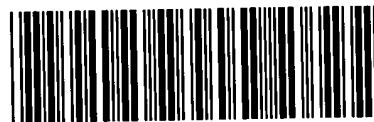


Registered number: 09248684

Caddick (City One) Limited  
Annual report  
for the year ended 31 August 2016

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# **Caddick (City One) Limited**

## **Annual report for the year ended 31 August 2016**

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# **Caddick (City One) Limited**

## **Directors and advisers**

### **Directors**

P Caddick  
J P Caddick  
C Brewins

### **Company Secretary**

P A Bullers

### **Registered office**

Castlegarth Grange  
Scott Lane  
Wetherby  
West Yorkshire  
LS22 6LH

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
St Paul's Place  
121 Norfolk Street  
Sheffield  
S1 2LE

# **Caddick (City One) Limited**

## **Directors' report for the year ended 31 August 2016**

The directors have pleasure in presenting their annual report and the audited financial statements of the company for the year ended 31 August 2016.

### **Principal activity**

The company's principal activity is property development. The company owns a 9.5 acre development site in Leeds comprising a surface car park and a let commercial unit, with outline planning consent on the site for a mixed use scheme of around 1.6m sq. ft.

### **Results and dividends**

The company made a profit for the financial year of £497,139 (2015: £310,026). The directors do not recommend payment of a dividend (2015: £Nil).

### **Future prospects**

Possible uses of the site continue to be explored, including possible use of part of the site for residential use under PRS.

The directors consider the future prospects of the company to be satisfactory.

### **Directors**

The directors of the company during the whole of the year and up to the date of signing the financial statements were as follows:

P Caddick  
J P Caddick  
C Brewins

### **Statement of directors' responsibilities**

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 period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A (FRS 102) and applicable law (United Kingdom Generally Accepted Accounting Practice). 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.

# **Caddick (City One) Limited**

## **Directors' report for the year ended 31 August 2016 (continued)**

### **Directors' indemnities**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The Company also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors.

### **Statement of disclosure of information to auditors**

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Relevant information is defined as "information needed by the company's auditors in connection with preparing their report".

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that he ought to have taken in his duty as director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Small company provisions**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the Board



J P Caddick  
**Director**

23 February 2017

# **Caddick (City One) Limited**

## **Independent auditors' report to the members of Caddick (City One) Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion Caddick (City One) Limited's financial statements (the "financial statements") :

- give a true and fair view of the state of the company's affairs as at 31 August 2016 and of its profit 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.

#### **What we have audited**

The financial statements, included within the Annual report, comprise:

- the balance sheet as at 31 August 2016;
- the profit and loss account for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

#### **Other matters on which we are required to report by exception**

##### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

##### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

# **Caddick (City One) Limited**

## **Independent auditors' report to the members of Caddick (City One) Limited (continued)**

### **Responsibilities for the financial statements and the audit**

#### **Our responsibilities and those of the directors**

As explained more fully in the statement of directors' responsibilities 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Andy Ward (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Sheffield  
23 February 2017

## Caddick (City One) Limited

### Profit and loss account for the year ended 31 August 2016

|  | Note | Year ended<br>31 August 2016<br>£ | 11 months ended<br>31 August 2015<br>£ |
|--|------|-----------------------------------|--|
| Administrative expenses                              |      | (8,050)                           | (5,954)                                |
| Other operating income                               | 5    | 775,140                           | 525,856                                |
| <b>Operating profit</b>                              | 6    | <b>767,090</b>                    | <b>519,902</b>                         |
| Interest payable and similar charges                 | 8    | (145,955)                         | (129,476)                              |
| <b>Profit on ordinary activities before taxation</b> |      | <b>621,135</b>                    | <b>390,426</b>                         |
| Tax on profit on ordinary activities                 | 9    | (123,996)                         | (80,400)                               |
| <b>Profit for the financial year / period</b>        |      | <b>497,139</b>                    | <b>310,026</b>                         |

The company's results shown above all derive from continuing operations throughout the year / period.

The company has no comprehensive income other than that included in the profit above, and therefore no separate statement of comprehensive income has been presented.



## Caddick (City One) Limited

### Balance sheet as at 31 August 2016

Registered number: 09248684

|   | Note | 2016<br>£          | 2015<br>£           |
|---|------|--------------------|---------------------|
| <b>Current assets</b>                                 |      |                    |                     |
| Stocks  | 10   | 10,060,489         | 10,048,215          |
| Debtors   | 11   | 15,322             | 22,889              |
| Cash at bank and in hand                              |      | 241,534            | 436,193             |
|   |      | 10,317,345         | 10,507,297          |
| <b>Creditors: amounts falling due within one year</b> | 12   | <b>(9,510,080)</b> | <b>(10,197,171)</b> |
| <b>Net assets</b>                                     |      | <b>807,265</b>     | <b>310,126</b>      |
| <b>Capital and reserves</b>                           |      |                    |                     |
| Called-up share capital                               | 13   | 100                | 100                 |
| Retained earnings                                     |      | 807,165            | 310,026             |
| <b>Total equity</b>                                   |      | <b>807,265</b>     | <b>310,126</b>      |

The financial statements on pages 6 to 14 were approved by the board of directors on 23 February 2017 and were signed on its behalf by:



J P Caddick  
Director

## Caddick (City One) Limited

### Statement of changes in equity for the year ended 31 August 2016

|                                     | Called-up share<br>capital | Retained<br>earnings | Total equity   |
|-------------------------------------|----------------------------|----------------------|----------------|
|                                     | £                          | £                    | £              |
| Issue of share capital              | 100                        | -                    | 100            |
| Profit for the financial period     | -                          | 310,026              | 310,026        |
| Balance as at 31 August 2015        | 100                        | 310,026              | 310,126        |
| Balance as at 1 September 2015      | 100                        | 310,026              | 310,126        |
| Profit for the financial year       | -                          | 497,139              | 497,139        |
| <b>Balance as at 31 August 2016</b> | <b>100</b>                 | <b>807,165</b>       | <b>807,265</b> |

# **Caddick (City One) Limited**

## **Notes to the financial statements for the year ended 31 August 2016**

### **1 General information**

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Castlegarth Grange, Scott Lane, Wetherby, West Yorkshire, LS22 6LH.

### **2 Statement of compliance**

The individual financial statements of Caddick (City One) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### **3 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements. The date of transition to FRS 102 was 1 September 2014. A reconciliation of the profit for the financial year ended 31 August 2015 and the total equity at 1 September 2014 and 31 August 2015 between UK GAAP as previously reported and FRS 102 is not required, as there are no changes in the reported amounts.

#### **Basis of preparation**

The financial statements have been prepared on the going concern basis and under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

#### **Cash flow statement**

The company is exempt under the terms of section 1A of FRS 102 from publishing a cash flow statement, as it qualifies as a small entity.

#### **Turnover**

Turnover includes the value of sales of development properties and the invoiced value of other sales, excluding value added tax. Sales and purchases of development properties are accounted for on the date of unconditional exchange of contracts.

#### **Stocks**

The development property is stated at the lower of cost and estimated net realisable value. Cost includes interest attributable to individual projects, where appropriate.

# **Caddick (City One) Limited**

## **Notes to the financial statements for the year ended 31 August 2016 (continued)**

### **3 Summary of significant accounting policies (continued)**

#### **Taxation**

The charge for taxation is based on the result for the year. Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

#### **Other operating income**

Other income received, including rental income, is recognised on an accruals basis.

#### **Financial instruments**

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial instruments, including trade and other receivables, cash and bank balances and listed investments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss, being the difference between the carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate, is recognised in the profit and loss account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed and is recognised in the profit and loss account.

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

# Caddick (City One) Limited

## Notes to the financial statements for the year ended 31 August 2016 (continued)

### 4 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The key accounting estimates and assumptions that have a significant risk if causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

#### Inventory provisioning

The company owns a development property which is currently held at cost in accordance with the accounting policy. When considering whether there is a need for a provision, management considers the nature and condition of the property and its current saleability and estimated market value by reference to external advice and valuations performed for banking purposes.

### 5 Other operating income

|                                      | 2016<br>£ | 2015<br>£ |
|--------------------------------------|-----------|-----------|
| Gross rents and insurances demanded  | 222,050   | 162,748   |
| Letting fees and other rental costs  | (15,381)  | (7,979)   |
| Net rents received                   | 206,669   | 154,769   |
| Car park takings and contract income | 902,042   | 587,425   |
| Car park operating costs             | (333,571) | (216,338) |
| Car park operating profits           | 568,471   | 371,087   |
| Total                                | 775,140   | 525,856   |

### 6 Operating profit

|  |           |           |
|--|-----------|-----------|
| Operating profit is stated after charging the following: | 2016<br>£ | 2015<br>£ |
| Remuneration of auditors for audit work                  | 1,000     | 1,000     |
| Remuneration of auditors for non-audit work              | 1,000     | 1,000     |

# Caddick (City One) Limited

## Notes to the financial statements for the year ended 31 August 2016 (continued)

### 7 Directors and employees

None of the directors received any emoluments in respect of their services to the company. There were no employees other than the directors.

### 8 Interest payable and similar charges

|                        | 2016<br>£ | 2015<br>£ |
|------------------------|-----------|-----------|
| Bank loan interest     | 144,944   | 83,220    |
| Group interest         | -         | 46,256    |
| Other interest payable | 1,011     | -         |
|                        | 145,955   | 129,476   |

### 9 Tax on profit on ordinary activities

|   | 2016<br>£      | 2015<br>£     |
|---|----------------|---------------|
| <b>Current tax:</b>                                       |                |               |
| UK corporation tax on profits of the year / period at 20% | 124,200        | 80,400        |
| Adjustments in respect of a previous year / period        | (204)          | -             |
| <b>Tax on profit on ordinary activities</b>               | <b>123,996</b> | <b>80,400</b> |

The company has no liability for deferred taxation at 31 August 2016.

The corporation tax charge on the profit on ordinary activities before taxation differs from the standard UK rate of 20% (2015: 20/21%). The differences are explained below:

|   | 2016<br>£      | 2015<br>£      |
|---|----------------|----------------|
| <b>Profit on ordinary activities before taxation</b>  | <b>621,135</b> | <b>390,426</b> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK at 20.00% (2015: 20.58%) | 124,227        | 80,350         |
| <b>Effects of:</b>  |                |                |
| Rounding and other adjustments  | (27)           | 50             |
| Adjustments in respect of a previous year / period  | (204)          | -              |
| <b>Tax charge for the year / period</b>   | <b>123,996</b> | <b>80,400</b>  |

## Caddick (City One) Limited

### Notes to the financial statements for the year ended 31 August 2016 (continued)

#### 10 Stocks

|                             | 2016<br>£  | 2015<br>£  |
|-----------------------------|------------|------------|
| <b>Development property</b> |            |            |
| Cost                        | 10,060,489 | 10,048,215 |

Situated on the development site are a number of advertising hoardings which are subject to a lease to a marketing company. The minimum future lease payments receivable under this lease are :

|   | 2016<br>£ | 2015<br>£ |
|---|-----------|-----------|
| Not later than one year                           | 94,360    | ?         |
| Later than one year and not later than five years | 345,987   | ?         |
|   | 440,347   | ?         |

#### 11 Debtors

|                                | 2016<br>£ | 2015<br>£ |
|--------------------------------|-----------|-----------|
| Other debtors                  | 1,662     | 5,462     |
| Prepayments and accrued income | 13,660    | 17,427    |
|                                | 15,322    | 22,889    |

## Caddick (City One) Limited

### Notes to the financial statements for the year ended 31 August 2016 (continued)

#### 12 Creditors: amounts falling due within one year

|                                      | 2016<br>£        | 2015<br>£         |
|--------------------------------------|------------------|-------------------|
| Bank loan                            | 3,074,000        | 3,808,000         |
| Trade creditors                      | 7,356            | 1,663             |
| Amounts owed to related undertakings | 6,200,000        | 6,213,112         |
| Corporation tax                      | 124,200          | 80,400            |
| Other taxation and social security   | 42,793           | 44,425            |
| Accruals and deferred income         | 61,731           | 49,571            |
|                                      | <b>9,510,080</b> | <b>10,197,171</b> |

The bank loan is repayable on demand, is secured on the development property and by guarantee from Caddick Group plc, bears interest at 3.75% above LIBOR and is being repaid by monthly instalments of £32,000.

The amounts owed to related undertakings are unsecured, repayable on demand (subject to being subordinated to the bank), do not bear interest and comprise:

|                              | 2016<br>£        | 2015<br>£        |
|------------------------------|------------------|------------------|
| Caddick Developments Limited | 1,600,000        | 1,613,112        |
| C Brewins (note 15)          | 4,600,000        | 4,600,000        |
|                              | <b>6,200,000</b> | <b>6,213,112</b> |

#### 13 Called-up share capital

|  | 2016<br>£  | 2015<br>£  |
|--|------------|------------|
| <b>Allotted, called-up and fully paid</b>  |            |            |
| 50 (2015: 50) ordinary A shares of £1 each | 50         | 50         |
| 50 (2015: 50) ordinary B shares of £1 each | 50         | 50         |
|  | <b>100</b> | <b>100</b> |

The A ordinary shares and B ordinary shares allow the shareholders to elect A and B directors respectively. They rank pari passu in all other respects.



## **Caddick (City One) Limited**

### **Notes to the financial statements for the year ended 31 August 2016 (continued)**

#### **14 Ultimate parent company and ultimate controlling party**

The company is jointly controlled by Caddick Group plc and C Brewins.

#### **15 Related party transactions**

Included in creditors (note 12) is £1,600,000 (2015: £1,613,112) owing to Caddick Developments Limited and £4,600,000 (2015: £4,600,000) owing to C Brewins, neither amounts bearing interest and repayable on demand subject to being subordinated to the bank.