Carrington Business Park Limited
Annual Report and Financial Statements
For the 18 month period ended 30 June 2014

Registered Number 1983872

Annual report and financial statements for the period ended 30 June 2014

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Directors' report for the period ended 30 June 2014

The directors present their annual report and audited financial statements for the period ended 30 June 2014. This extended period was to enable Carrington Business Park Limited's accounting year end to be brought into line with the parent company, as at 30 June 2014, Langtree Land and Property plc.

Principal activities and review of business
In October 2013 the company revoked its Local Enterprise Agency status under the provisions of Section 79, Finance Act 1982. The company was purchased by Himor Carrington Limited (formerly Langtree Carrington Limited) in November 2013 and immediately sold to Langtree Land and Property plc. On 29 January 2015 the company was sold by Langtree Land and Property plc back to Himor Carrington Limited (formerly Langtree Carrington Limited). The company's principal activity remains to stimulate and promote industrial and commercial activity or enterprise in the North West, with particular reference to encouraging the formation and development of small businesses, and it has participated in promotional events in the region during the period.

Results
The company achieved a profit before taxation of £394,162 (2012: £357,456) of which the profit of £246,785 (2012: £223,335) has been added to the balance of members' contributions.

Dividends
A dividend of £800,000 was paid to the members in September 2013 (2012: £nil).

Directors and their interests
The directors who held office during the period and up to the date the accounts were approved are set out below:

J Peckmore – Resigned 25 April 2013
P Lawne – Resigned 29 November 2013
K Surtees – Resigned 29 November 2013
M Jackson – Appointed 29 November 2013, resigned 29 January 2015
J Downes – Appointed 29 November 2013, resigned 29 January 2015
WF Ainscough – Appointed 29 January 2015
W Ainscough – Appointed 29 January 2015
A Gee – Appointed 29 January 2015

Charitable donations
The company made charitable donations totalling £400 (2012: £1,227) in the period.

Business review
An exemption for small companies under Section 417 of the Companies Act 2006 has been taken by the company, allowing it not to provide a business review.

Financial risk management
An exemption for small companies under Section 417 of the Companies Act 2006 has been taken by the company, allowing it not to provide details of financial risk management.

Independent Auditors
Following the purchase of the company by Himor Carrington Limited (formerly Langtree Carrington Limited) in November 2013, the company's auditors were changed to KPMG LLP. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board

A Gee
Director

Registered Office: Clarence House, Clarence Street, Manchester M2 4DW

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG

KPMG LLP
One St.Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of Carrington Business Park Limited

We have audited the financial statements of Carrington Business Park Limited for the period ended 30 June 2014 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of Carrington Business Park Limited (continued)

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.

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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

Nicola Quayle

Nicola Quayle (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One St Peter's Square
Manchester
M2 3AE

26 March 2015

Profit and loss account

	Notes	18 month period ended 30 June 2014 £	Year ended 31 December 2012 £
Turnover	2	**3,557,252**	2,526,623
Operating charges		**(3,164,316)**	(2,169,599)
Operating profit	3	**392,936**	357,024
Interest receivable		**1,226**	432
Profit on ordinary activities before taxation		**394,162**	357,456
Taxation	4	**(147,377)**	(134,121)
Profit for the financial period	12, 13	**246,785**	223,335

All revenues and operating profits are derived from continuing operations.

The Company has no recognised gains or losses other than those disclosed in the profit and loss account for the period.

The notes on pages 9 to 17 are an integral part of these financial statements.

Balance sheet as at 30 June 2014

	Notes	**30 June 2014** **£**	31 December 2012 £
Fixed assets			
Tangible assets	7	**1,050,916**	1,145,266
Current assets			
Debtors	9	**88,291**	106,922
Stock		**721**	1,098
Cash at bank and in hand		**564,304**	1,637,654
		653,316	1,745,674
Creditors: Amounts falling due within one year	10	**(559,259)**	(1,192,752)
Net current assets		**94,057**	552,922
Total assets less current liabilities		**1,144,973**	1,698,188
Balance of member's contributions	12, 13	**1,144,973**	1,698,188

The notes on pages 9 to 17 are an integral part of these financial statements.

The financial statements on pages 6 to 17 were approved by the board of directors on 17 March 2015 and signed on its behalf by:

A Gee
Director

Registered company number 1983872

Cash flow statement

	18 month period ended 30 June 2014 £	18 month period ended 30 June 2014 £	Year ended 31 December 2012 £	Year ended 31 December 2012 £
Net cash inflow from operating activities		**185,908**		815,799
Returns on investment and servicing of finance				
Interest received	**1,226**		432	
Dividends	**(800,000)**		-	
Net cash inflow from returns on investment and servicing of income		**(798,774)**		432
Taxation paid		**(286,183)**		(144,201)
Capital expenditure and financial investment				
Purchase of tangible fixed assets	**(174,301)**		(176,658)	
Net cash outflow from capital expenditure and financial investment		**(174,301)**		(176,658)
Decrease in cash in the year		**(1,073,350)**		(495,372)

Reconciliation of operating profit to net cash inflow from operating activities

	18 month period ended 30 June 2014 £	Year ended 31 December 2012 £
Net cash expended from operating activities		
Operating profit before interest and taxation	**392,936**	357,024
Depreciation	**268,651**	185,534
Decrease in debtors	**13,058**	23,487
Decrease in stock	**377**	771
(Decrease)/increase in creditors	**(489,114)**	248,983
Net cash inflow from operating activities	**185,908**	815,799

Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis, in accordance with the Companies Act 2006 and applicable accounting standards and using the historical cost convention. The principal accounting policies, which have been applied consistently, are set out below.

Going concern assumption

The balance sheet as at 30 June 2014 reports net current assets of £94,057 (2012: £552,922). The directors have undertaken a formal review of the company's funding requirements for the next 12 months and they believe that it is appropriate for the financial statements to be prepared on a going concern basis.

Licence fee income

Licence fee income is monies received from businesses for occupation and is included in the financial statements on a receivable basis.

Other income

Other income comprises recharges to occupiers for the provision of services and is included in the financial statements on a receivable basis.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Only assets within a project with an original purchase price of greater than £1,000 are capitalised. Depreciation is provided in equal instalments to write off the cost of the assets over their useful lives which are estimated as follows:

Land and buildings	Period of lease
Plant and machinery	3 to 15 years
Fixtures and fittings	2 to 5 years
Computer equipment	3 to 10 years
Leasehold improvements	5 to 15 years

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension contributions

The company does not have a pension scheme, however, it does match employee contributions into their own schemes up to a maximum of 6% of their pensionable salary.

Statement of accounting policies (continued)

Deferred taxation

Deferred tax 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 company's taxable profit 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.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, 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. Amounts relating to deferred taxation are not discounted.

Stock

Stock is stated at the lower of cost and net realisable value.

Notes to the financial statements

1 Constitution

Carrington Business Park Limited, which was incorporated in 1986, is a company limited by guarantee and without share capital. The sole member, at the date of approval of these financial statements, is Himor Carrington Limited (formerly Langtree Carrington Limited), a company registered in the United Kingdom.

2 Turnover

	18 month period ended 30 June 2014 £	Year ended 31 December 2012 £
Licence fees	**2,941,427**	2,120,423
Other income	**615,825**	406,200
	3,557,252	2,526,623

3 Operating profit

	18 month period ended 30 June 2014 £	Year ended 31 December 2012 £
Operating profit is stated after charging:		
Depreciation	**268,651**	185,534
Hire of land and buildings – operating lease	**743,370**	495,580
Hire of office and other equipment – operating lease	**34,862**	24,644
Auditors' remuneration – fees payable for the audit	**8,532**	3,730

Notes to the financial statements (continued)

4 Taxation

The amount set aside for taxation represents the provision for estimated outstanding liabilities for taxation based on net income and chargeable gains included in the accounts for the years up to and including the period ending 30 June 2014

The provision comprises:

	18 month period ended 30 June 2014 £	Year ended 31 December 2012 £
Current tax		
UK Corporation tax on profits of the period	**132,415**	116,242
Adjustment in respect of prior periods	**9,389**	(1,211)
Total current tax	**141,804**	115,031
Deferred taxation:		
Origination and reversal of timing differences (note 11)	**5,573**	19,090
Tax on profit on ordinary activities	**147,377**	134,121

The tax assessed for the period is higher (2012: higher) than the standard rate of corporation tax in the UK 22.83% (2012: 24.5%). The differences are explained below:

	18 month period ended 30 June 2014 £	Year ended 31 December 2012 £
Profit on ordinary activities before tax	**394,162**	357,456
Profit on ordinary activities multiplied by standard rate in the UK 22.83% (2012: 24.5%)	**89,993**	87,577
Effects of:		
Expenses not deductible for tax purposes	**221**	73
Permanent differences	**-**	30
Depreciation in excess of capital allowances	**(3,452)**	28,562
Adjustment in respect of prior periods	**9,389**	(1,211)
Fixed asset differences	**45,653**	-
Current tax charge for the period	**141,804**	115,031

Reductions in the UK corporation tax rate from 23% to 21% (effective from April 2014) and to 20% (effective in 1 April 2015) were substantively enacted on 2 July 2014. This will reduce the company's future current tax charge accordingly and reduce the deferred tax liability at 30 June 2014 (which has been calculated based on the rate of 21% substantively enacted at the balance sheet date).

Notes to the financial statements (continued)

5 Employees

The company had an average of 13 employees during the year (2012: 14), all in administrative roles.

	18 month period ended 30 June 2014	Year ended 31 December 2012
	£	£
Aggregate payroll costs		
Wages and salaries	**552,061**	367,421
Social security costs	**41,979**	36,893
Pension costs	**9,904**	6,494
Staff costs	**603,944**	410,808

6 Directors' emoluments

The directors did not receive any emoluments for their services to the company. No payment (2012: £nil) was made to third parties for the provision of directors' services during the period.

Notes to the financial statements (continued)

7 Tangible fixed assets

	Land and Buildings	Leasehold improvements	Plant and machinery	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£	£
Cost						
At 1 January 2013	336,523	996,938	58,475	779,941	172,762	2,344,639
Additions	-	81,597	-	87,348	5,356	174,301
At 30 June 2014	**336,523**	**1,078,535**	**58,475**	**867,289**	**178,118**	**2,518,940**
Accumulated depreciation						
At 1 January 2013	147,745	335,841	55,359	504,009	156,419	1,199,373
Charge for the period	20,191	99,808	2,703	133,740	12,209	268,651
At 30 June 2014	**167,936**	**435,649**	**58,062**	**637,749**	**168,628**	**1,468,024**
Net book amount						
At 30 June 2014	**168,587**	**642,886**	**413**	**229,540**	**9,490**	**1,050,916**
At 31 December 2012	188,778	661,097	3,116	275,932	16,343	1,145,266

Notes to the financial statements (continued)

8 Lease commitments

At 30 June 2014 the company had annual commitments under non-cancellable operating leases expiring as follows:

	18 month period ended 30 June 2014	Year ended 31 December 2012
	£	£
Land and buildings		
Expiring within one year	**8,500**	8,500
Expiring after five years	**487,080**	487,080
	495,580	495,580
Office and other equipment		
Expiring within one year	**28,372**	19,556
Expiring between two and five years	**6,490**	5,088
	34,862	24,644

9 Debtors

	18 month period ended 30 June 2014	Year ended 31 December 2012
	£	£
Trade debtors	**45,784**	31,201
Prepayments	**28,530**	56,171
Deferred taxation (note 11)	**13,977**	19,550
	88,291	106,922

Notes to the financial statements (continued)

10 Creditors: amounts falling due within one year

	18 month period ended 30 June 2014	Year ended 31 December 2012
	£	£
Trade creditors	**71,742**	123,011
Amounts owed to other group companies	**-**	414,492
Corporation tax	**68,915**	213,294
Tax and social security	**61,483**	90,475
Accruals and deferred income	**357,119**	351,480
	559,259	1,192,752

The amounts owed to other group companies are trading balances that are unsecured and interest free.

11 Deferred taxation asset

The amount recognised for deferred taxation represents timing differences between the recognition of items of income and expenditure for accounting and tax purposes and comprises:

	18 month period ended 30 June 2014	Year ended 31 December 2012
	£	£
Deferred tax recognised:		
Accelerated capital allowances	**13,977**	19,550
	13,977	19,550
1 January 2013	**19,550**	38,640
Deferred tax charged to profit and loss account	**(5,573)**	(19,090)
30 June 2014	**13,977**	19,550

Notes to the financial statements (continued)

12 Movement in members' contributions

	18 month period ended 30 June 2014	Year ended 31 December 2012
	£	£
Profit for the period	**246,785**	223,335
Dividends paid	**(800,000)**	-
Opening member's contributions	**1,698,188**	1,474,853
Closing member's contributions	**1,144,973**	1,698,188

13 Members' contributions

	Member's contributions
	£
1 January 2013	**1,698,188**
Dividends paid	**(800,000)**
Profit for the financial period	**246,785**
30 June 2014	**1,144,973**