Management) Limited is a company incorporated in Scotland under the Companies Act. The address of the registered office is given on page 1 and the principal activity of the company is the provision of management and administration services.

### **2. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

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

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 October 2014. Details of how FRS 102 has affected the reported financial position and financial performance are given in note 20.

#### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Urban&Civic plc. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) Related party transactions with wholly owned members of the Urban&Civic group have not been disclosed.

#### **Revenue recognition**

Turnover represents fees receivable for services excluding VAT in the normal course of business.

# **Urban&Civic (Management) Limited**

## **Notes to the Financial Statements *(continued)***

### **Year ended 30 September 2016**

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

##### **Income tax**

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred balances are not recognised in respect of permanent differences in respect of business combinations, when deferred tax is recognised on the differences between the fair value of assets acquired for the future tax deductions available for them and the differences between the fair value of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

##### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & Building	- over the length of the lease
Ride to Work	- straight line over twelve months
Fixtures & Fittings	- 25% straight line
Equipment	- 25% straight line

# **Urban&Civic (Management) Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 September 2016**

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

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### **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.

#### **Defined contribution plans**

Contributions to defined contribution pension schemes are charged to the profit and loss account in the year in which they become payable.

#### **Share-based payments**

The fair value of granting share awards under the Group's performance share plan, and the other share-based remuneration of the Directors and other employees, is recognised through the statement of comprehensive income. The fair value of shares awarded is calculated by using an option pricing model. The resulting fair value is amortised through the statement of comprehensive income on a straight line basis over the vesting period. The charge is reversed if it is likely that any non-market-based vesting criteria will not be met. The charge is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

#### **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 counterparty 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.

# Urban&Civic (Management) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

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

#### 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.

### 3. Turnover

Turnover arises from:

	2016	2015
	£	£
Group management fees	12,105,084	11,019,094
Bike to work income	646	2,219
Other income	39,521	33,345
	<u>12,145,251</u>	<u>11,054,658</u>

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

### 4. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	242,348	90,677
Loss on disposal of tangible assets	–	1,704
Equity-settled share-based payments expense	2,463,599	1,776,985
Defined contribution plans expense	<u>443,112</u>	<u>374,263</u>

### 5. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to 36 (2015: 25).

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	10,884,209	7,473,234
Social security costs	1,256,222	609,054
Other pension costs	<u>443,112</u>	<u>374,263</u>
	<u>12,583,543</u>	<u>8,456,551</u>

Included within wages and salaries is an amount of £7,117,296 (2015: £Nil) which has been invoiced out and capitalised to development projects in fellow group companies. Gross wages for the year was £10,884,209 (2015: £7,473,234).

# Urban&Civic (Management) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

### 6. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	1,583,300	595,000
Company contributions to defined contribution pension plans	193,540	90,000
	<u>1,776,840</u>	<u>685,000</u>

During the year the company paid cash in lieu of pension contributions to money purchase schemes to 4 directors (2015 - 2).

### 7. Other interest receivable and similar income

	2016	2015
	£	£
Interest on bank deposits	<u>745</u>	<u>-</u>

### 8. Tax on (loss)/profit on ordinary activities

#### Major components of tax expense

	2016	2015
	£	£
<b>Deferred tax:</b>		
Origination and reversal of timing differences	3,385	307,849
<b>Tax on (loss)/profit on ordinary activities</b>	<u>3,385</u>	<u>307,849</u>

#### Reconciliation of tax expense

The tax assessed on the loss on ordinary activities for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.42%).

	2016	2015
	£	£
(Loss)/profit on ordinary activities before taxation	(3,135,201)	1,150,796
(Loss)/profit on ordinary activities by rate of tax	(627,040)	138,763
Effect of expenses not deductible for tax purposes	689,309	270,113
Effect of capital allowances and depreciation	-	(51,902)
Group relief	(62,269)	(357,322)
Loss on sale of assets	-	348
Deferred tax charge (as above)	3,385	307,849
<b>Tax on (loss)/profit on ordinary activities</b>	<u>3,385</u>	<u>307,849</u>

# Urban&Civic (Management) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

### 9. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>					
At 1 Oct 2015	697,227	18,973	182,452	351,937	<b>1,250,589</b>
Additions	9,454	1,271	20,148	30,189	<b>61,062</b>
<b>At 30 Sep 2016</b>	<b>706,681</b>	<b>20,244</b>	<b>202,600</b>	<b>382,126</b>	<b>1,311,651</b>
<b>Depreciation</b>					
At 1 Oct 2015	93,242	18,532	36,155	120,821	<b>268,750</b>
Charge for the year	127,695	979	42,744	70,930	<b>242,348</b>
<b>At 30 Sep 2016</b>	<b>220,937</b>	<b>19,511</b>	<b>78,899</b>	<b>191,751</b>	<b>511,098</b>
<b>Carrying amount</b>					
<b>At 30 Sep 2016</b>	<b>485,744</b>	<b>733</b>	<b>123,701</b>	<b>190,375</b>	<b>800,553</b>
At 30 Sep 2015	603,985	441	146,297	231,116	981,839

### 10. Debtors

	2016 £	2015 £
Trade debtors	2,853	1,565
Prepayments and accrued income	12,496,620	11,332,367
Other debtors	65,379	474,364
	<b>12,564,852</b>	<b>11,808,296</b>

### 11. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	171,115	162,999
Amounts owed to group undertakings	7,941,965	7,090,116
Accruals and deferred income	2,395,601	1,808,469
Social security and other taxes	277,698	267,299
Other creditors	9,690	6,285
	<b>10,796,069</b>	<b>9,335,168</b>

### 12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016 £	2015 £
Included in provisions (note 13)	<b>49,082</b>	<b>45,697</b>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016 £	2015 £
Accelerated capital allowances	<b>49,082</b>	<b>45,697</b>



# Urban&Civic (Management) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

### 13. Provisions

	Deferred tax (note 12) £
At 1 October 2015	45,697
Additions	3,385
At 30 September 2016	<u>49,082</u>

### 14. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £443,112 (2015: £374,263).

### 15. Share-based payments

The Group operates an equity-settled share-based payment scheme for all Executive Directors and certain employees. Options are granted over the parent company's shares that are capable of vesting on the third anniversary of issue dependent on certain performance conditions having been met. In the year ended 30 September 2016, options over 1,133,924 shares (30 September 2015: 635,096 shares) were awarded to Directors and other participating staff. The performance conditions attached to these awards are as follows:

- EPRA Net Asset Value must increase by greater than 3 per cent per annum more than RPI for 25 per cent vesting and must increase by greater than 12.5 per cent per annum more than RPI for 100 per cent vesting. Shares will vest on a pro-rated, straight line basis for outperformance between 3 per cent per annum and 12.5 per cent per annum; and
- Total Shareholder Return must be equal to the movement in the FTSE 350 Real Estate Index for 25 per cent vesting and must fall within the upper quartile of relative performance of the FTSE 350 Real Estate Index for 100 per cent vesting. Shares will vest on a pro-rated, straight line basis for outperformance between the medium and upper quartile.

Awards will lapse if not vested at the end of the vesting period.

The performance conditions for the awards granted in the period run from 1 October 2015 to 30 September 2018.

At 30 September 2015 there were 279,994 vested share awards outstanding that were acquired as part of the business combination in May 2014. During the year 260,523 of these awards were exercised and at 30 September 2016, 19,471 options remain vested but not exercised.

Details of the number and weighted average exercise prices (WAEP) of share options during the year are as follows:

	2016		2015	
	No.	WAEP	No.	WAEP
Outstanding at 1 October 2015	2,856,810	0.20	2,806,018	0.20
Granted during the year	1,133,924	—	635,096	0.20
Exercised during the year	(439,192)	0.20	—	—
Expired during the year	(223,886)	0.20	(584,304)	0.20
Outstanding at 30 September 2016	<u>3,327,656</u>	<u>0.13</u>	<u>2,856,810</u>	<u>0.20</u>
Exercisable at 30 September 2016	<u>19,471</u>	<u>—</u>	<u>279,994</u>	<u>—</u>

# Urban&Civic (Management) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

### 15. Share-based payments *(continued)*

The total expense recognised in profit or loss for the year is as follows:

	2016	2015
	£	£
Equity-settled share-based payments	<u>2,463,599</u>	<u>1,776,985</u>

The fair value of the awards in the year ended 30 September 2016 was calculated by using an option pricing model involving six variables: share price, exercise price, expected term, expected dividend yield, expected volatility and risk free interest rate. For each valuation, the expected volatility was determined by reference to historical volatility over a period of time commensurate with the remainder of the performance period immediately prior to the date of grant. This value is charged to the statement of comprehensive income over the vesting period. The weighted average share price on the date of the awards exercised in the year was 243.0p. There were no awards exercised in the prior period.

The inputs into the option pricing model are as follows:

	2016	2015
Expected volatility - %	20.68	39.10
Expected life - years	3.00	3.00
Expected dividend yield - %	1.14	—
Risk-free interest rate - %	0.44	1.22
Grant date share price - £	<u>2.41</u>	<u>2.34</u>

### 16. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>

### 17. Reserves

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

### 18. Related party transactions

The company has taken advantage of the exemption allowed by FRS 102 Section 33, 'Related Party Disclosures', not to disclose any transactions with entities that are included in the consolidated financial statements of Urban&Civic Plc and are 100% owned.

### 19. Controlling party

The ultimate parent company is Urban&Civic Plc, which is registered in Scotland.

Copies of the consolidated financial statements of Urban&Civic Plc are available from the company's registered office.

### 20. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 October 2014 and the effects of this are summarised below.

# Urban&Civic (Management) Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

### 20. Transition to FRS 102 *(continued)*

#### Reconciliation of equity

	1 October 2014			30 September 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	80,769	–	80,769	316,663	665,176	981,839
Current assets	2,908,147	–	2,908,147	11,846,407	–	11,846,407
Creditors: amounts falling due within one year	(1,859,285)	–	(1,859,285)	(9,141,244)	(193,924)	(9,335,168)
Net current assets	1,048,862	–	1,048,862	2,705,163	(193,924)	2,511,239
Total assets less current liabilities	1,129,631	–	1,129,631	3,021,826	471,252	3,493,078
Provisions	262,152	–	262,152	(45,697)	–	(45,697)
Net assets	1,391,783	–	1,391,783	2,976,129	471,252	3,447,381
Capital and reserves	1,391,783	–	1,391,783	2,976,129	471,252	3,447,381

#### Reconciliation of profit or loss for the year

	Year ended 30 September 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Turnover	11,248,582	(193,924)	11,054,658
Administrative expenses	(10,569,038)	665,176	(9,903,862)
Operating profit	679,544	471,252	1,150,796
Tax on profit on ordinary activities	(307,849)	–	(307,849)
Profit for the financial year	371,695	471,252	842,947

The Company has adopted FRS 102 for the first time for the year ended 30 September 2016. The change to the previously reported figures represents the change of recognition in lease incentives granted, from being allocated over the period to the first rent review to over the entire lease period.