GVA Worldwide Limited

Annual report and financial statements
Registered number 08297156
For the year ended 31 December 2018
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Strategic report

Review of business and future developments
GVA Worldwide Limited’s (the ‘Company’) total revenue for the year was £443,000 (2017: £451,000) which delivered a profit before tax of £119,000 (2017: £155,000).

The directors consider the key performance indicators of the business to be revenue and operating profit. These are shown in the Profit and Loss account on page 8.

The profit and loss account on page 8 of the financial statements shows the Company’s financial performance for the year. The balance sheet on page 9 shows the Company’s financial position at the year-end has strengthened, with net assets increasing to £274,000 (2017: £179,000). The directors are satisfied with the financial position of the Company.

Principal risks and uncertainties

Liquidity risk
The company uses financial instruments, other than derivatives, comprising intra-group loans. The main purpose of these financial instruments is to raise finance for the Company’s operations. The main risks arising from the company’s financial instruments are liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous years.

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through intra-group loans.

Political, judicial, administrative, taxation or other regulatory matters
The Company may be adversely affected by changes in political, judicial, administrative, taxation or other regulatory factors, as well as other unforeseen matters.

General
The risks noted above do not necessarily comprise all those potentially faced by the Company and are not intended to be presented in any order of priority.

Environment
GVA Worldwide Limited recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to mitigate any adverse impact that might be caused by its activities. Initiatives aimed at minimising the Company’s impact on the environment include recycling and reducing energy consumption.

On behalf of the Board

PJ Morrissey
Director

5 July 2019
Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2018.

As permitted, certain information regarding the Company, included a review and analysis of the development and performance of the Company’s business during the year and a description of the principal risks and uncertainties facing the Company are contained within the Strategic Report.

Principal activity

The principal activity of the Company is to market the GVA brand and its property advisory services throughout the world. The development of its business depends entirely on the level of success of the company in promoting the GVA brand and its own property advisory services through its international partnerships. The directors are not, at the date of this report, aware of any likely major changes in the Company’s activities in the next year.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

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

CJ Cronin
DA Haussermann  (resigned 6 April 2018)
GG Hughes
G Mazzi
V Mellul
PJ Morrissey
JR Sibthorpe  (appointed 31 January 2019)
HH Thakar  (appointed 31 January 2019)

Going concern

The directors have considered the impact of Brexit on the business and will continue to review developments in the area. Indirectly the potential effects of Brexit on the Company in terms of a downturn in the economy and specifically the property market have been factored into the short and medium term financial budgets.

The directors have a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Subsequent events

On 31 January 2019 the GVA group of companies of which the Company is a member was acquired by Avison Young, a Canadian international-real estate consultancy business headquartered in the United States of America. Subsequent to the acquisition the GVA group of companies rebranded under the global Avison Young brand. The GVA group of companies were acquired from the previous intermediate parent company, Apleona Limited by Avison Young (UK) Limited, a company incorporated in England and Wales, whose ultimate parent company is Avison Young (Canada) Inc, a company incorporated in Canada.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2017: £Nil).
Directors' report (continued)

Directors' indemnities
During the year an indemnity from the Company was available to the directors against liabilities incurred by them in defending proceedings against them in relation to the affairs of the Company. The indemnity is subject to the provisions of the Companies Act 2006 and is set out in the Articles of Association.

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 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.

Auditor
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

On behalf of the Board

[Signature]

 PJ Morrissey
 Director

Registered office:
3 Brindleyplace
Birmingham
B1 2JB

{July} 2019
Statement of directors’ responsibilities in respect of the Strategic report, Directors’ report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 101 Reduced Disclosure Framework.

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 judgments and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.
Independent auditor’s report to the members of GVA Worldwide Limited

Opinion

We have audited the financial statements of GVA Worldwide Limited for the year ended 31 December 2018 which comprise the Profit and Loss Account, the Balance Sheet and the Statement of changes in equity and the related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice)".

In our opinion, the financial statements:

- give a true and fair view of the company’s affairs as at 31 December 2018 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.

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 below. 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors’ use of the going concern basis of accounting in the 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.
Independent auditor’s report to the members of GVA Worldwide Limited
(continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors’ report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors’ report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors’ responsibilities statement set out on page 4, 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.

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.
Independent auditor’s report to the members of GVA Worldwide Limited (continued)

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 https://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.

Ernst & Young LLP

Helen Hemming (Senior Statutory Auditor) for and on behalf of Ernst & Young LLP, Statutory Auditor Birmingham

5 July 2019
**Profit and loss account**  
*for the year ended 31 December 2018*

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Revenue</td>
<td>3</td>
<td>443</td>
</tr>
<tr>
<td>Staff costs</td>
<td>5</td>
<td>(174)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td></td>
<td>(150)</td>
</tr>
<tr>
<td><strong>Operating profit, being profit on ordinary activities before taxation</strong></td>
<td></td>
<td>119</td>
</tr>
<tr>
<td>Taxation on profit on ordinary activities</td>
<td>7</td>
<td>(24)</td>
</tr>
<tr>
<td><strong>Profit on ordinary activities after taxation, being total comprehensive income for the year</strong></td>
<td></td>
<td>95</td>
</tr>
</tbody>
</table>

The notes on pages 11 to 17 form part of these financial statements.  
The results of the business are derived entirely from continuing operations.
## Balance sheet

**at 31 December 2018**

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 £000</th>
<th>2017 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>8</td>
<td>289</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>9</td>
<td>38</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>298</strong></td>
<td><strong>217</strong></td>
</tr>
<tr>
<td><strong>Creditors: amounts falling due within one year</strong></td>
<td>9</td>
<td>(24)</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>274</td>
<td>179</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td>274</td>
<td>179</td>
</tr>
<tr>
<td><strong>Capital and reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called up share capital</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>Profit and loss account</td>
<td></td>
<td>274</td>
</tr>
<tr>
<td><strong>Shareholders’ funds</strong></td>
<td>274</td>
<td>179</td>
</tr>
</tbody>
</table>

The notes on pages 11 to 17 form part of these financial statements.

These financial statements were approved by the Board of Directors on 5 July 2019 and were signed on its behalf by:

PJ Morrissey  
Director

Company registered number: 8297156
## Statement of Changes in Equity

<table>
<thead>
<tr>
<th></th>
<th>Called up share capital (Note 10) £000</th>
<th>Profit and loss account £000</th>
<th>Total equity £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2017</td>
<td>-</td>
<td>58</td>
<td>58</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit</td>
<td></td>
<td>121</td>
<td>121</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 31 December 2017</td>
<td></td>
<td>179</td>
<td>179</td>
</tr>
<tr>
<td>Balance at 1 January 2018</td>
<td></td>
<td>179</td>
<td>179</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit</td>
<td></td>
<td>95</td>
<td>95</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 31 December 2018</td>
<td></td>
<td>274</td>
<td>274</td>
</tr>
</tbody>
</table>
Notes
(forming part of the financial statements)

1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of GVA Worldwide Limited (the 'Company') for the year ended 31 December 2018 were authorised for issue by the Board of Directors on 5 July 2019 and the balance sheet was signed on the board's behalf by PJ Morrissey. GVA Worldwide Limited is a private company, limited by shares, incorporated in England and Wales and domiciled in England.

2 Accounting policies

GVA Worldwide Limited is a private company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('Adopted IFRSs'), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's financial statements are presented in Sterling, being the companies presentational and functional currency, and all values are shown in £'000s except where otherwise indicated.

As at 31 December 2018 the Company's intermediate parent undertaking Apleona Group GmbH included the Company in its consolidated financial statements. The consolidated financial statements of Apleona Group GmbH are prepared in accordance with International Financial Reporting Standards and may be obtained from An der Geberspitzen 50, 63263 Neu-Isenburg, Germany.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures regarding key management personnel.
Notes (continued)

2 Accounting policies (continued)

2.1 Measurement convention

The financial statements are prepared in accordance with applicable accounting standards and on the historical cost basis.

2.2 Going concern

The Company's business activities, together with the factors likely to affect future development, performance and position, are set out in the Strategic report on page 1.

The directors have considered the impact of Brexit on the business and will continue to review developments in the area. Indirectly the potential effects of Brexit on the Company in terms of a downturn in the economy and specifically the property market have been factored into the short and medium term financial budgets.

The directors have a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

The company's functional currency and presentation currency is GBP as the invoices are raised in GBP.

2.4 Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.
Notes (continued)

2                      Accounting policies (continued)

2.5  Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

2.6  Work in progress

Expenses incurred by the firm on behalf of clients but not yet recovered are shown at the lower of cost and net realisable value.

2.7  Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Termination benefits

Termination benefits are recognised as an expense when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

2.8  Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.
Notes (continued)

2  Accounting policies (continued)

2.9  Revenue

Revenue represents fees rendered for the provision of property marketing services. Revenue is recognised when a right to consideration has been obtained through meeting the performance criteria identified under each contract and depends on the obligations to be delivered as follows:

Transactional Services

Fees that are based on the completion of a transaction are only invoiced on unconditional exchange of contracts. Fees that are contingent on the successful outcome of a process are only invoiced at the successful conclusion of the process.

Revenue is recognised at the point at which the invoice has been raised.

Payment terms are generally 14 days from receipt of invoice by the client.

2.10  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 temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

2.11  New standards effective during the year

The impact on the Company of new International Financial Reporting Standards, effective for annual reporting periods beginning on or after 1 January 2018, is set out below:

IFRS 9 Financial Instruments replaced IAS 39 Financial Instruments: Recognition and Measurement and specifies how an entity should classify and measure financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Company has not identified any material quantitative impact and no accounting policies have been amended following the adoption of the standard.

IFRS 15 Revenue from Contracts with Customers was adopted from the date of initial application 1 January 2018. The five step model for revenue recognition has been applied to each significant revenue stream of the Company. The accounting policy for revenue recognition has been updated above in order to identify when each performance obligation has been completed for each revenue stream.

The Company has not identified any material impact on the financial statements following adoption of the standard.

2.12  New standards effective in future years

IFRS 16 Leases is effective for annual reporting periods starting on or after 1 January 2019 and replaces IAS 17 Leases and related Interpretations. IFRS 16 changes the accounting substantially for lessees, however the Company does not have any leases and is unaffected by the standard.
Notes (continued)

3 Revenue

Revenue is analysed as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
</tr>
<tr>
<td>Transactional services</td>
<td>443</td>
</tr>
<tr>
<td>Total revenue</td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>136</td>
</tr>
<tr>
<td>Europe</td>
<td>277</td>
</tr>
<tr>
<td>Rest of World</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>443</td>
</tr>
<tr>
<td></td>
<td>451</td>
</tr>
</tbody>
</table>

Included in debtors in note 8 are the receivables arising from contracts with customers.

4 Auditors remuneration

The auditor’s remuneration for the Company is borne by the parent undertaking, GVA Grimley Limited. There are no non-audit services paid to the Company’s auditor in respect of services to the Company.

5 Staff costs and numbers

The company has no employees and all staff costs are recharged from the parent company, GVA Grimley Limited. The recharge for the year from GVA Grimley Limited was £174,000 (2017: £205,000).

6 Directors’ remuneration

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
</tr>
<tr>
<td>Directors’ remuneration</td>
<td>68</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>68</td>
</tr>
<tr>
<td></td>
<td>63</td>
</tr>
</tbody>
</table>
Notes (continued)

7 Taxation

Analysis of charge in period

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK corporation tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current tax on income for the year</td>
<td>24</td>
<td>31</td>
</tr>
<tr>
<td>Adjustments in respect of prior periods</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Tax on profit on ordinary activities</td>
<td>24</td>
<td>34</td>
</tr>
</tbody>
</table>

Reconciliation of effective tax rate

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total tax reconciliation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit on ordinary activities before tax</td>
<td>119</td>
<td>155</td>
</tr>
<tr>
<td>Current tax at 19% (2017:19.25%)</td>
<td>23</td>
<td>30</td>
</tr>
</tbody>
</table>

Effects of:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses not deductible for tax purposes</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Group relief (claimed)</td>
<td>-</td>
<td>(9)</td>
</tr>
<tr>
<td>Payment for group relief claimed</td>
<td>-</td>
<td>9</td>
</tr>
<tr>
<td>Adjustments to tax charge in respect of previous periods</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>24</td>
<td>34</td>
</tr>
</tbody>
</table>

8 Debtors

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>16</td>
<td>9</td>
</tr>
<tr>
<td>Amounts owed by group undertakings</td>
<td>261</td>
<td>169</td>
</tr>
<tr>
<td></td>
<td>289</td>
<td>179</td>
</tr>
</tbody>
</table>

Trade debtors are non-interest bearing and are generally on terms of 14 days from receipt of invoice.
Notes (continued)

9 Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Amounts owed to group undertakings</td>
<td>-</td>
<td>9</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>-</td>
<td>7</td>
</tr>
<tr>
<td>Provisions for taxation</td>
<td>23</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>24</td>
<td>38</td>
</tr>
</tbody>
</table>

10 Called up share capital

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorised</td>
<td></td>
<td></td>
</tr>
<tr>
<td>100 Ordinary shares of £1 each</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allotted, called up and fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>100 Ordinary shares of £1 each</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

11 Related party disclosures

Revenue for the year includes £130,000 sales to GVA Grimley Limited, an immediate parent company (2017: £100,000). Staff costs of £174,000 (2017: £205,000) were also recharged from this company. The balance due from this company at the year end was £261,000 (2017: £169,000).

Revenue for the year includes £nil sales to Apleona GVA GmbH, an intermediate parent company for the period up until 31 January 2019 (2017: £142,500). The balance outstanding at the year end was £nil (2017: nil).

12 Ultimate parent company

The immediate parent company is GVA Grimley Limited, incorporated in England and Wales.

As at 31 December 2018 the Company’s ultimate parent undertakings and controlling parties were EQT VII (No 1) Limited Partnership and EQT VII (No 2) Limited Partnership, both incorporated in the United Kingdom. The largest and smallest group in which the results of the Company were consolidated was that headed by Apleona Group GmbH. The consolidated financial statements of Apleona Group GmbH are available from An der Gehespitz 50, 63263 Neu-Isenburg, Germany.

13 Subsequent events

On 31 January 2019 the GVA group of companies of which the Company is a member was acquired by Avison Young, a Canadian international real estate consultancy business headquartered in the United States of America. Subsequent to the acquisition the GVA group of companies rebranded under the global Avison Young brand. The GVA group of companies were acquired from the previous intermediate parent company, Apleona Limited by Avison Young (UK) Limited, a company incorporated in England and Wales, whose ultimate parent company is Avison Young (Canada) Inc., a company incorporated in Canada.