

**REGISTERED NUMBER: 04787114 (England and Wales)**

**ABNEY 2003 LIMITED**  
**ANNUAL REPORT AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

TUESDAY



\*A751VH62\*

A08

01/05/2018

#118

COMPANIES HOUSE

# **ABNEY 2003 LIMITED**

## **CONTENTS OF THE FINANCIAL STATEMENTS For The Year Ended 30 September 2017**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>4</b>
<b>Directors' Responsibilities Statement</b>	<b>6</b>
<b>Independent Auditor's Report</b>	<b>7</b>
<b>Statement of Comprehensive Income</b>	<b>9</b>
<b>Balance Sheet</b>	<b>10</b>
<b>Statement of Changes in Equity</b>	<b>11</b>
<b>Notes to the Financial Statements</b>	<b>12</b>

**ABNEY 2003 LIMITED**

**COMPANY INFORMATION**  
**For The Year Ended 30 September 2017**

**DIRECTORS:**

M J Oglesby  
C G Oglesby  
K J Vokes

**SECRETARY:**

K J Vokes (resigned 29/11/2017)

**REGISTERED OFFICE:**

York House  
York Street  
Manchester  
Greater Manchester  
M2 3BB

**REGISTERED NUMBER:**

04787114 (England and Wales)

**AUDITOR:**

Deloitte LLP  
Statutory Auditor  
Manchester  
United Kingdom

**BANKERS:**

The Royal Bank of Scotland plc

**SOLICITORS:**

Addleshaw Goddard LLP, Manchester  
DLA Piper UK LLP, Manchester

## **ABNEY 2003 LIMITED**

### **STRATEGIC REPORT**

**For The Year Ended 30 September 2017**

The Directors present their Annual Report with the audited financial statements of the company for the year ended 30 September 2017.

#### **BUSINESS MODEL**

The principal activity of the company is that of a holding company.

The company owns 22.27% (2016: 22.30%) of the ordinary share capital of Bruntwood Group Limited.

All Bruntwood companies are managed and controlled on a unified basis and trade under the single brand of Bruntwood. Whilst the directors take a responsible approach to the performance of each group and individual holding and subsidiary company, the results of these subsidiary companies can vary from time to time. Details of the Group Business Model, and that of the subsidiaries are explained in more detail in the accounts of the intermediate parent Bruntwood Limited (co. reg. 6017744). A copy of its financial statements can be obtained from the Registered Office, York House, York Street, Manchester, M2 3BB.

#### **STRATEGY, OBJECTIVES AND PRINCIPAL RISKS**

The company considers its principal risks to be the financial performance of Bruntwood Group Limited and its ability to pay dividends to enable the company to meet its preference share dividend obligations. This risk is managed through regular shareholder contact with the Bruntwood Group Limited executive team and a quarterly shareholder board meeting to review its performance.

The directors are satisfied that the subsidiary companies manage these risks appropriately. The subsidiaries are part of a group with a concentration in the North's office market which is one of its key strengths. The companies are customer focused and adopt a flexible approach that results in retention ratios envied within the industry.

#### **REVIEW OF THE YEAR**

The results for the year are set out on page 8. The company made a profit after taxation of £2.4m (2016: £1.5m). Profit continues to be generated from dividends received from Bruntwood Group Limited. Bruntwood Group Limited continues to make sufficient profit to meet the dividend requirements of the company. During the year preference dividends of £2.7m were paid (2016: £1.2m) and no ordinary dividend was paid (2016: £nil).

At 30 September 2017 the company's net assets were £40.1m (2016: £40.4m). There have been no significant events since the balance sheet date.

#### **FUTURE DEVELOPMENTS**

The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

#### **EMPLOYEES**

The company has no employees other than the directors.

#### **KEY PERFORMANCE INDICATORS**

The Directors do not consider there to be any key performance indicators.

## **ABNEY 2003 LIMITED**

### **STRATEGIC REPORT**

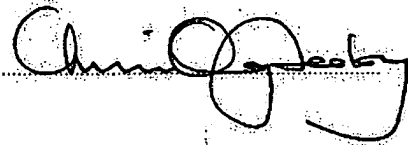
**For The Year Ended 30 September 2017**

#### **ENVIRONMENT & SUSTAINABILITY**

Every year the Bruntwood Group donates to environmental, arts and charity organisations to make a positive change to the cities we operate in. We support activity that can really make a difference, from investing in climate change research and reducing carbon emissions to encouraging new writing talent and fundraising for local charities.

Our long term partnerships with a wide range of innovative and ambitious arts organisations, including The Bruntwood Prize for Playwriting and Manchester International Festival, are helping to add to the vibrancy of the cities we operate in by providing a platform to showcase new creative talent. Each year our staff raise money for our nominated charities and donate over 2,000 hours to volunteering in our local communities. We do all of this because it's the right thing to do and because we want the cities and communities we operate in to prosper. For more information visit [bruntwood.co.uk/makingadifference](http://bruntwood.co.uk/makingadifference).

**APPROVED AND SIGNED ON BEHALF OF THE BOARD BY:**

A handwritten signature in black ink, appearing to read 'C G Oglesby', written over a horizontal dotted line.

C G Oglesby - Director

Date: 27 April 2018

## **ABNEY 2003 LIMITED**

### **REPORT OF THE DIRECTORS**

**For The Year Ended 30 September 2017**

The directors present their annual report and the audited financial statements for the year ended 30 September 2017. In accordance with S414 (C) (11) of the Companies Act, included in the Strategic Report is information relating to the future development of the business which would otherwise be required to be contained in the Report of the Directors.

#### **GOING CONCERN**

After making enquiries, the directors believe that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company is that of a holding company. The company owns 22.27% of the ordinary share capital of Bruntwood Group Limited.

#### **DIVIDENDS**

During the year preference dividends of £2.7m were paid (2016: £1.2m) and no ordinary dividend was paid (2016: nil).

#### **DIRECTORS**

The directors who served during the year and thereafter are shown on page 1.

#### **DIRECTORS' INDEMNITIES**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

#### **HEALTH & SAFETY**

Across the Bruntwood Group we implement a program of continuous improvement to reduce health and safety risks in all buildings on a prioritised basis to ensure cost effective and pragmatic risk management. There is a rolling program of the required statutory inspections and risk assessments to ensure safe buildings for our customers, employees, contractors and visitors. All employees received tailored health and safety training to undertake their role to ensure no adverse health effects or injuries and the reporting of all incidents included near-misses and hazard identification is encouraged in order to learn lessons wherever possible. Despite the wide range of refurbishment, development and Facilities Management ("FM") activities undertaken by Bruntwood and their contractors there have been no Prohibition or Improvement Notices issues during the year by the Health & Safety Executive.

#### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company, by nature of its business, is exposed to financial risks. The financial risks of all Bruntwood companies are managed and controlled on a unified basis. Details of the Group's financial risk management objectives and policies are explained in more detail in the accounts of the ultimate parent Bruntwood Group Limited (company number: 02825044). A copy of its financial statements can be obtained from the Registered Office, York House, York Street, Manchester, M2 3BB.

**ABNEY 2003 LIMITED**

**REPORT OF THE DIRECTORS  
For The Year Ended 30 September 2017**

**AUDITOR**

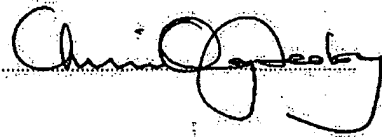
Each of the directors at the date of approval of this report confirms that:

(i) So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and

(ii) the director has taken all the 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting. This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**APPROVED AND SIGNED ON BEHALF OF THE BOARD BY:**

A handwritten signature in black ink, appearing to read 'C G Oglesby', written over a horizontal dotted line.

C G Oglesby - Director

Date: 27 April 2018

## **ABNEY 2003 LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

**For The Year Ended 30 September 2017**

The directors are responsible for preparing the Annual 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), including FRS 102 Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 accounting 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 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.



# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABNEY 2003 LIMITED**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 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 102 Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Abney 2003 Limited (the 'company') which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of directors**

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABNEY 2003 LIMITED**

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters 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 strategic report and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the report of the directors.

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

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



Christopher Robertson (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Manchester  
United Kingdom

Date: 27 April 2018

**ABNEY 2003 LIMITED****STATEMENT OF COMPREHENSIVE INCOME**  
**For The Year Ended 30 September 2017**

	Notes	2017 £'000	2016 £'000
<b>TURNOVER</b>		<u>-</u>	<u>-</u>
<b>OPERATING PROFIT</b>	2	-	-
Income from shares in group undertakings		<u>2,400</u>	<u>1,463</u>
<b>PROFIT BEFORE TAXATION</b>		2,400	1,463
Tax on profit	3	<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		2,400	1,463
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>2,400</u>	<u>1,463</u>

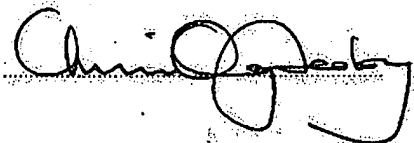
The notes form part of these financial statements

**ABNEY 2003 LIMITED (REGISTERED NUMBER: 04787114)**

**BALANCE SHEET**  
**30 September 2017**

	Notes	2017 £'000	2016 £'000
<b>FIXED ASSETS</b>			
Investments	5	40,200	40,200
<b>CURRENT ASSETS</b>			
Debtors	6	682	176
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	<u>(832)</u>	<u>(26)</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>(150)</u>	<u>150</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES BEING NET ASSETS</b>		<u>40,050</u>	<u>40,350</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	40,050	40,050
Retained earnings		<u>-</u>	<u>300</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>40,050</u>	<u>40,350</u>

The financial statements of company number 04787114 were approved by the Board of Directors on 27 April 2018 and were signed on its behalf by:



C G Oglesby - Director

The notes form part of these financial statements

**ABNEY 2003 LIMITED****STATEMENT OF CHANGES IN EQUITY**  
**For The Year Ended 30 September 2017**

	<b>Called up share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 October 2015</b>	40,050	-	40,050
<b>Changes in equity</b>			
Dividends	-	(1,163)	(1,163)
Total comprehensive income	-	1,463	1,463
<b>Balance at 30 September 2016</b>	<u>40,050</u>	<u>300</u>	<u>40,350</u>
<b>Changes in equity</b>			
Dividends	-	(2,700)	(2,700)
Total comprehensive income	-	2,400	2,400
<b>Balance at 30 September 2017</b>	<u>40,050</u>	<u>-</u>	<u>40,050</u>

The notes form part of these financial statements

## **ABNEY 2003 LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 September 2017**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparation**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted are described below. They have all been applied consistently throughout the current and preceding year.

Abney 2003 Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activity are set out in the strategic report on pages 2 to 3.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

##### **Cash Flow Statement**

The company has taken advantage of the small company exemption from the requirement to prepare a cash flow statement as permitted by FRS 102 Section 1A "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

##### **Taxation**

Current UK corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 profits 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 there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 September 2017**

**1. ACCOUNTING POLICIES - continued**

**Going concern**

The company holds investments in Bruntwood Group Limited and therefore is cognisant of the going concern disclosure which appears in note 1 of the accounts of Bruntwood Group Limited for the year ended 30 September 2017. Copies of the financial statements are available from the Registered Office, York House, York Street, Manchester, M2 3BB.

After making enquiries, the directors believe that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have taken into consideration that the company was in a net current liabilities position when undertaking this review. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements of Bruntwood Group Limited.

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

**i. Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- a) The contractual return to the holder is
  - (i) a fixed amount;
  - (ii) a positive fixed rate or a positive variable rate; or
  - (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument; provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 September 2017**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments - continued**

e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

**ii. Fair value measurement**

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

**Investments**

Investments are shown at cost less provision for impairment.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

**Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Financial assets**

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.



## ABNEY 2003 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 30 September 2017

#### 1. ACCOUNTING POLICIES - continued

##### Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The Directors, do not consider there to be any critical accounting judgements or key sources of estimation uncertainty

#### 2. OPERATING PROFIT

The company has no employees other than the directors (2016: nil).

The directors received no remuneration from the company during the year, having been remunerated by a Bruntwood Group company. The amounts have not been recharged as apportionment between companies is not deemed practical. (2016: £nil).

The audit fee of £1,350 (2016: £1,300) in the current year and prior was borne by a Bruntwood group company and not recharged.

There were no non-audit fees in the current year (2016: £nil).

#### 3. TAXATION

##### Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 30 September 2017 nor for the year ended 30 September 2016.

##### Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £'000	2016 £'000
Profit before tax	<u>2,400</u>	<u>1,463</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.50% (2016: 20.00%)	468	293
Effects of: UK Dividend Income	<u>(468)</u>	<u>(293)</u>
Total tax charge	<u>-</u>	<u>-</u>

The government announced a reduction to the rate of corporation tax to 17% with effect from 1 April 2020 which was given effect by the Finance Bill 2016, substantively enacted on 6 September 2016. Accordingly, all deferred tax assets and liabilities continue to be calculated on the basis that they reverse in future at the 17% rate.

#### 4. DIVIDENDS

	2017 £'000	2016 £'000
Dividend paid on preference shares at £0.07 per share (2016: £0.03)	<u>2,700</u>	<u>1,163</u>
	<u>2,700</u>	<u>1,163</u>

**ABNEY 2003 LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 September 2017**
**5. FIXED ASSET INVESTMENTS**

	£'000
<b>Cost</b>	
At 1 October 2016	40,200
Additions	-
Disposals	-
	<u>40,200</u>
At 30 September 2017	<u>40,200</u>
<b>Provisions for impairment</b>	
At 1 October 2016	-
Impairment	-
	<u>-</u>
At 30 September 2017	<u>-</u>
<b>Carrying value</b>	<u>40,200</u>

The investment represents 22.27% (2016: 22.30%) of the ordinary share capital of Bruntwood Group Limited, a company registered in England and Wales whose principal activity is that of a holding company. The remaining shares in Bruntwood Group Limited are owned by members of the Oglesby family and Oglesby family trusts who are considered to be the controlling parties of the company.

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £'000	2016 £'000
Owed by related parties	<u>682</u>	<u>176</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £'000	2016 £'000
Other loans (note 10)	<u>832</u>	<u>26</u>

**8. CALLED UP SHARE CAPITAL**

<b>Allotted, issued and fully paid:</b>				
<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>2017 £</b>	<b>2016 £</b>
50	'A' ordinary shares	£1	50	50
50	'B' ordinary shares	£1	50	50
50	'C' ordinary shares	£1	50	50
45	'D' ordinary shares	£1	45	45
45	'E' ordinary shares	£1	45	45
30	'F' ordinary shares	£1	30	30
30	'G' ordinary shares	£1	30	30
39,999,998	non-cumulative 3% 'A' preference	£1	39,999,998	39,999,998
2	non-cumulative 3% 'B' preference	£1	2	2
50,000	non cumulative 'C' preference	£1	<u>50,000</u>	<u>50,000</u>
			<u>40,050,300</u>	<u>40,050,300</u>

M J Oglesby is beneficial owner of 100% of the B preference shares and C G Oglesby and K J Vokes are each beneficial owners through family trusts of 50% of the C Preference shares.

The A-G ordinary shares are held by the Oglesby family trusts.

The A preference shares are held by J D Oglesby.

## ABNEY 2003 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 30 September 2017

#### 9. FINANCIAL ASSETS AND LIABILITIES

The carrying values of the company's financial assets and liabilities are summarised by category below:

	2017 £'000	2016 £'000
<b>Financial assets at fair value</b>		
Fixed asset investments (see note 5)	40,200	40,200
Amounts due from related parties (see note 6)	<u>682</u>	<u>176</u>
	40,882	40,376
<b>Financial liabilities at fair value</b>		
Other loans (see note 7)	<u>(832)</u>	<u>(26)</u>
	<u>40,050</u>	<u>40,350</u>

#### 10. RELATED PARTY DISCLOSURES

The investment income of £2,400,000 received in the year (2016: £1,463,000) is from the company's investment in Bruntwood Group Limited, which is a related party due to M J Oglesby, C G Oglesby and K J Vokes being directors of both companies. As at 30 September 2017 the company owed £682,555 (2016: owed £176,519) to Bruntwood Group Limited, an investment of the company.

An unsecured loan made to directors of the company of £832,216 (2016: £26,250) remains outstanding within other loans falling due within one year. An amount of £832,216 was advanced during the year, none of which has been repaid. The £26,250 outstanding as at 30 September 2016 was repaid in full during the year.

#### 11. ULTIMATE CONTROLLING PARTY

Abney 2003 Limited is wholly owned by Mr C G Oglesby, close members of his family and the Oglesby family trusts and therefore they are considered by the directors to be the ultimate controlling parties.