

COMPANY REGISTRATION NUMBER: NI032178

CIC PROPERTIES LIMITED
FINANCIAL STATEMENTS
30 APRIL 2017

COMPANIES HOUSE
10 JAN 2018
BELFAST

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CIC Properties Limited

Financial statements

Year ended 30 April 2017

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CIC Properties Limited

Officers and professional advisers

The board of directors	R A Scott G R Scott C D Scott
Company secretary	G R Scott
Registered office	6 Saintfield Road Lisburn Co Antrim BT27 5BD
Auditor	BDO Northern Ireland Chartered accountant & statutory auditor Lindsay House 10 Callender Street Belfast BT1 5BN
Bankers	Danske Bank Donegall Square West Belfast BT1 6JS
Solicitors	Tughans Marlborough House 30 Victoria Street Belfast BT1 3GS Blaser Mills Solicitors 119 High Street Old Amersham Buckinghamshire HP7 0EA

CIC Properties Limited

Strategic report

Year ended 30 April 2017

The Directors present their Strategic Report for the period ended 30 April 2017.

Principal activity and review of business

The principal activity of the Group during the year was the development and sale of properties.

Turnover decreased by 6% to £14,547,024 (2016: £15,534,274) resulting in a profit on ordinary activities before taxation of £7,224,787 (2016: £5,058,827).

Key performance indicators

The Group uses the following Key Performance Indicators to monitor the performance of the business:

	2017	2016
	£	£
Turnover	14,547,024	15,534,274
Gross Profit	2,152,306	5,932,000
EBITDA	7,422,139	5,392,775

Principal risks and uncertainties

The principal risks and uncertainties faced by the business include economic downturn and changes in the marketplace. The directors regularly review such risk factors and believe the Group is well placed to successfully deal with such challenges should they arise.

Future developments

There have been no events since the balance sheet date which materially affect the position of the Group.

This report was approved by the board of directors on 28 November 2017 and signed on behalf of the board by:



R A Scott
Director

Registered office:
6 Saintfield Road
Lisburn
Co Antrim
BT27 5BD

CIC Properties Limited

Directors' report

Year ended 30 April 2017

The directors present their report and the financial statements of the Group for the year ended 30 April 2017.

Directors

The directors who served the company during the year were as follows:

R A Scott
G R Scott
C D Scott

Dividends

The directors do not recommend the payment of a dividend.

Financial risk management objectives and policies

The Group's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of debt finance and the related finance costs.

Given the size of the Group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Group's finance department.

Interest Rate Risk

The Group has both interest bearing assets and interest bearing liabilities, which bear interest at variable rates. The directors will revisit the appropriateness of this policy should the Group's operations change in size or nature.

Credit Risk

The Group has no significant concentrations of credit risk and amounts shown in the balance sheet best represent the maximum credit risk exposure.

Liquidity Risk

The Group actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the Group has sufficient available funds for operations and planned expansions.

Currency Risk

While the greater part of the Group's revenues and expenses are denominated in sterling, the Group is exposed to some foreign exchange risk in the normal course of business. While the Group has not used financial instruments to hedge foreign exchange exposure, this position is kept constantly under review.

Employment of disabled persons

The Group maintains a policy of offering equal opportunity to disabled persons in recruitment, training and career development, having due regard to their aptitudes and abilities in relation to the jobs available.

Employee involvement

All employees are informed of plans and progress via regular briefing sessions where opportunity is provided for involvement of all in the Group's decision making process.

Disclosure of information in the strategic report

The Strategic Report is included on page 2.

CIC Properties Limited

Directors' report *(continued)*

Year ended 30 April 2017

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 group and the company and the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

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

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

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

Auditor

The auditors, BDO Northern Ireland have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

This report was approved by the board of directors on 28/11/17 and signed on behalf of the board by:



R A Scott
Director

Registered office:
6 Saintfield Road
Lisburn
Co. Antrim
N. Ireland
BT27 5BD

CIC Properties Limited

Independent auditor's report to the members of CIC Properties Limited

Year ended 30 April 2017

We have audited the financial statements of CIC Properties Limited for the year ended 30 April 2017 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors

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). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC'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 Group's and of the parent company's affairs as at 30 April 2017 and of the Group's 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.

Emphasis of matter - valuation of stock

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in Note 15 to the financial statements concerning the uncertainty associated with the assessment of the carrying value of property assets under current market conditions.

The Group's principal assets include work in progress with a carrying value of £6.4m million. Given the materiality of these amounts and the inherent subjectivity in the assessment of the carrying value, we draw your attention to the uncertainty, as outlined in note 15.

CIC Properties Limited

Independent auditor's report to the members of CIC Properties Limited *(continued)*

Year ended 30 April 2017

Opinion 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 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 Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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.

BDO Northern Ireland

Laura S V Jackson, senior statutory auditor
For and on behalf of BDO Northern Ireland, statutory auditor
Lindsay House
10 Callender Street
Belfast
BT1 5BN

28 November 2017

CIC Properties Limited

Consolidated statement of comprehensive income

Year ended 30 April 2017

	Note	2017 £	2016 £
Turnover	5	14,547,024	15,534,274
Cost of sales		<u>12,394,718</u>	<u>9,602,274</u>
Gross profit		2,152,306	5,932,000
Administrative expenses		522,106	561,896
Related party debt forgiven		(5,773,838)	–
Operating profit	6	7,404,038	5,370,104
Other interest receivable and similar income	10	16	–
Interest payable and similar expenses	11	179,267	311,277
Profit before taxation		7,224,787	5,058,827
Tax on profit	12	291,606	317,799
Profit for the financial year and total comprehensive income		<u>6,933,181</u>	<u>4,741,028</u>

All the activities of the Group are from continuing operations.

CIC Properties Limited

Consolidated statement of financial position

30 April 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	13	1,031,309	1,049,410
Current assets			
Stocks	15	6,420,947	7,122,970
Debtors	16	82,558	345,160
Cash at bank and in hand		1,094,825	1,040,829
		<u>7,598,330</u>	<u>8,508,959</u>
Creditors: Amounts falling due within one year	17	<u>5,817,159</u>	<u>8,332,923</u>
Net current assets		<u>1,781,171</u>	<u>176,036</u>
Total assets less current liabilities		<u>2,812,480</u>	<u>1,225,446</u>
Creditors: Amounts falling due after more than one year	18	–	5,346,147
Net assets/(liabilities)		<u>2,812,480</u>	<u>(4,120,701)</u>
Capital and reserves			
Called up share capital	20	100	100
Profit and loss account	21	2,812,380	(4,120,801)
Members funds/(deficit)		<u>2,812,480</u>	<u>(4,120,701)</u>

These financial statements were approved by the board of directors and authorised for issue on 28/11/17 and are signed on behalf of the board by:



R A Scott
Director

Company registration number: NI032178

CIC Properties Limited

Company statement of financial position

30 April 2017

	Note	2017 £	2016 (restated) £
Fixed assets			
Investments	14	100	100
Current assets			
Cash at bank and in hand		419	2,784
Net current assets		<u>419</u>	<u>2,784</u>
Total assets less current liabilities		<u>519</u>	<u>2,884</u>
Capital and reserves			
Called up share capital	20	100	100
Profit and loss account	21	419	2,784
Members funds		<u>519</u>	<u>2,884</u>

The loss for the financial year of the parent company was £2,365 (2016: £25).

These financial statements were approved by the board of directors and authorised for issue on 28/11/17 and are signed on behalf of the board by:



R A Scott
Director

Company registration number: NI032178

CIC Properties Limited**Consolidated statement of changes in equity****Year ended 30 April 2017**

	Called up share capital £	Profit and loss account £	Total £
At 1 May 2015	100	(8,861,829)	(8,861,729)
Profit for the year	—	4,741,028	4,741,028
Total comprehensive income for the year	—	4,741,028	4,741,028
At 30 April 2016	100	(4,120,801)	(4,120,701)
Profit for the year	—	6,933,181	6,933,181
Total comprehensive income for the year	—	6,933,181	6,933,181
At 30 April 2017	<u>100</u>	<u>2,812,380</u>	<u>2,812,480</u>

CIC Properties Limited

Company statement of changes in equity

Year ended 30 April 2017

	Called up share capital £	Profit and loss account £	Total £
At 1 May 2015	100	2,809	2,909
Profit for the year	—	(25)	(25)
Total comprehensive income for the year	—	(25)	(25)
At 30 April 2016	100	2,784	2,884
Profit for the year	—	(2,365)	(2,365)
Total comprehensive income for the year	—	(2,365)	(2,365)
At 30 April 2017	<u>100</u>	<u>419</u>	<u>519</u>

CIC Properties Limited

Consolidated statement of cash flows

Year ended 30 April 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	6,933,181	4,741,028
<i>Adjustments for:</i>		
Depreciation of tangible assets	18,101	22,671
Other interest receivable and similar income	(16)	–
Interest payable and similar expenses	179,267	311,277
Loss on disposal of tangible assets	–	1,500
Tax on profit	291,606	317,799
Accrued income	(534,195)	(358,834)
Loss on disposal of investments	–	40
<i>Changes in:</i>		
Stocks	702,023	5,168,462
Trade and other debtors	222,602	(301,888)
Trade and other creditors	83,313	(2,720,026)
Cash generated from operations	<u>7,895,882</u>	<u>7,182,029</u>
Interest paid	(179,267)	(311,277)
Interest received	16	–
Tax paid	(475,593)	(64,715)
Net cash from operating activities	<u>7,241,038</u>	<u>6,806,037</u>
Cash flows from investing activities		
Purchase of tangible assets	–	(28,901)
Proceeds from sale of tangible assets	–	10,500
Net cash used in investing activities	<u>–</u>	<u>(18,401)</u>
Cash flows from financing activities		
(Repayments)/Proceeds from borrowings	–	(7,480,969)
(Repayments)/Proceeds from loans from group undertakings	(3,862,202)	874,202
(Repayments)/Proceeds from loans from related parties	(3,343,147)	(32,630)
(Repayments)/Proceeds from Directors Loan	18,307	–
Net cash used in financing activities	<u>(7,187,042)</u>	<u>(6,639,397)</u>
Net increase in cash and cash equivalents	53,996	148,239
Cash and cash equivalents at beginning of year	1,040,829	892,590
Cash and cash equivalents at end of year	<u>1,094,825</u>	<u>1,040,829</u>

CIC Properties Limited

Notes to the financial statements

Year ended 30 April 2017

1. General information

Each company within the Group is a private company limited company. The country of incorporation of the parent company is Northern Ireland. The country of incorporation of each of the members within the Group is included within Note 14.

The address of the registered office is 6 Saintfield Road, Lisburn, Co. Antrim, BT27 5BD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Principal activities

The Group's principal activities during the year were the development and sale of properties and property management. The subsidiaries and associated undertakings principally affecting the profits or net assets of the Group in the year are listed in note 14 to the financial statements.

4. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method. Negative goodwill arising on acquisitions is recognised and separately disclosed on the face of the balance sheet. Negative goodwill up to the fair values of the non-monetary assets acquired is recognised in the profit and loss account in the period in which the non-monetary assets are disposed, whether through depreciation or sale. Any negative goodwill in excess of the fair value of the non-monetary assets acquired is recognised in the profit and loss account immediately. The results of companies acquired or disposed of are included in the Group profit and loss account after or up to the date that control passes respectively. As a consolidated Group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the Group financial statements by virtue of section 408 of the Companies Act 2006.

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

4. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- To determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Investment properties are valued by a director of the company who is considered to have adequate knowledge and expertise. The valuation exercise involves using market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself. Key inputs into the valuations were annual rent per square metre and property yields.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- The valuation of the Group's stock at the date of the approval of the financial statements is subject to uncertainty in light of the current market conditions where property assets are relatively illiquid.

Revenue recognition

Revenue from the sale of properties is recognised when the significant risks and rewards of ownership of the properties have transferred to the buyer.

Turnover represents rent and recharges to tenants and is stated exclusive of VAT.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

4. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax balances are not discounted.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Investment Property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location and condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

4. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 20% reducing balance
Motor vehicles	- 25% straight line

Investments

Parent company investments in subsidiary companies are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Cash and cash equivalents

Cash consists of cash on hand and demand deposits. Cash equivalents consist of short term highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of change in value.

Other financial assets

Other financial assets including trade debtors for goods sold/services rendered to customers on short-term credit, are initially measured at the undiscounted amount of cash receivable from that customer, which is normally the invoice price, and are subsequently measured at amortised cost less impairment.

Other financial liabilities

Trade creditors are measured at invoice price, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

4. Accounting policies *(continued)*

Loans and borrowings

All loans and borrowings, both assets and liabilities are initially recorded at the present value of cash payable to the lender in settlement of the liability discounted at the market interest rate. Subsequently loans and borrowings are stated at amortised cost using the effective interest rate method. The computation of amortised cost includes any issue costs, transaction costs and fees, and any discount or premium on settlement, and the effect of this is to amortise these amounts over the expected borrowing period. Loans with no stated interest rate and repayable within one period or on demand are not amortised. Loans and borrowings are classified as current assets or liabilities unless the borrower has an unconditional right to defer settlement of the liability for at least twelve months after the financial period and date.

5. Turnover

Turnover arises from:

	2017 £	2016 £
Rent	154,089	–
Sale of Houses	<u>14,392,935</u>	<u>15,534,274</u>
	<u>14,547,024</u>	<u>15,534,274</u>

The whole of the turnover is attributable to the principal activity of the Group wholly undertaken in the United Kingdom.

6. Operating profit

Operating profit or loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible assets	18,101	22,671
Loss on disposal of tangible assets	–	1,500
Foreign exchange differences	<u>(1,693)</u>	<u>(11)</u>

Material items within Operating Profit not disclosed elsewhere are listed below:

	2017 £	2016 £
Legal and professional fees	<u>133,349</u>	<u>191,069</u>

7. Auditor's remuneration

	2017 £	2016 £
Fees payable for the audit of the financial statements	<u>12,500</u>	<u>12,500</u>

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

8. Staff costs

The average number of persons employed by the Group during the year, including the directors, amounted to:

	2017 No.	2016 No.
Number of other staff	<u>5</u>	<u>4</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017 £	2016 £
Wages and salaries	329,456	214,194
Social security costs	<u>7,698</u>	<u>7,699</u>
	<u>337,154</u>	<u>221,893</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2017 £	2016 £
Remuneration	85,076	88,524
Company contributions to defined contribution pension plans	<u>106,042</u>	<u>–</u>
	<u>191,118</u>	<u>88,524</u>

10. Other interest receivable and similar income

	2017 £	2016 £
Interest receivable	<u>16</u>	<u>–</u>

11. Interest payable and similar expenses

	2017 £	2016 £
Other interest payable and similar charges	<u>179,267</u>	<u>311,277</u>

12. Tax on profit

Major components of tax expense

	2017 £	2016 £
Current tax:		
UK current tax expense	291,606	319,177
Deferred tax:		
Origination and reversal of timing differences	<u>–</u>	<u>(1,378)</u>
Tax on profit	<u>291,606</u>	<u>317,799</u>

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

12. Tax on profit *(continued)*

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 20% (2016: 20%).

	2017 £	2016 £
Profit on ordinary activities before taxation	7,224,787	5,058,827
Profit on ordinary activities by rate of tax	1,443,734	1,021,967
Adjustment to tax charge in respect of prior periods	(815)	–
Effect of different UK tax rates on some earnings	(1,136,171)	(704,195)
Utilisation of tax losses	(22,553)	(1,907)
Unused tax losses	6,003	3,312
Fixed Asset timing differences	1,408	(1,378)
Tax on profit	291,606	317,799

13. Tangible assets

Group	Investment Property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 May 2016 and 30 Apr 2017	974,080	49,592	86,194	1,109,866
Depreciation				
At 1 May 2016	–	34,972	25,484	60,456
Charge for the year	–	2,925	15,176	18,101
At 30 April 2017	–	37,897	40,660	78,557
Carrying amount				
At 30 April 2017	974,080	11,695	45,534	1,031,309
At 30 April 2016	974,080	14,620	60,710	1,049,410

The company has no tangible assets.

Investment property at 5 Edgewater Road, Belfast, was revalued at 1 January 2008 by Myles Danker, Property Consultants, at an open market value. The directors are of the opinion that this value best represents current open market value.

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

13. Tangible assets *(continued)*

Tangible assets held at valuation

In respect of tangible assets held at valuation, aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

Group and company	Investment Property £
At 30 April 2017	
Aggregate cost	790,060
Aggregate depreciation	—
Carrying value	<u>790,060</u>
At 30 April 2016	
Aggregate cost	790,060
Aggregate depreciation	—
Carrying value	<u>790,060</u>

14. Investments

Group	Shares in group undertakings £	Investment in Joint Venture £	Total £
Cost			
At 1 May 2016 and 30 Apr 2017	<u>452,655</u>	<u>1,202,800</u>	<u>1,655,455</u>
Impairment			
At 1 May 2016 and 30 Apr 2017	<u>452,655</u>	<u>1,202,800</u>	<u>1,655,455</u>
Carrying amount			
At 1 May 2016 and 30 Apr 2017	<u>—</u>	<u>—</u>	<u>—</u>
Company	Shares in group undertakings £		
Cost			
At 1 May 2016 and 30 Apr 2017	<u>452,755</u>		
Impairment			
At 1 May 2016 and 30 Apr 2017	<u>452,655</u>		
Carrying amount			
At 1 May 2016 and 30 Apr 2017	<u>100</u>		

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

14. Investments *(continued)*

Subsidiaries, associates and other investments

Details of the investments in which the Group and the parent company have an interest of 20% or more are as follows:

	Country of incorporation	Class of share	Percentage of shares held
Subsidiary undertakings			
Windsor Developments Limited	Northern Ireland	Ordinary	100
Windsor Securities Limited	Netherlands	Ordinary	100

15. Stocks

	Group		Company	
	2017	2016	2017	2016 <i>(restated)</i>
	£	£	£	£
Work in progress	<u>6,420,947</u>	<u>7,122,970</u>	<u>-</u>	<u>-</u>

The valuation of the company's stock at the date of the approval of the financial statements is subject to uncertainty in light of current market conditions where property assets are relatively illiquid.

16. Debtors

	Group		Company	
	2017	2016	2017	2016 <i>(restated)</i>
	£	£	£	£
Trade debtors	27,850	24,053	-	-
Amounts owed by group undertakings	40,000	-	-	-
Prepayments and accrued income	459	-	-	-
Amounts owed from related parties	14,249	-	-	-
Other debtors	-	321,107	-	-
	<u>82,558</u>	<u>345,160</u>	<u>-</u>	<u>-</u>

All debtors are repayable within one year.

17. Creditors: Amounts falling due within one year

	Group		Company	
	2017	2016	2017	2016 <i>(restated)</i>
	£	£	£	£
Amounts owed to group undertakings	-	3,902,202	-	-
Amounts owed to related parties	4,767,249	2,750,000	-	-
Accruals and deferred income	802,680	1,336,875	-	-
Corporation tax	133,327	317,314	-	-
Social security and other taxes	39,670	15,481	-	-
Director loan accounts	19,359	1,052	-	-
Other creditors	54,874	9,999	-	-
	<u>5,817,159</u>	<u>8,332,923</u>	<u>-</u>	<u>-</u>

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

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

	Group		Company	
	2017	2016	2017	2016 <i>(restated)</i>
	£	£	£	£
Amounts owed to related parties	<u>—</u>	<u>5,346,147</u>	<u>—</u>	<u>—</u>

19. Directors' advances, credits and guarantees

During the year the Group received advances of £1,000,000 (2016: £Nil) from the Directors. During the year the Group made repayments of £981,692 (2016: £Nil) At 30 April 2017 £19,360 was repayable to the director (2016: £1,052). This loan is interest free and repayable on demand.

20. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

21. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

22. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2017	2016	2017	2016 <i>(restated)</i>
	£	£	£	£
Not later than 1 year	<u>20,000</u>	<u>20,000</u>	<u>—</u>	<u>—</u>

23. Contingencies

On 1 February 2008, one of the company's subsidiaries changed its place of tax residence from the United Kingdom to the Netherlands. The UK resident director and company secretary resigned and Dutch resident directors and company secretary were appointed. The company's subsidiary also transferred its business operations to Amsterdam. The directors have taken legal advice and formed the opinion that no immediate UK tax liability should arise as a result of the migration of the company from the UK to the Netherlands, due to the operation of European Community law.

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

24. Related party transactions

Amounts owed to/from other companies with common directors included in note 16, 17 and 18 include the following:

	2017	2016
	£	£
Aberne Limited	–	5,346,147
Aday Investments	4,765,000	2,750,000
Sevmore Limited	2,250	–

Amounts due to other companies with common directors and included in note 17 include the following:

During the current year, one of the Group's subsidiaries was involved in a debt restructure and released the provision of £5,475,000 for a loan balance previously due from a related party. As part of the restructure £128,853 was written off by the subsidiary and a resulting credit of £5,773,838 is included in the Group profit and loss account. Of this amount £128,853 was written off, leaving a balance owed by the Group of £5,346,147.

The parties have agreed to assign and novate Windsor Fairlawn Limited's debt to the intent that the debt will be owed by Windsor Fairlawn Limited to Aday Investments Limited in full satisfaction of a subsidiary of the Group's debt.

Interest previously accrued of £427,691 on the amount owed to Aberne Limited has been written off as part of the restructure.

Amounts totalling £131,905 (2016: £Nil) which had previously been provided in relation to related party debt have been reinstated and repaid in full.

During the current year, Aday Investments Limited provided a loan of £2,015,000 (2016: £2,950,000) to the Group. The Group repaid £Nil (2016: £200,000) of the loan balance. The balance at the year end was £4,765,000 (2016: £2,750,000) At the year end £221,905 (2016: £97,432) of loan interest has been accrued relating to the balance outstanding.

A loan of £2,250 (2016: £Nil) was provided by Sevmore Limited during the year. This remains outstanding in full at the year end.

A loan of £14,249 (2016: £Nil) was provided to Anglo Irish Property Co (A.I.P.C) Limited during the year. This remains outstanding in full at the year end.

Included in Note 15 are amounts due from related parties of £738,494 (2016: £1,849,134). During the year the Group incurred costs of £2,871,677 (2016: £1,764,893) on behalf of related parties and recharged costs of £3,982,316 (2016: £180,013).

The related parties in the aforementioned transactions are related by virtue of ultimate common shareholders and directors.

No other transactions with related parties were undertaken such as are required to be disclosed under FRS 102 Section 33. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. All key management are directors and their remuneration for the year has been disclosed in Note 9.

CIC Properties Limited

Notes to the financial statements *(continued)*

Year ended 30 April 2017

25. Controlling party

The ultimate parent company is Ardmore Limited, a company incorporated in the Isle of Man.

26. Comparative figures

Some comparative figures have been changed for presentational purposes only. The changes made have no effect on either profit or loss.