Stanley Hicks Limited

Registered No: 10229810

Financial Statements

For the period 13 June 2016 to 31 December 2016

Stanley Hicks Limited
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Stanley Hicks Limited
Directors' Report
For the period 13 June 2016 to 31 December 2016

Business Review
The Company was incorporated on 13 June 2016 and the enclosed Directors' Report, Financial Statements and related notes are the first set of statutory accounts for the Company.

Directors
The directors, who served throughout the period except as noted, were as follows:

JR Pike (appointed 13 June 2016)
APM Rudzinski (appointed 19 September 2016)
DJ Smith (appointed 30 June 2016)

Director's indemnities
The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

Auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Company appointed Deloitte LLP as their statutory auditor in the period. A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Board and signed on its behalf by:

D.J. Smith
Director
10 November 2017

Stanley Hicks Limited
Directors' responsibilities statement
For the period 13 June 2016 to 31 December 2016

The directors are responsible for preparing the annual 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs 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; 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.

Independent Auditor's Report to the Members of Stanley Hicks Limited

For the period ending 31 December 2016

We have audited the financial statements of Concerto Support Services Limited for the period ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Directors' Report.

Independent Auditor's Report to the Members of Stanley Hicks Limited (continued)

For the period ending 31 December 2016

Matters on which we are required to report by exception

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

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

Andrew Halls, FCA, (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, U.K.
13 November 2017

Stanley Hicks Limited
Profit and Loss Account
For the period ending 31 December 2016

Note		Period ending 31 December 2016 £
	Turnover	**467,756**
	Operating expenses	**(541,884)**
3	Goodwill amortisation	**(63,451)**
2	**OPERATING LOSS BEING LOSS BEFORE TAXATION**	**(137,579)**
	Taxation	**28,715**
	LOSS FOR THE PERIOD	**(108,864)**

All results are derived from continuing operations.

The Company has no recognised net income or expense for the year except as reported in the above Profit and Loss Account, accordingly, no Statement of Total Comprehensive Income is provided.

Stanley Hicks Limited
Balance Sheet
As at 31 December 2016
Registered number: 10229810

Note		As at 31 December 2016 £
	ASSETS	
	NON-CURRENT ASSETS	
3	Goodwill	393,398
4	Intangible assets	890,168
		1,283,566
	CURRENT ASSETS	
5	Debtors	430,217
	Cash at bank and in hand	29,767
		459,984
	CURRENT LIABILITES	
6	Creditors	(1,683,182)
	NET CURRENT LIABILITIES	(1,223,198)
	TOTAL ASSETS LESS CURRENT LIABILITIES	**60,368**
	NON-CURRENT LIABILITES	
7	Deferred tax liabilities	(169,132)
	NET LIABILITIES	**(108,764)**
	EQUITY	
8	Called up share capital	100
9	Profit and loss account	(108,864)
		(108,764)

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts have been prepared in accordance with the provisions of Section 1A of FRS 102.

The accounts of Stanley Hicks Limited (registered number 10229810) were approved by the board of directors and authorised for issue on November 2017. They were signed on its behalf by:

D.J. Smith
Director

Stanley Hicks Limited
Statement of Significant Accounting Policies
For the period ending 31 December 2016

The Company is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales.. The Company's registered number is 10229810. The address of its registered office is Peat House, 1 Waterloo Way, Leicester, Leicestershire, LE1 6LP.

The Company is a wholly owned subsidiary of Bell Rock Workplace Management Limited ("the Parent") whose ultimate parent company is Bell Rock Topco Limited.

1 ACCOUNTING POLICIES

Stanley Hicks Limited ('the Company') provides property services.

BASIS OF PREPARATION

The full financial statements, from which these financial statements have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

GOING CONCERN

The financial statements have been prepared on the assumption that the company is able to carry on business as a going concern, which the directors consider appropriate. In reaching this conclusion, the directors have considered the financial position of the Company, its reliance on the financial support from the parent company, Bell Rock Workplace Management Limited, which is considered to be available for the foreseeable future and for a period of at least twelve months from the date of this report and also a formal letter of support received from the ultimate parent undertaking.

EXEMPTION FROM PREPARING CASH FLOW STATEMENT

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement.

GOODWILL

Goodwill arising on the acquisition of a business trade and assets represents the excess of the cost of an acquisition over the fair value of the identifiable assets and liabilities at the date of acquisition. Goodwill on acquisitions is included in non-current assets. Goodwill is capitalised and amortised over the useful economic life. In the opinion of the directors, the normal expected useful economic life will not exceed 3 years. Provision is made for any impairment.

INTANGIBLE ASSETS

Separately identified intangible assets comprise customer contracts and relationships recognised at cost. They are acquired on business combinations or by individual acquisition. Other intangible assets have a finite useful life and are carried at cost less accumulated amortisation.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

REVENUE RECOGNITION

Revenue, which excludes value added tax, is derived from contracts recognised at point at which services are rendered.

Where an instruction has only been partially completed at the balance sheet date turnover represents the fair value of service provided to date based on the stage of completion of the contract activity at the balance sheet date.

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Fully provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognized only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax asset and liabilities are not discounted.

When the amount the can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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 makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future periods are discussed below:

(a) Estimated impairment of goodwill
The Company tests at least annually whether there has been any impairment of goodwill, in accordance with the accounting policy stated on page 9. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require estimation of the future cash flows of the company.

(b) Other intangible assets
Other intangible assets is comprised of customer relationships. The cost of the intangible asset is derived based upon management's assertions of projected cash flows. These calculations require the use of estimates regarding expected future cash flows to be derived from the asset, the useful economic life and the discount rate.

(c) Income taxes
The Company is subject to income taxes. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

2 LOSS BEFORE TAXATION

	2016 £
Operating loss is stated after charging:	
Amortisation of Goodwill (note 3)	63,451
Amortisation of Intangible Assets (note 4)	143,576

Auditor's remuneration is borne by a group company, Bellrock Property & Facilities Management Limited and no recharge is made to the Company. There are no non-audit fees for the period ending 31 December 2016.

The average monthly number of persons (including Directors) employed by the Company during the period was 9.

3 GOODWILL

	2016 £
Cost	
At 13 June 2016	-
Acquisitions	456,849
At 31 December 2016	456,849
Accumulated amortisation	
At 13 June 2016	-
Charge for the period	63,451
At 31 December 2016	63,451
Net book value	
At 13 June 2016	-
At 31 December 2016	393,398

Goodwill is amortised over the useful economic life of 3 years and is carried at cost less accumulated amortisation.

Goodwill is allocated to Cash Generating Units (CGU). The company is assumed to be an individual CGU. The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets that are approved by the Board, excluding cash flows used in valuing the other intangible assets. Income and costs within the budget are derived on a detailed, 'bottom up' basis – all income streams and cost lines are considered and appropriate growth, or decline, rates are assumed for each, all of which are then reviewed and challenged, firstly by senior management and ultimately by the Board. Income and cost growth forecasts are discounted to reflect the specific risks facing the CGU and take account of the markets in which they operate. Cash flows beyond the budgeted year are extrapolated using the estimated growth rate stated below. Anticipated cash flows beyond 10 years have been ignored. The growth rate does not exceed the long-term average growth rate for the markets in which the CGU operates. Further, it is assumed that there are no material adverse changes in legislation that would affect the forecast cash flows.

The key assumptions used in the value-in-use calculations are as follows:

The discount rate used in the recoverable amount calculation is 11.3%. The discount rate used is pre-tax and reflects specific risks relating to the CGU and is based upon the weighted average cost of capital reflecting the specific principal risks and uncertainties applicable to the CGU.

The discount rate takes into account, amongst other things, the risk free rate of return, the cost of equity, the market risk premium (which is used in deriving the cost of equity) and the cost of debt. The same discount rate has been used for the CGU as the principal risks and uncertainties associated with the Company.

3 GOODWILL (continued)

Having completed the 2016 annual impairment review, the Company has recognised no impairment. The level of impairment recognised is predominantly dependent upon judgements used in arriving at future growth rates and the discount rate applied to cash flow projections. Key drivers to future growth rates are dependent on the Company's ability to maintain and grow income streams whilst effectively managing operating costs. The level of headroom may change if different growth rate assumptions or a different pre-tax discount rate were used in the cash flow projections. Where the value-in-use calculations suggest an impairment, the Board would consider alternative use values prior to realising any impairment. Alternative use values may include, inter alia, net proceeds from an outright sale.

4 INTANGIBLE ASSETS

	Other intangible assets £
Cost	
At 13 June 2016	-
Additions	**1,033,744**
At 31 December 2016	**1,033,744**
Accumulated amortisation	
At 13 June 2016	-
Charged during the year	**143,576**
At 31 December 2016	**143,576**
Net book value	
At 13 June 2016	-
At 31 December 2016	**890,168**

Acquisitions

On 14th July 2016, the company acquired the business trade and assets of Stanley Hicks & Sons, a non-incorporated business. Stanley Hicks provides property consultancy services to diverse portfolio of clients across a range of sectors.

	Book value £	Fair value adjustments £	Fair value to group £
Fixed assets	-	-	-
Identifiable intangible assets – customer relationships	-	1,033,744	1,033,744
Current assets	-	-	-
Current liabilities	-	-	-
Long term liabilities	-	(197,847)	(197,847)
Total identifiable assets	-	835,897	835,897
Goodwill			456,849
Total consideration			1,292,746
Satisfied by:			
Cash			980,000
Deferred and contingent consideration			312,746
Total consideration transferred			**1,292,746**

Deferred and contingent considerations are performance and revenue based payments respectively both due within 12 months of the balance sheet date.

5 DEBTORS

	2016
	£
Amounts falling due within one year:	
Trade debtors	308,562
Prepayments and accrued income	121,655
	430,217

6 CREDITORS

	2016
	£
Other taxation and social security liabilities	51,058
Accruals	86,472
Amounts due to group companies (note 11)	1,232,906
Deferred and contingent consideration	312,746
	1,683,182

Deferred and contingent considerations are performance and revenue based payments respectively both due within 12 months of the balance sheet date.

7 DEFERRED TAXATION

	2016
	£
Deferred tax brought forward	-
Deferred tax arising on acquisition of trade and assets	197,847
Deferred tax credit to income statement	(28,715)
	169,132

8 SHARE CAPITAL

Allotted, called up and fully paid shares		2016
	No.	£
Ordinary shares at £1 each	100	100

The Company was incorporated on 13th June 2016. On incorporation, 100 Ordinary share of £1 each were issued and fully paid up by the immediate parent undertaking, Bell Rock Workplace Management Limited.

9 MOVEMENT IN RESERVES

	Profit and loss account
	£
Balance at 13 July 2016	-
Loss for the period	108,864
Balance as at 31 December 2016	108,864

10 ULTIMATE PARENT COMPANY

The Company's immediate parent undertaking is Bell Rock Workplace Management Limited, a company registered in England and Wales. The Company's ultimate parent undertaking, which is the parent undertaking of the smallest and largest group to consolidate these financial statements, and controlling party is Bell Rock Topco Limited. Copies of the ultimate parent's consolidated Financial Statements may be obtained from The Secretary, Bell Rock Topco Limited, Peat House, 1 Waterloo Way, Leicester, LE1 6LP, which is also its registered office.

11 RELATED PARTY TRANSACTIONS

The Company has a related party relationship with its Parent Company, other Group Undertakings. Balances between these related parties are disclosed below:

	2016 £
Balances with related parties	
Amounts due to Bell Rock Workplace Management Limited (note 6)	**(980,000)**
Amounts due to Bellrock Property & Facilities Management Limited (note 6)	**(252,906)**