Financial Statements British Waterways Marinas Limited

For the year ended 31 March 2016

Registered number: 4930453

Company Information

Directors

Darren Bramhall
Brian Casey
Philip Ridal (resigned 30 June 2015)
Julie Sharman
Jeff Whyatt
Sandra Kelly (appointed 1 July 2015)
Alan Lloyd (appointed 16 June 2015)

Company secretary

Yetunde Salami

Registered number

4930453

Registered office

First Floor North Station House
500 Elder Gate
Milton Keynes
Buckinghamshire
MK9 1BB

Bankers

National Westminster Bank Plc
PO Box 12263
1 Princes Street
London
EC2R 8PH

Solicitors

Shoosmiths LLP
Waterfront House
Waterfront Plaza
35 Station Street
Nottingham
NG2 3DQ

Contents

Directors' report
For the year ended 31 March 2016

The directors present their report and the financial statements for the year ended 31 March 2016

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws, including FRS 102 "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 and profit or loss of the company for that period In preparing these financial statements, the directors are required to

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Going concern

The directors of the company are of the opinion that there are adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties at the year end This opinion is supported by detailed forecasts on cashflow As such it is deemed appropriate to continue to adopt the going concern basis in preparing the financial statements

Directors

The directors who served during the year were

Darren Bramhall
Brian Casey
Philip Ridal (resigned 30 June 2015)
Jeff Whyatt
Julie Sharman
Sandra Kelly (appointed 1 July 2015)
Alan Lloyd (appointed 16 June 2015)

Directors' report

For the year ended 31 March 2016

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information

This report was approved by the board on 4 July 2016 and signed on its behalf

Jeff Whyatt
Director

Strategic report

For the year ended 31 March 2016

Principal activity

The principal activity of the company during the year was that of marina operations

Business review

Our key performance indicators show a return on average capital employed of 4 61% (2015 1 03%) using operating profit as the return, predominately due to the lower impairment in the year and increased moorings income Using EBITDA, the return increased to 12 96% (2015 12 15%) as a result of the improved trading performance

Currently we manage an average total of 3,127 (2015 3,232) saleable water and hardstanding berths (including visitor berths) across the 19 (2015 20) sites from which we operate following the disposal of Victoria Basin in May 2015 These are split water berths 2,722 (2015 2,189) and hardstanding berths 405 (2015 414)

Our revenue performance by each of our main business activities is shown below

	2016 £000's	2015 £000's
Moorings (including hardstanding)	**5,455**	5,194
Retail	**610**	619
Brokerage Fees	**214**	176
Marina Services (repairs & lifting)	**177**	162
Caravan Permits	**332**	244
Property Rents	**230**	219
Other Income	**512**	502
Total	**7,530**	7,116

Mooring occupancy has improved throughout the year, particularly in the south of England, such that average occupancy has risen to 75 1% (2015 71 0%)

Brokerage revenues have improved mainly due to a more competitive pricing policy which has attracted more boats to the BWML brokerage service

Caravan permits (via Bath Marina & Caravan Park) has seen a strengthening of demand, partly driven by the closure of a local competitor

Other income has been positively impacted by the introduction of caravan storage at White Bear and Hull alongside stronger car park receipts

BWML is a wholly owned subsidiary of Canal & River Trust ("the Trust") and operates in accordance with the Trust's Competition Law Compliance Code of Practice One of the principles of that Code is that all services related to the Trust's role as network operator that are provided to BWML by the Trust are on terms that are available to other marina operators or, where no equivalent service is offered to other operators, on terms that reflect their full economic cost including apportioning of overheads

Strategic report

For the year ended 31 March 2016

Various operating measures are in place to ensure that BWML complies with this Code which include paying the Trust for the supply of accounting, payroll and pension services and the open market rents for marinas that are leased from the Trust In the year ended 31 March 2016 the following payments were made to the Trust -

Property rents	£853k	(2015 £820k)
Service level agreements	£181k	(2015 £79k)

During the year BWML have made a provision to pay gift aid to its parent company of £750k which relates to profits earned in the year ended 31 March 2016 (2015 £1,090k)

BWML employs 72 (2015 70) full time equivalent staff throughout the company Staff remain a key factor in the effective performance of the business, and help to deliver long term growth of the business The directors would like to thank the staff for their continuing efforts without which the company would not continue to prosper

Impairment reviews have resulted in a charge of £247,513 (2015 £714,087) being included within the accounts

Results and dividends

The Loss for the year, after taxation and gift aid, amounted to £176,051 (2015 £885,545)

Particulars of gift aid payments are detailed in note 17 to the financial statements

Future Developments

BWML relinquished its interest at Goytre Wharf with effect from 1 April 2016

Pennington Wharf new marina (58 berths) at Leigh, Lancashire on the Leeds and Liverpool canal will be fitted out during summer 2016 and be operational in the autumn

Priory Marina (Bedford) has recently secured planning permission for 12 residential Floating homes

Additional riverside moorings (seven in total) will be added at Portavon marina (River Avon) during Autumn 2016

We will continue to seek to maximise the number of residential moorings offered in order to improve the average fee income per mooring

Principal risks and uncertainties

The main risks to the company are

Competition risk
The company is exposed to competition risk, both from existing marina operators and proposed new developments in the vicinity of our marinas Management seek to reduce this risk through continuously improving the customer offering and delivering high levels of customer service

Credit risk
In order to manage credit risk, the directors have instituted a process at each of its marina sites of a review of all customer accounts by a credit control team each month with individual customer accounts being subject to debt collection action where necessary on a regular basis with reference to debt ageing and collection history

Strategic report
For the year ended 31 March 2016

Cash/stock
Cash from customers is handled at our marinas and a number of sites carry stock for resale which carries risk Management ensure that appropriate control procedures are in place to manage these risks

Liquidity risk
The company manages financial risk by ensuring sufficient liquidity is available to meet foreseeable needs Regular cashflow reviews are undertaken by directors to ensure future commitments can be met BWML funding where necessary is via share capital issued to its holding company the Trust Such investments by the Trust are made in accordance with its corporate hurdle rate and business objectives

Interest rate risk
An overdraft has been arranged within the year However, the directors do not consider the company's exposure to interest risk to be material, even with the overdraft facility

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 4 July 2016 and signed on its behalf

J Whyatt
Director

Independent auditor's report to the members of British Waterways Marinas Limited

We have audited the financial statements of British Waterways Marinas Limited for the year ended 31 March 2016 which comprise the balance sheet, the profit and loss account, and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland

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 1, 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/auditscopeprivate

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 31 March 2016 and of its loss for the year then ended,

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and

- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent auditor's report to the members of British Waterways Marinas Limited

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

Grant Thornton UK LLP

Carol Rudge
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London
Date 4 July 2016

Profit and loss account

For the year ended 31 March 2016

	Note	2016 £	2015 £
Turnover	1,2	**7,529,543**	7,115,614
Administrative expenses		**(6,687,068)**	(6,260,144)
Impairment of intangible assets (goodwill)	3,8	**(247,513)**	(714,087)
Operating profit	3	**594,962**	141,383
Interest receivable and similar income		**8,587**	8,605
Losses on disposal of tangible assets		**(29,600)**	(15,626)
Gift aid	17	**(750,000)**	(1,090,000)
Loss on ordinary activities before taxation		**(176,051)**	(955,638)
Tax on loss on ordinary activities	7	**-**	70,093
Loss for the financial year	15	**(176,051)**	(885,545)
Retained earnings at 1 April		**1,383,992**	**2,269,537**
Retained earnings at 31 March		**1,207,941**	**1,383,992**

All amounts relate to continuing operations

The notes on pages 10 to 20 form part of these financial statements

There are no recognised gains or losses for the period, other than the profit or loss

Balance sheet
As at 31 March 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Intangible assets	8		**1,582,284**		1,900,110
Tangible assets	9		**10,987,799**		11,227,572
			12,570,083		13,127,682
Current assets					
Stocks	10	**167,577**		191,021	
Debtors	11	**2,456,941**		1,975,930	
Cash at bank and in hand		**2,740,994**		2,300,529	
		5,365,512		4,467,480	
Creditors. amounts falling due within one year	12	**(5,523,266)**		(5,014,247)	
Net current liabilities			**(157,754)**		(546,767)
Total assets less current liabilities			**12,412,329**		12,580,915
Creditors: amounts falling due after more than one year	13		**(43,388)**		(35,923)
Net assets			**12,368,941**		12,544,992
Capital and reserves					
Called up share capital	14		**2,116**		2,116
Share premium account	15		**11,158,884**		11,158,884
Profit and loss account	15		**1,207,941**		1,383,992
Shareholders' funds	16		**12,368,941**		12,544,992

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

J Whyatt
Director
Date 4 July 2016

The notes on pages 10 to 19 form part of these financial statements

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies

1 1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

These financial statements for the year ended 31 March 2016 are the first financial statements that comply with the Financial Reporting Standard applicable to the UK and Ireland (FRS 102) (effective January 2015) The date of transition is 1 April 2014

The transition to FRS 102 has resulted in a change in accounting policies to those used previously in relation to holiday pay due to employees at the year end Details of this change, and its impact on opening reserves and profit for the comparative period is shown in note 24

1.2 Going concern

The directors of the company are of the opinion that there are adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties at the year end This opinion is supported by detailed forecasts on cashflow As such it is deemed appropriate to continue to adopt the going concern basis in preparing the financial statements

1.3 Significant judgements and key sources of estimation uncertainty

BWML's significant accounting policies are stated below The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity and judgement involved in their application and their impact on the consolidated financial statements

a) Trade debtors

BWML is required to judge when there is sufficient objective evidence to require the impairment of individual trade debtors It does this on the basis of the age of the relevant debtor, external evidence of the credit status of the counterparty and the status of any disputed amounts

b) Useful economic lives of operational fixed assets

Assets held by BWML are depreciated from acquisition based on their useful economic life, so to write-off the cost of the asset less any residual value (if any) Judgement is required to assess the length of this life, and this is evaluated based on past experience, asset classification and condition reviews Depreciation rates for classes of assets are reviewed annually, to ensure they remain appropriate with reference to external and internal factors, including the level of proceeds (and resulting profit/losses) recognised on disposal of such items Value in use calculations are also performed annually for marinas where there is considered a risk of impairment

c) Goodwill

As per the goodwill note, management are required to make judgements on the calculation of value in use of the company's assets to determine any potential impairment in goodwill Management make use of independent evidence and their own understanding of future performance to make these judgements

Notes to the financial statements

For the year ended 31 March 2016

1.4 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 102, section 7

1.5 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts Revenue is recognised upon the performance of services or transfer of risk to the customer as follows,

a) Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards are transferred to the customer

b) Rendering of services

i) Mooring & Hardstanding permits
These are invoiced in advance and revenue is recognised on a deferred basis over the term of the contract

ii) Property Rents
Revenue is generally invoiced monthly or quarterly in advance and recognised over the lease period

iii) Brokerage Fees
Revenue is recognised on the transfer of title to the buyer of the craft

iv) Marina Services – (Repairs and Lifting)
Charges for these services are rendered upon completion of the service and recognised at that point

1.6 Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities Goodwill is amortised over a period of 20 years An impairment review is also undertaken annually, using external evidence, and any impairment necessary is recognised in that year

Notes to the financial statements
For the year ended 31 March 2016

1 7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation Depreciation is not charged on freehold land Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, over their expected useful lives on the following straight line bases

Long leases	The unexpired lease term
Freehold buildings and structures	40 years
Pontoons & redecking	25 years
Vessels	25 years
Major power & water upgrades	25 years
Fencing & sheds	15 years
Plant, facilities, cranes & hoists, bollards	10 years – 25 years
Security CCTV/access controls	10 years
Minor power upgrades	10 years
Operational vehicles, computer & office equipment	5 years

1.8 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term

1.9 Stocks

Stock comprises retail items held for resale within individual marinas Stocks are valued at the lower of cost and net realisable value after making allowance for obsolete and slow-moving stocks

1.10 Pensions

The company participates in the two pension schemes of its parent company, the Trust The schemes are centrally administered and one is a defined benefit scheme, and the other a defined contribution scheme New employees are invited to join the latter

It is not possible for the scheme to identify the company's share of the underlying assets and liabilities of the defined benefit scheme and therefore, in accordance with FRS 102 section 28, contributions to this scheme are accounted for as though it were a defined contribution scheme

1.11 Gift Aid

Gift Aid is payable to the parent undertaking, Canal & River Trust, which is a UK charity, the charitable purpose of which is to care for England and Wales' 200 year old waterways The gift aid is declared out of retained profits and profits earned for the year

Notes to the financial statements

For the year ended 31 March 2016

2. Turnover

The whole of the turnover is attributable, either directly or indirectly, to the one principal activity of the company and all arose within the UK

3. Operating profit

The operating profit is stated after charging

	2016	2015
	£	£
Impairment of intangible assets (goodwill)	**247,513**	714,087
Amortisation of intangible assets (goodwill)	**70,313**	137,590
Depreciation of tangible fixed assets		
- owned by the company	**722,700**	600,408
Operating lease renewals		
- plant and machinery	**45,245**	56,144
- land and buildings	**697,187**	694,204

4. Auditors' remuneration

	2016	2015
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	**15,000**	15,500

5. Staff costs

Staff costs, including directors' remuneration, were as follows

	2016	2015
	£	£
Wages and salaries	**1,723,804**	1,755,685
Social security costs	**137,796**	137,994
Other pension costs	**180,909**	167,469
	2,042,509	2,061,149

Notes to the financial statements
For the year ended 31 March 2016

The average monthly number of employees (on an FTE basis), including the directors, during the year was as follows

	2016 **No.**	2015 No
Full time	**56**	58
Part time	**16**	12
	72	70

6. Directors' remuneration

	2016 **£**	2015 £
Remuneration	**215,210**	250,098

During the year retirement benefits were accruing to 2 directors (2015 – 2) in respect of the defined benefit pension scheme, and 1 (2015 1) director in respect of the defined contribution pension scheme

The highest paid director received remuneration of £98,087 (2015 - £92,177)

Notes to the financial statements

For the year ended 31 March 2016

7. Taxation

	2016	2015
	£	£
Analysis of tax credit		
Current tax (see note below)		
UK corporation tax credit	-	(65,698)
Under provision in prior year	-	(4,395)
Total current tax	-	(70,093)

Factors affecting tax credit for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK of 20% (2015 - 21%) The differences are explained below

	2016	2015
	£	£
Loss on ordinary activities before tax	**(176,051)**	(955,638)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	**(35,210)**	(200,684)
Effects of:		
Expenses not deductible for tax purposes	**561**	107
Capital allowances for year in excess of depreciation	**(1,385)**	(16,336)
Adjustment for impairment of goodwill	**45,179**	149,958
Adjustments to tax charge in respect of prior periods	-	(4,395)
Losses carried forward	**(9,145)**	5,310
Difference in tax rates	-	(5,713)
Restatement impact (see note 24)		1,660
Current tax credit	-	(70,093)

Notes to the financial statements

For the year ended 31 March 2016

8. Intangible fixed assets

	Goodwill 2016 £
Cost	
At 1 April 2015 and 31 March 2016	**3,064,297**
Amortisation	
At 1 April 2015	1,164,187
Charge for the year	70,313
Impairment charge	247,513
At 31 March 2016	1,482,013
Net book value	
At 31 March 2016	**1,582,284**
At 31 March 2015	1,900,110

9. Tangible fixed assets

	Freehold property £	L/Term leasehold property £	Plant & machinery £	Total £
Cost				
At 1 April 2015	2,559,024	5,362,913	6,494,845	14,416,782
Additions	-	118,694	519,753	638,447
Disposals	-	(1,792)	(220,825)	(222,617)
Transfer between classes				
At 31 March 2016	**2,559,024**	**5,479,815**	**6,793,773**	**14,832,612**
Depreciation				
At 1 April 2015	140,714	928,654	2,119,842	3,189,210
Charge for the year	107,193	234,869	380,638	722,700
Disposals	-	(666)	(66,431)	(67,097)
Transfer between classes				
At 31 March 2016	**247,907**	**1,162,857**	**2,434,049**	**3,844,813**
Net book value				
At 31 March 2016	**2,311,117**	**4,316,958**	**4,359,724**	**10,987,799**
At 31 March 2015	2,418,310	4,434,259	4,375,003	11,227,572

Included within tangible fixed assets is £815,536 (2015 £720,893) of assets under construction No depreciation is charged on assets under construction

Notes to the financial statements
For the year ended 31 March 2016

10. Stocks

	2016 £	2015 £
Finished goods and goods for resale	**167,577**	191,021

11. Debtors

	2016 £	2015 £
Due within one year		
Trade debtors	**2,033,954**	1,913,135
Prepayments and accrued income	**422,987**	62,795
Other debtors	**-**	-
	2,456,941	1,975,930

12. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	**341,614**	147,789
Amounts owed to group undertakings	**1,565,428**	1,381,028
Other taxation and social security	**11,127**	3,414
Other creditors	**234,338**	81,209
Accruals and deferred income	**3,370,759**	3,400,807
	5,523,266	5,014,247

13. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Other creditors	**3,925**	9,629
Accruals and deferred income	**39,463**	26,294
	43,388	35,923

Notes to the financial statements

For the year ended 31 March 2016

14. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
Ordinary Shares of £1 each	**2,116**	2,116

15. Reserves

	Share premium account £	Profit and loss account £
At 1 April 2015	11,158,884	1,383,992
Loss for the financial year	-	(176,051)
At 31 March 2016	**11,158,884**	**1,207,941**

16. Reconciliation of movement in shareholders' funds

	2016 £	2015 £
Opening shareholders' funds	**12,544,992**	13,430,537
Loss for the financial year	**(176,051)**	(885,545)
Closing shareholders' funds	**12,368,941**	12,544,992

17. Net Profit Gift Aid

The following gift aid was charged in the year

	2016 £	2015 £
Gift aid payable to the Trust	**750,000**	1,090,000

18. Capital commitments

At 31 March 2016 the company had capital commitments as follows

	2016 £	2015 £
Contracted for but not provided in these financial statements	**26,456**	20,958

Notes to the financial statements

For the year ended 31 March 2016

19. Pension commitments

The company participates in the two pension schemes of its parent company, the Trust The schemes are centrally administered and one is a defined benefit scheme, and the other a defined contribution scheme New employees are invited to join the latter

It is not possible for the scheme to identify the company's share of the underlying assets and liabilities of the defined benefit scheme and therefore, in accordance with FRS 102 section 28, contributions to this scheme are accounted for as though it was a defined contribution scheme

20. Operating lease commitments

At 31 March 2016 the company had total commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2016	2015	**2016**	2015
	£	£	**£**	£
Operating Leases which expire:				
Within 1 year	**697,187**	694,204	**11,218**	16,321
Between 2 and 5 years	**2,788,747**	2,776,816	**4,805**	16,023
After more than 5 years	**15,930,825**	15,514,040		-

21. Related party transactions

For the year ended 31 March 2016, the company paid rent totalling £853,316 (2015 £820,277), service level agreement charges totalling £181,382 (2015 £78,974) and gift aid of £800,000 (2015 £290,000) to the Trust The business also received commissions for the sale of craft licences on behalf of the Trust totalling £6,917 (2015 £7,350) At 31 March 2016 amounts totalling £1,565,428 (2015 £1,381,028) were owed to the Trust

22. Ultimate parent undertaking and controlling party

The ultimate parent company is Canal & River Trust A copy of the financial statements of the parent undertaking can be obtained from First Floor North Station House, 500 Elder Gate, Milton Keynes, Buckinghamshire, MK9 1BB

Notes to the financial statements

For the year ended 31 March 2016

23. Post balance sheet events

There were no post balance sheet events requiring disclosure

24. Reconciliation with Previous Generally Accepted Accounting Practice

In preparing the accounts, the directors have considered whether, in applying the accounting policies required by FRS 102, the restatement of comparative items was required

One item was identified A liability is now recognised to record employee entitlement to short-term compensated absences The amount restated reflects holiday pay due to employees as at balance sheet date The accrual as at transition date (1 April 2014) is calculated at £26,310, increasing to £34,213 at the end of the comparative period

In accordance with FRS 102, a reconciliation of the movement on reserves, and the impact on comparative profit and loss account figures is provided

Reconciliation of Reserves for 31 March 2015

	Profit and loss reserve
	£
Reserves prior to restatement at 31 March 2015	**1,418,205**
Opening holiday pay accrual at 1 April 2014	**(26,310)**
Increase in holiday pay accrual during 2014/15	**(7,903)**
Restated balance at 31 March 2015	**1,383,992**

Reconciliation of Profit and Loss for year ended 31 March 2015

	£
Loss for the year ended 31 March 2015 prior to restatement	**(877,642)**
Increase in holiday pay accrual during 2014/15	**(7,903)**
Restated loss for year ended 31 March 2015	**(885,545)**