

Utility Connections (UK) Limited
Filleted Unaudited Financial Statements
31 January 2017



AGP
Chartered accountant
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Utility Connections (UK) Limited

Financial Statements

Year ended 31 January 2017

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Utility Connections (UK) Limited

Statement of Financial Position

31 January 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	282,597	362,246
Tangible assets	6	33,826	35,611
		<u>316,423</u>	<u>397,857</u>
Current assets			
Debtors	7	1,045,801	1,276,078
Investments	8	293,918	264,930
Cash at bank and in hand		1,448,305	701,603
		<u>2,788,024</u>	<u>2,242,611</u>
Creditors: amounts falling due within one year	9	<u>1,142,048</u>	<u>1,164,392</u>
Net current assets		<u>1,645,976</u>	<u>1,078,219</u>
Total assets less current liabilities		<u>1,962,399</u>	<u>1,476,076</u>
Provisions			
Taxation including deferred tax		14,670	6,883
Net assets		<u>1,947,729</u>	<u>1,469,193</u>
Capital and reserves			
Called up share capital		200	200
Profit and loss account		1,947,529	1,468,993
Members funds		<u>1,947,729</u>	<u>1,469,193</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 January 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

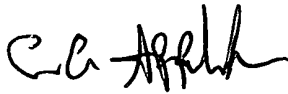
The notes on pages 3 to 9 form part of these financial statements.

Utility Connections (UK) Limited

Statement of Financial Position *(continued)*

31 January 2017

These financial statements were approved by the board of directors and authorised for issue on 11 October 2017, and are signed on behalf of the board by:



Mr GNG Appleton
Director



Mr AR Underhill
Director

Company registration number: 06793185

The notes on pages 3 to 9 form part of these financial statements.

Utility Connections (UK) Limited

Notes to the Financial Statements

Year ended 31 January 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 5200 Cinnabar Court, Daresbury Park, Daresbury, Warrington, Cheshire, WA4 4GE.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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 February 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Utility Connections (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

3. Accounting policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Intangible assets

Deferred Development Costs

Development expenditure incurred on clearly defined projects whose outcome can be assessed with reasonable certainty has been carried forward and will be amortised from the date the projects go into commercial operation.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Deferred development costs - 5 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

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:

Improvements to rented property	- 5 years straight line
Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Equipment	- 25% reducing balance

Utility Connections (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of banks loans which are subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Utility Connections (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

4. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 9 (2016: 8).

5. Intangible assets

	Development costs £
Cost	
At 1 February 2016	440,465
Additions	10,150
At 31 January 2017	450,615
Amortisation	
At 1 February 2016	78,219
Charge for the year	89,799
At 31 January 2017	168,018
Carrying amount	
At 31 January 2017	282,597
At 31 January 2016	362,246

Utility Connections (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

6. Tangible assets

	Improvement to rented property £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 February 2016	13,674	12,914	5,000	35,822	67,410
Additions	–	11,333	–	4,708	16,041
Disposals	(13,674)	(4,225)	–	(8,317)	(26,216)
At 31 January 2017	–	20,022	5,000	32,213	57,235
Depreciation					
At 1 February 2016	11,320	5,154	2,188	13,137	31,799
Charge for the year	228	4,166	703	6,057	11,154
Disposals	(11,548)	(3,324)	–	(4,672)	(19,544)
At 31 January 2017	–	5,996	2,891	14,522	23,409
Carrying amount					
At 31 January 2017	–	14,026	2,109	17,691	33,826
At 31 January 2016	2,354	7,760	2,812	22,685	35,611

7. Debtors

	2017 £	2016 £
Trade debtors	613,790	842,667
Amounts owed by group undertakings and undertakings in which the company has a participating interest	34,365	8,488
Other debtors	397,646	424,923
	1,045,801	1,276,078

A loss relating to bad debts of £68,488 (2016 - £nil) has been recognised against trade debtors.

8. Investments

	2017 £	2016 £
Other investments	293,918	264,930

9. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	26,957	188,349
Corporation tax	262,101	223,551
Social security and other taxes	6,595	39,231
Other creditors	846,395	713,261
	1,142,048	1,164,392

Utility Connections (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

10. Financial instruments at fair value

	2017 £	2016 £
Financial assets measured at fair value through profit or loss		
Financial assets measured at fair value through profit or loss	293,918	264,930

11. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2017		
	Balance brought forward £	Amounts repaid £	Balance outstanding £
Mr GNG Appleton	125,237	(6,000)	119,237
Mr AR Underhill	125,237	(6,000)	119,237
	<u>250,474</u>	<u>(12,000)</u>	<u>238,474</u>
	2016		
	Balance brought forward £	Amounts repaid £	Balance outstanding £
Mr GNG Appleton	165,237	(40,000)	125,237
Mr AR Underhill	165,237	(40,000)	125,237
	<u>330,474</u>	<u>(80,000)</u>	<u>250,474</u>

The amounts given as brought forward from the prior year represent the maximum amount of the loans for each financial year. No interest is charged on the loans.

12. Controlling party

The ultimate controlling party is Utility Connections Limited, a company registered in England and Wales (company number 07208442). The registered office of Utility Connections Limited is 5200 Cinnabar Court, Daresbury Park, Daresbury, Warrington, WA4 4GE.

13. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 February 2015.

Utility Connections (UK) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2017

13. Transition to FRS 102 *(continued)*

Reconciliation of equity

	1 February 2015			31 January 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	419,075	–	419,075	397,857	–	397,857
Current assets	1,670,057	25,140	1,695,197	2,227,681	14,930	2,242,611
Creditors: amounts falling due within one year	(529,649)	–	(529,649)	(1,164,392)	–	(1,164,392)
Net current assets	1,140,408	25,140	1,165,548	1,063,289	14,930	1,078,219
Total assets less current liabilities	1,559,483	25,140	1,584,623	1,461,146	14,930	1,476,076
Provisions	(5,335)	–	(5,335)	(6,883)	–	(6,883)
Net assets	1,554,148	25,140	1,579,288	1,454,263	14,930	1,469,193
Capital and reserves	1,554,148	25,140	1,579,288	1,454,263	14,930	1,469,193

In order to comply with the transition to FRS 102 the company has accounted for its investments at fair value through the profit and loss account.