

Company Registration No. 02286547

BYSSCo Limited

Unaudited Annual Report and Financial Statements

Year ended 31 March 2018

THURSDAY



A10 *A7L6MSWG* 20/12/2018 #83
COMPANIES HOUSE

BYSSCo Limited

Unaudited Annual Report and financial statements 2018

Contents

Officers and professional advisors	1
Directors' report	2
Statement of Directors' responsibilities	3
Statement of comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Notes to the financial statements	7

BYSSCo Limited

Officers and professional advisors

Directors

Nicholas Vetch
James Gibson
Adrian Lee
John Trotman

Secretary

Shauna Beavis

Registered office

2 The Deans
Bridge Road
Bagshot
Surrey
GU19 5AT

Bankers

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

Solicitors

CMS Cameron McKenna LLP
Mitre House
160 Aldersgate Street
London
EC1A 4DD

BYSSCo Limited

Directors' report

The Directors present their annual report and the unaudited financial statements for the year ended 31 March 2018.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The Directors have also taken exemption under section 414 (B) not to prepare a Strategic Report.

BYSSCo Limited ("Big Yellow", "the Company") is a wholly owned subsidiary of Big Yellow Group PLC.

Principal activities and future prospects

The company owns the freeholds to 24 properties (2017: 24). Of these properties 23 (2017: 23) are leased to Big Yellow Self Storage Company Ltd at a peppercorn rent and one site is leased to Big Yellow Limited Partnership at a peppercorn rent.

The Directors are satisfied with the performance of the company in the year ended 31 March 2018 and are positive about the outlook of the business.

Going concern

The company has limited exposure to liquidity or credit risk except that it has provided an intercompany loan to its parent company, as disclosed in note 9.

On the basis of their assessment of the company's financial position, the company's Directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Real Estate Investment Trust ("REIT")

The Big Yellow Group ("the Group"), of which the company is part, converted to a REIT with effect from 15 January 2007. In essence, a REIT exempts qualifying companies from paying corporation tax on their qualifying earnings in return for distributing 90% of qualifying profits to shareholders.

Certain rules apply to a REIT limiting the amount of development, debt gearing and non-qualifying trading activities. The company has internal monitoring procedures in place to ensure that the appropriate rules and legislation are complied with. To date all REIT regulations have been complied with.

Share capital

The authorised and issued share capital of the company at the beginning and the end of the year was £2,000,000 and £1,101,500 respectively.

Results and dividends

The Statement of Comprehensive Income is set out on page 4 of the financial statements. Dividends of £5,749,000 were paid during the year (2017 £nil).

Research and Development

The Company does not engage in research and development activities.

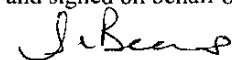
Political Donations

No political donations were made by the Company in either the current or preceding financial year.

Directors

The Directors of the company who served throughout the year and to the date of this report are shown on page 1.

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



Shauna Beavis
Secretary

19 December 2018

BYSSCo Limited

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 International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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 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, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

BYSSCo Limited

Statement of comprehensive income Year ended 31 March 2018

	Notes	2018 £000	2017 £000
Revenue	3	-	-
Cost of sales		-	-
Operating profit	4	-	-
Investment income	5	50	68
Profit before tax		50	68
Tax	6	-	-
Profit for the year		50	68
Total comprehensive income for the year attributable to equity shareholders		50	68

All recognised gains and losses in the current financial year are reflected in the statement of comprehensive income and are derived from continuing activities.

There was no operating profit for the current or preceding financial year. Therefore, no cash flow statement is presented.

BYSSCo Limited

Statement of financial position 31 March 2018

	Notes	2018 £000	2017 £000 (restated*)
Non-current assets			
Capital Goods Scheme receivable	7	548	1,024
		<u>548</u>	<u>1,024</u>
Current assets			
Trade and other receivables	7	855	6,078
		<u>855</u>	<u>6,078</u>
Total assets		<u>1,403</u>	<u>7,102</u>
Total liabilities		<u>-</u>	<u>-</u>
Net assets		<u>1,403</u>	<u>7,102</u>
Equity			
Called up share capital	8	1,102	1,102
Reserves		<u>301</u>	<u>6,000</u>
Shareholder's funds		<u>1,403</u>	<u>7,102</u>

Audit Exemption Statement

For the year ended 31 March 2018 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 accounts 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 accounts
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements were approved and authorised for issue by the board of directors on 19 December 2018.

They were signed on its behalf by:

John Trotman
Director



Company Registration No 02286547

*Details of the re-statement can be found in accounting policy note 2.

BYSSCo Limited**Statement of changes in equity
Year ended 31 March 2018**

	Share capital £000	Retained profits £000	Total £000
At 1 April 2016	1102	5,932	7,034
Total comprehensive income for the year	-	68	68
	<hr/>	<hr/>	<hr/>
At 31 March 2017	<u>1,102</u>	<u>6,000</u>	<u>7,102</u>
At 1 April 2017	1,102	6,000	7,102
Total comprehensive income for the year	-	50	50
Dividend paid		(5,749)	(5,749)
	<hr/>	<hr/>	<hr/>
At 31 March 2018	<u>1,102</u>	<u>301</u>	<u>1,403</u>

BYSSCo Limited

Notes to the financial statements Year ended 31 March 2018

1. General information

BYSSCo Ltd is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is 2 The Deans, Bridge Road, Bagshot, Surrey, GU19 5AT. The nature of the company's operations and its principal activities are set out on page 2.

2. Significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use in the European Union in accordance with EU law (IAS regulation EC1606/2002) and those parts of the Companies Act 2006 applicable to companies reporting under IFRS, and therefore the Group financial statements comply with Article 4 of the EU IAS Regulation.

The financial statements are presented in Sterling, being the currency of the primary economic environment in which the Company operates. Unless otherwise stated, figures are rounded to the nearest thousand.

The accounting policies adopted are consistent with those of the previous financial year, except as described in the following sections.

Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB). Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 7	Statement of Cash Flow
Amendments to IAS 12	Income Taxes
IFRS 12	Disclosure of interests in other entities

New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 2 (amendments)	Classification and Measurement of Share-based Payment Transactions
IAS 7 (amendments)	Disclosure Initiative
IAS 12 (amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
IFRS 10 and IAS 28 (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

BYSSCo Limited

Notes to the financial statements Year ended 31 March 2018

2. Significant accounting policies (continued)

IFRS 9 – Financial Instruments

IFRS 9 covers the classification, measurement and derecognition of financial assets and liabilities. It also introduces a new impairment model for financial assets and new rules for hedge accounting. The standard is applicable for financial years commencing on or after 1 January 2018, and hence the year ending 31 March 2019 will be the first applicable year for the Company.

There will be no impact on the Company's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through the income statement and the Company does not have any such liabilities.

The impairment model under IFRS 9 requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than only incurred credit losses as is the case under IAS 39. There are no significant financial assets held by the Company that will be impacted by the impairment losses recognised under IFRS 9.

The Company holds intercompany receivables balances with the subsidiaries of the Group as disclosed in Note 8. The Directors do not estimate there to be a material impact on the Financial Statements from the recognition of impairment provisions for the loans and receivables under IFRS 9 compared to accounting for it held under IAS 39.

The new standard introduces enhanced disclosure requirements and changes in presentation.

IFRS 15 – Revenue Recognition

IFRS 15 replaces IAS 18 and governs the recognition of revenue. The standard is applicable for financial years commencing on or after 1 January 2018, and hence the year ending 31 March 2019 will be the first applicable year for the Company. The standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

The Company's assessment is that IFRS 15 will apply to all its streams of revenue, although it is estimated that there will not be a material change in the amounts and timing of revenue recognised following the adoption of the standard. The standard also introduces enhanced disclosure requirements and changes in presentation.

Basis of accounting

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

Prior year restatement

The prior year balance sheet as at 31 March 2017 has been restated. Within that balance sheet the amounts owed from group undertakings of £5,639,000 have been reclassified from being shown as non-current assets to current assets. This restatement is due to an error in classification in the prior year financial statements.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on page 2.

The company has limited exposure to liquidity or credit risk except that it has provided an intercompany loan to its parent company, as disclosed in note 9.

On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Investment in subsidiaries

These are recognised at cost less provision for any impairment.

BYSSCo Limited

Notes to the financial statements **Year ended 31 March 2018**

2. Significant accounting policies (continued)

Revenue recognition

Revenue represents amounts derived from the provision of services which fall within the company's ordinary activities after deduction of trade discounts and any applicable value added tax. Income is recognised over the period for which the lease relates to.

Finance costs and income

All borrowing costs are recognised in the income statement in the period in which they are incurred, unless the costs are incurred as part of the development of a qualifying asset, when they will be capitalised. Commencement of capitalisation is the date when the company incurs expenditure for the qualifying asset, incurs borrowing costs and undertakes activities that are necessary to prepare the assets for their intended use when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. In the case of suspension of activities during extended periods, the company suspends capitalisation. The company ceases capitalisation of borrowing costs when substantially all of the activities necessary to prepare the asset for use are complete.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Operating profit

Operating profit is stated after gains and losses on non-current assets, movements on the revaluation of investment properties and before the share of results of associates, investment income and finance costs.

Tax

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates substantively enacted at the balance sheet date that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the company intends to settle its current tax assets and liabilities on a net basis.

BYSSCo Limited

Notes to the financial statements Year ended 31 March 2018

2. Significant accounting policies (continued)

Financial instruments

Due to the nature of the company's operations, the use of significant financial instruments by the company is limited to intercompany transactions. The directors do not believe there to be significant credit or liquidity risk arising from these transactions. The directors do not believe there to be any further significant risks in relation to financial instruments.

Trade and other receivables

Trade and other receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Trade and other payables

Trade and other payables do not carry any interest and are stated at their nominal value.

Critical accounting estimates and judgements

In the application of the company's accounting policies, which are described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future periods if the revision affects both current and future periods.

a) Capital Goods Scheme receivable

The Company has a receivable in respect of amounts due back from HMRC under the Capital Goods Scheme following the imposition of VAT on self storage from 1 October 2012. The amount recognised has been calculated in accordance with the relevant legislation. The amount is payable over up to ten years and has been discounted at the Group's average cost of debt.

3. Revenue

The company owns the freeholds to 24 properties (2017: 24). Of these properties 23 (2017: 23) are leased to Big Yellow Self Storage Company Limited at a peppercorn rent and one site is leased to Big Yellow Limited Partnership at a peppercorn rent.

4. Operating profit

The average number of persons (excluding directors) employed by the company during the year was nil (2017: nil).

The directors did not receive any emoluments from the company in the year (2017: £nil). The directors were paid by Big Yellow Self Storage Company Limited but none of the remuneration relates to this company as the services provided in respect of the company are considered to be immaterial in the context of their overall remuneration and therefore no allocation of their remuneration has been performed in this company.

BYSSCo Limited

Notes to the financial statements **Year ended 31 March 2018**

5. Investment income

	2018	2017
	£000	£000
Unwinding of discount on Capital Goods scheme receivable	50	68
	<u>50</u>	<u>68</u>

6. Tax

	2018	2017
	£000	£000

UK current tax

Current tax	-	-
	<u>-</u>	<u>-</u>

A reconciliation of the tax charge is shown below:

	2018	2017
	£000	£000
Profit before tax	50	68
Tax charge at 19% (2017: 20%) thereon	10	14
Effects of:		
Profit from the tax exempt business	(10)	(14)
Total tax charge	<u>-</u>	<u>-</u>

7. Trade and other receivables

	2018	2017
	£000	£000
Current assets		(restated*)
Capital Goods Scheme receivable	448	439
Amounts owed by group undertakings	407	5,639
	<u>855</u>	<u>6,078</u>
Non-current assets		
Capital Goods Scheme receivable	548	1,024
	<u>1,403</u>	<u>7,102</u>

The VAT CGS receivable disclosed above reflects the fact that BYSSCo will recover VAT previously incurred on capital expenditure from HMRC.

Amounts owed by group undertakings have no interest element and are receivable on demand.

The directors consider the carrying amount of trade and other receivables to equate to the fair value.

**Details of the re-statement can be found in accounting policy note 2.*

BYSSCo Limited

Notes to the financial statements Year ended 31 March 2018

8. Called up share capital

	2018 £000	2017 £000
Authorised:		
2,000,000 ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>
Called up, allotted and unpaid:		
1,101,500 ordinary shares of £1	<u>1,102</u>	<u>1,102</u>

9. Related party transactions

The company paid a dividend of £5,749,000 in the year to Big Yellow Group PLC (2017: £nil).

In preparing these financial statements there was an intercompany debtor balance of £407,000 (2017: £5,639,000).

The cost of the annual return fee was borne by the company's parent company without any right of reimbursement.

10. Ultimate parent company and controlling party

The immediate and ultimate parent company, controlling party and only company that prepares group accounts into which the results of the company are consolidated, is Big Yellow Group PLC, a company incorporated in Great Britain and registered and operating in England and Wales. The financial statements of Big Yellow Group PLC are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.