

COMPANY REGISTRATION NUMBER 08162562

UNICUS SHEFFIELD LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS
31 JULY 2016

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UNICUS SHEFFIELD LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2016

CONTENTS	PAGE
Directors' report	1
Statement of directors' responsibilities	3
<i>Independent auditor's report to the members</i>	4
Profit and loss account and Other Comprehensive Income	6
Balance sheet	7
Notes to the financial statements	9

UNICUS SHEFFIELD LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 JULY 2016

The directors present their report and the financial statements of the company for the year ended 31 July 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the provision of catering and retail services.

Unicus also acts as agent to the University of Sheffield in the supply of catering services to University students at certain of its outlets.

The business had an excellent year producing a Profit before tax of £60k. This was £180k better than budget and last year's operating loss. (Please note 2015 has been restated in these accounts to conform to FRS 102 and the effect of this is shown in Note 18) Turnover was up 21% on the previous year. This was largely due to the opening of a new outlet in the Diamond building where sales far exceeded expectations. It was also helped by the opening of another smaller outlet and Halifax Hall sales continued to grow. All the signs point to 2016/17 being an even better year with a forecasted Profit over £100k.

The trading results for the year and the company's financial position at the end of the year are shown in the attached Financial Statements.

Having reviewed the forecasts of the company the Directors believe the company should continue to adopt the going concern basis in the preparation of its Financial Statements.

RESULTS AND DIVIDENDS

The profit for the year amounted to £54,962. The directors have not recommended the payment of a dividend.

DIRECTORS

The directors who held office during the year were as follows:

Mr R Rabone	
Miss C L Young	
Mr C Coldrey-Mobbs	
Miss C L Masters	(Appointed 28 September 2015)
Ms P McGrath	(Resigned 28 September 2015)
Mr J G Kelly	(Resigned 27 June 2016)

POLITICAL CONTRIBUTIONS

The Company made no political donations or incurred any political expenditure during the year.

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

UNICUS SHEFFIELD LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JULY 2016

AUDITOR

KPMG LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

By order of the board

Registered office:
Firth Court
Western Bank
Sheffield
England
S10 2TN

Signed on behalf of the directors



Mr R Rabone

Director

Approved by the directors on 2/12/16

UNICUS SHEFFIELD LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 31 JULY 2016

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 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). 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 year.

In preparing those 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;
- 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Mr R Rabone, on behalf of the Board

2 December 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNICUS SHEFFIELD LIMITED

We have audited the financial statements of Unicus Sheffield Limited for the year ended 31 July 2016 set out on pages 6 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



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

Date: 16TH DECEMBER 2016

UNICUS SHEFFIELD LIMITED
PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 JULY 2016

	Note	2016 £	2015 £
TURNOVER	2	5,162,122	4,279,927
Cost of sales		<u>3,407,272</u>	<u>2,944,846</u>
GROSS PROFIT		1,754,850	1,335,081
Administrative expenses		<u>1,673,480</u>	<u>1,475,411</u>
OPERATING PROFIT/(LOSS)	3	81,370	(140,330)
Interest payable and similar charges	5	21,167	20,651
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		60,203	(160,981)
Tax on profit/(loss) on ordinary activities	6	5,241	(46,038)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		54,962	(114,943)
Balance brought forward		<u>(646,306)</u>	<u>(531,363)</u>
Balance carried forward		<u>(591,344)</u>	<u>(646,306)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 18 form part of these financial statements.

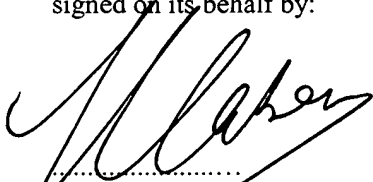
UNICUS SHEFFIELD LIMITED

BALANCE SHEET

31 JULY 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	7	<u>328,454</u>	<u>278,011</u>
CURRENT ASSETS			
Stocks	8	79,626	61,284
Debtors	9	313,338	278,927
Cash at bank and in hand		<u>243,768</u>	<u>249,431</u>
		636,732	589,642
CREDITORS: Amounts falling due within one year	10	<u>761,719</u>	<u>708,692</u>
NET CURRENT LIABILITIES		<u>(124,987)</u>	<u>(119,050)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>203,467</u>	<u>158,961</u>
CREDITORS: Amounts falling due after more than one year	11	<u>394,811</u>	<u>405,267</u>
		<u>(191,344)</u>	<u>(246,306)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	14	400,000	400,000
Profit and loss account		<u>(591,344)</u>	<u>(646,306)</u>
DEFICIT	15	<u>(191,344)</u>	<u>(246,306)</u>

These financial statements were approved by the board of directors on 21/2/16, and were signed on its behalf by:



Mr R Rabone
Director

Company Registration Number: 08162562

The notes on pages 8 to 18 form part of these financial statements.

UNICUS SHEFFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016

1. ACCOUNTING POLICIES

Unicus Sheffield Limited is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied.

In the transition to FRS 102 from old UK GAAP, the Company has made measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected the financial position and financial performance of the Company is provided in note 18.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company's parent undertaking, The University of Sheffield, includes the Company in its consolidated financial statements. The consolidated financial statements of The University of Sheffield are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Firth Court, Western Bank, Sheffield, S10 2TN. In these financial statements, the company satisfies the criteria of being a qualifying entity and has applied the exemptions available under paragraph 1.12 of FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes
- Strategic Review
- Related Party Transactions

1.1 Measurement Convention

The financial statements are prepared on the historical cost basis.

1.2 Going Concern

Having reviewed the results and forecasts of the Company, the Directors believe the Company should continue to adopt the going concern basis in the preparation of its Financial Statements.

1.3 Tangible Fixed Assets

Tangible Fixed Assets are stated at Cost less accumulated depreciation.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful life of each asset. Leased assets are depreciated over the shorter of the lease term and their useful life calculated so as to write off the cost of an asset, less its estimated residual value, over

the useful economic life of that asset as follows:

Equipment - 10%, 20% and 33.3% per annum

1.4 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.5 Employee Benefits

Defined Contribution Plan

Contributions made by the company into a defined contribution Pension Plan are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.6 Expenses

Finance Leases

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

UNICUS SHEFFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016

2. TURNOVER

	2016 £	2015 £
Sale of goods	496,139	593,677
Rendering of services	4,665,983	3,686,250
Total Turnover	<u>5,162,122</u>	<u>4,279,927</u>

By activity

	2016 £	2015 £
Retail Sales	496,139	593,677
Catering	3,982,074	3,142,556
Hotel Accommodation	683,909	543,694
	<u>5,162,122</u>	<u>4,279,927</u>

By geographical market

	2016 £	2015 £
UK	5,162,122	4,279,927
	<u>5,162,122</u>	<u>4,279,927</u>

3. EXPENSES AND AUDITOR'S REMUNERATION

Included in profit/loss are the following:

	2016 £	2015 £
Directors' remuneration	—	—
Depreciation of owned fixed assets	86,178	73,355
Depreciation of assets held under hire purchase agreements	15,376	10,436

Auditor's Remuneration

	2016 £	2015 £
Audit of these financial statements	<u>6,630</u>	<u>6,500</u>

4. STAFF NUMBERS AND COSTS

The average number of staff employed by the company during the financial year, analysed by category, was as follows:

	2016	2015
	No	No
Number of management staff	16	12
Number of admin, catering and retail staff	71	62
	<u>87</u>	<u>74</u>

The aggregate payroll costs of the above were:

	2016	2015
	£	£
Wages and salaries	2,535,295	2,134,828
Social security costs	92,795	78,748
Contributions to Defined Benefit Plans	87,666	58,228
	<u>2,715,756</u>	<u>2,271,804</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Interest payable on Loans	17,979	17,529
Hire purchase interest	3,188	3,122
	<u>21,167</u>	<u>20,651</u>

Interest payable on Loans was all payable to Group Undertakings

UNICUS SHEFFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016

6. TAXATION

Total tax expense recognised in the Profit and Loss account, Other Comprehensive Income and Equity

	2016 £	2015 £
Current tax		
Current tax on income for the period		
Group Relief receivable		(17,671)
Adjustments in respect of Prior periods	5,241	(28,367)
Total Current tax	5,241	(46,038)

	2016			2015		
	Current Tax £	Deferred Tax £	Total Tax £	Current Tax £	Deferred Tax £	Total Tax £
Recognised in Profit & Loss Account	5,241	0	5,241	(46,038)	0	(46,038)
Recognised in Other Comprehensive Income						
Total Tax	5,241	0	5,241	(46,038)	0	(46,038)

Analysis of Current tax recognised in Profit & Loss

	2016 £	2015 £
UK Corporation Tax	0	0
Group Relief receivable	5,241	(46,038)
Foreign Tax	0	0
Total current tax recognised in Profit & Loss	5,241	(46,038)

Reconciliation of Effective Tax Rate

	2016 £	2015 £
Profit/(Loss) on ordinary activities before taxation	60,203	(160,981)
Total tax expense	<u>(5,241)</u>	<u>46,038</u>
Profit excluding taxation	54,962	(114,943)
Tax using the UK corporation tax rate of 20.00% (2015:20.67%)	12,041	(33,275)
Difference in tax rates	0	680
Non-deductible expenses/non-taxable income	3,110	5,060
Movement on deferred tax not recognised	19,015	8,050
Recognition of previously unrecognised tax losses	(34,166)	0
Current year losses for which no deferred tax asset was recognised	0	1,814
Under/(over) provided in prior years	<u>(5,241)</u>	<u>(28,367)</u>
Total tax expense included in profit or loss	<u>(5,241)</u>	<u>46,038</u>

Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2016	2015	2016	2015	2016	2015
	£	£	£	£	£	£
		Restated		Restated		Restated
Accelerated capital allowances	0	0	4,054	28,589	4,054	28,589
Unused tax losses	(44,067)	(72,303)	0	0	(44,067)	(72,303)
Short term timing differences	(12,105)	(16,973)	0	0	(12,105)	(16,973)
Tax (assets)/liabilities	(56,172)	(89,276)	4,054	28,589	(52,118)	(60,687)
Net tax (assets)/liabilities	(56,172)	(89,276)	4,054	28,589	(52,118)	(60,687)

UNICUS SHEFFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016

7. TANGIBLE FIXED ASSETS

	Equipment £
COST	
At 1 August 2015	451,276
Additions	151,995
Transfer	
Disposals	
At 31 July 2016	<u><u>603,271</u></u>
DEPRECIATION	
At 1 August 2015	173,264
Charge for the year	101,554
At 31 July 2016	<u><u>274,818</u></u>
NET BOOK VALUE	
At 31 July 2016	<u><u>328,454</u></u>
At 31 July 2015	<u><u>278,011</u></u>

Leased Equipment

At 31st July 2016 the net book value of equipment leased under finance leases was £21,094 (2015 - £27,134)

8. STOCKS

	2016 £	2015 £
Stock	<u><u>79,626</u></u>	<u><u>61,284</u></u>

9. DEBTORS

	2016 £	2015 £
Trade debtors	39,783	50,474
Amounts owed by group undertakings	155,821	133,006
Other debtors	47,942	44,601
Prepayments and accrued income	69,792	50,846
	<u><u>313,338</u></u>	<u><u>278,927</u></u>

All Debtors are due within one year

UNICUS SHEFFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016

10. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	148,490	107,886
Amounts owed to group undertakings	24,996	3,143
Other taxation and social security	100,898	257,847
Obligations under finance leases	16,987	12,461
Other creditors	3,485	12,313
Accruals and deferred income	466,863	315,042
	<u>761,719</u>	<u>708,692</u>

11. CREDITORS: Amounts falling due after more than one year

	2016	2015
	£	£
Amounts owed to group undertakings	391,098	391,098
Obligations under finance leases	3,713	14,169
	<u>394,811</u>	<u>405,267</u>

12. INTEREST-BEARING LOANS AND BORROWINGS

	2016	2015
	£	£
Amounts payable within 1 year	18,516	14,865
Amounts payable between 2 to 5 years	3,937	15,151
	<u>22,453</u>	<u>30,016</u>
Less interest and finance charges relating to future periods	(1,753)	(3,386)
	<u>20,700</u>	<u>26,630</u>
Hire purchase agreements are analysed as follows:		
Current obligations	16,987	12,461
Non-current obligations	3,713	14,169
	<u>20,700</u>	<u>26,630</u>

13. EMPLOYEE BENEFITS

Defined contribution plan

The total expense relating to this plan in the current year was £87,666 (2015 : £58,228)

UNICUS SHEFFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2016

14. SHARE CAPITAL

Allotted, called up and fully paid:

	2016		2015	
	No	£	No	£
Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2016	2015
	£	£
Profit/(Loss) for the financial year	54,962	(114,943)
New ordinary share capital subscribed	—	—
Net increase/(reduction) to shareholder's deficit	54,962	(114,943)
Opening shareholder's deficit	<u>(246,306)</u>	<u>(131,363)</u>
Closing shareholder's deficit	<u>(191,344)</u>	<u>(246,306)</u>

16. ULTIMATE PARENT COMPANY

The ultimate parent undertaking of this company is the University of Sheffield. The largest and smallest group of undertakings for which group accounts have been drawn up, including the company, is that headed by the University of Sheffield. The consolidated accounts of this institution are available to the public and may be obtained from the University of Sheffield, Firth Court, Western Bank, Sheffield, S10 2TN.

17. ACCOUNTING ESTIMATES AND JUDGEMENTS

Finance Leases

The Company has assessed the substance of the transactions in relation to several Lease agreements it has entered into and has made a judgement that they are all Finance Leases and have been treated as such in preparing these financial statements.

18. EXPLANATION OF TRANSITION TO FRS 102 FROM OLD UK GAAP

As stated in Note 1, these are the Company's first financial statements prepared in accordance with FRS 102. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st July 2016 and the comparative information presented in these financial statements for the year ended 31st July 2015.

In preparing its FRS 102 balance sheet, the company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting UK GAAP. An explanation of how the transition from UK GAAP to FRS 102 has affected the Company's financial position and financial performance is set out in the following tables.

Reconciliation of Equity

	UK GAAP £	2015 Effect of Transition To FRS 102 £	FRS 102 £	UK GAAP £	2016 Effect of Transition To FRS 102 £	FRS 102 £
FIXED ASSETS						
Tangible Assets	278,011		278,011	328,454		328,454
CURRENT ASSETS						
Stocks	61,284		61,284	79,626		79,626
Debtors	278,927		278,927	313,233	105	313,338
Cash at Hand and in Bank	249,431		249,431	243,768		243,768
	589,642		589,642	636,627	105	636,732
CREDITORS						
Amounts falling due within one year	668,805	39,887	708,692	749,129	12,590	761,719
NET CURRENT LIABILITIES	(79,163)	(39,887)	(119,050)	(112,502)	(12,485)	(124,987)
TOTAL ASSETS LESS CURRENT LIABILITIES	198,848	(39,887)	158,961	215,952	(12,485)	203,467
CREDITORS						
Amounts falling due after more than one year	403,888	1,379	405,267	395,509	(698)	394,811
	(205,040)	(41,266)	(246,306)	(179,557)	(11,787)	(191,344)
CAPITAL & RESERVES						
Called-up equity share capital	400,000		400,000	400,000		400,000
Profit & Loss Account	(605,040)	(41,266)	(646,306)	(579,557)	(11,787)	(591,344)
	(205,040)	(41,266)	(246,306)	(179,557)	(11,787)	(191,344)

Notes to the Reconciliation of Equity

An Accrual for Holiday Pay increased Amounts falling due within one year by £40,089 in 2015 and a further £11,238 in 2016.

The other adjustments relate to how Finance Lease interest has been changed from being allocated to each period on a Straight Line basis to being allocated so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Reconciliation of Profit/Loss

	UK GAAP	2016 Effect of Transition To FRS 102	FRS 102
	£	£	£
Turnover	5,162,122		5,162,122
Cost of Sales	<u>3,407,272</u>		<u>3,407,272</u>
GROSS PROFIT	1,754,850		1,754,850
Administrative expenses	<u>1,662,242</u>	11,238	<u>1,673,480</u>
OPERATING PROFIT	92,608	(11,238)	81,370
Interest Payable	20,618	549	21,167
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	<u>71,990</u>	<u>(11,787)</u>	<u>60,203</u>
Tax on Profit on Ordinary Activities	<u>5,241</u>		<u>5,241</u>
Profit for the year	<u>66,749</u>	<u>(11,787)</u>	<u>54,962</u>

Notes to the reconciliation of Profit/(Loss)

Administration expenses were increased due to the increase in the accrual for Holiday Pay.

Interest Payable increased due to allocating finance lease interest so as to produce a constant periodic rate of interest on the remaining balance of the liability.