

REGISTERED NUMBER: 06020655 (England and Wales)

BRUNTWOOD MANAGEMENT SERVICES LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

BRUNTWOOD MANAGEMENT SERVICES LIMITED

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For The Year Ended 30 September 2019**

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BRUNTWOOD MANAGEMENT SERVICES LIMITED

COMPANY INFORMATION

For The Year Ended 30 September 2019

DIRECTORS:	C G Oglesby K J Crotty P A Crowther R P Burgess
REGISTERED OFFICE:	Union Albert Square Manchester M2 6LW
REGISTERED NUMBER:	06020655 (England and Wales)
AUDITOR:	Deloitte LLP Statutory Auditor Manchester United Kingdom
BANKERS:	The Royal Bank of Scotland plc
SOLICITORS:	Addleshaw Goddard LLP, Manchester DLA Piper UK LLP, Manchester Weightmans LLP, Liverpool

BRUNTWOOD MANAGEMENT SERVICES LIMITED

STRATEGIC REPORT

For The Year Ended 30 September 2019

The Directors present their Strategic Report with the financial statements of the company for the year ended 30 September 2019.

BUSINESS MODEL

The principal activity of Bruntwood Management Services Limited is the provision of management services to the Bruntwood Group, and its customers.

The Bruntwood Group ('Bruntwood' hereafter) is a family owned and run property investment business that specialises in creating the right places for businesses to succeed. With over 60 properties in 4 UK cities it provides office space, serviced and virtual offices, meeting rooms and retail premises to companies across a range of business sectors.

Over its 43-year history, the group has developed a proven business model based on an innovative approach to property development combined with a single minded focus on the needs of the customer. Bruntwood develops, lets and manages all its own properties, allowing it to seamlessly control the whole experience to make sure it meets customers' expectations at every stage. The business in-sources as many functions as it can and in particular those with a customer facing element. This is an important part of the business model and drives greater insight, better delivery and more agile support for our customers.

By owning a concentrated portfolio in markets where ownership is otherwise fragmented, Bruntwood benefits from better market knowledge when sourcing buildings, a better understanding of customers' needs when designing developments, a strong position in the leasing market and economies of scale when managing and maintaining the portfolio. The delivery of these areas by in-house teams results in a flexible and personal service offer, which in turn results in customer retention rates vastly exceeding the national average.

Bruntwood Management Services Limited employed on average 759 (2018: 715) people to provide these management services and support to all Bruntwood companies.

The intermediate parent company, Bruntwood Limited and the ultimate parent company, Bruntwood Group Limited produce consolidated accounts.

All Bruntwood companies are managed and controlled on a unified basis and trade under the single brand of Bruntwood. Whilst the directors take a responsible approach to the performance of each group and individual subsidiary company, the results of individual subsidiary companies can vary from time to time. There are a number of further key performance indicators for Bruntwood that are explained in more detail in the accounts of the intermediate parent Bruntwood Limited (company number 06017744). A copy of its financial statements can be obtained from the Registered Office, Union, Albert Square, Manchester, England M2 6LW.

STRATEGY, OBJECTIVES AND BUSINESS RISKS

The immediate strategic objectives of the company in support of those of the group as a whole are:

- Growing and investing well, in terms of the overall scale of the portfolio and the cities in which we operate;
- Creating brilliant spaces and places, this goes beyond the traditional focus of property companies on bricks and mortar but recognises the critical importance of the whole customer experience and the opportunity to create communities within our spaces;
- Supporting our cities, Bruntwood will continue to align our business' strategy with those of the cities in which we operate and, through the communities in our buildings, enable our customers to do the same;
- Working smarter, the business is continuing to implement new systems and processes to improve the way we work and so we can improve the support for customers;
- Strengthening our culture, deepening the engagement of Bruntwood's 800+ colleagues through increasing their connection with the company's purpose of creating thriving cities, developing the skills to be able to meet the challenges of the fast moving world and through creating a greater sense of autonomy in all roles.

The key performance indicators of the company are:

- Continue to drive an increase in occupancy;
- Increase rent roll, through a combination of increased headline rent and increased occupancy;
- Increase net asset value, and generate positive cash flow for reinvestment and asset growth;
- Continually improve relationships with customers and strive for increases in net promoter scores;
- Increase employee net promoter scores annually and improve upon people survey results.

BRUNTWOOD MANAGEMENT SERVICES LIMITED

STRATEGIC REPORT

For The Year Ended 30 September 2019

The company considers its principal risk to be the continuation of its management agreement relating to the estate of properties owned by the Bruntwood Group. A key factor in the success in the Bruntwood Group is its active asset management which enhances the flexibility and service it can offer its customers.

This risk is managed by regular contact and quarterly meetings with the executive management team of the Bruntwood Group.

REVIEW OF THE YEAR

As shown in the statement of income and retained earnings, turnover for the year ending 30 September 2019 was up 26.6% to £87.5m (2018: £69.1m). Profit before taxation was £1.3m (2018: £0.9m) and profit after taxation was £0.9m (2018: £1.7m).

The increase in turnover is largely attributable to another very successful year in delivering further services direct to customers of the Bruntwood Group, with facilities management services in particular seeing growth in the year. The Bruntwood Group has seen an increase in occupancy levels across all core markets and several buildings which had previously been vacant for refurbishment practically completed during the year, which helps provide an increase in the number of customers we can extend these services to. Additionally, there has been growth in the delivery of project services to both external customers and other entities within the Bruntwood group.

Our facilities management and project delivery businesses have continued to grow, increasing turnover by 88% in the year (2018: 27%). This increase is a result of the continued success of Bruntwood Group in its core markets and additional project services delivered to Bruntwood Group and Bruntwood SciTech Group companies.

The statement of financial position of the financial statements shows that the company's net assets were £6.2m at 30 September 2019 (2018: £15.2m).

There have been no significant events since the balance sheet date.

FUTURE OUTLOOK

The Bruntwood portfolio is well let to a good mix of public, corporate and SME customers, a number of whom continue to grow and look for additional space. There is an on-going pipeline of deals with solicitors and in active negotiation that will help improve occupancy further and provide new opportunities for the company to offer its full range of services.

Although the main focus of the company remains the management of the Bruntwood portfolio and existing customers of the Bruntwood group there are also now a number of external parties looking to utilise our skills in property management and we look forward to forming new relationships as we explore these further.

The anticipated growth for the company will be accompanied with continued investment in systems, training and people development, ensuring that we are able to add value to customers by remaining focussed on both the quality of service delivery, and efficiency in our approach.

The directors continue to assess the impact of Brexit on the company.

BRUNTWOOD MANAGEMENT SERVICES LIMITED

STRATEGIC REPORT

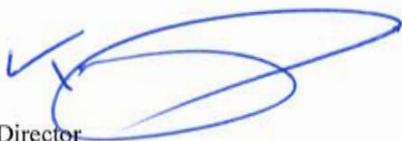
For The Year Ended 30 September 2019

ENVIRONMENT & SUSTAINABILITY

Every year Bruntwood donates to environmental, arts and charity organisations to make a positive change to the cities we operate in. We support activity that can really make a difference, from investing in climate change research and reducing carbon emissions to encouraging new writing talent and fundraising for local charities.

Our long term partnerships with a wide range of innovative and ambitious arts organisations, including The Bruntwood Prize for Playwriting and Manchester International Festival, are helping to add to the vibrancy of the cities we operate in by providing a platform to showcase new creative talent. Each year our staff raise money for our nominated charities and donate over 2,800 hours to volunteering in our local communities. We do all of this because it's the right thing to do and because we want the cities and communities we operate in to prosper. For more information visit bruntwood.co.uk/makingadifference.

APPROVED AND SIGNED ON BEHALF OF THE BOARD BY:



K J Crotty - Director

17 December 2019

BRUNTWOOD MANAGEMENT SERVICES LIMITED

REPORT OF THE DIRECTORS

For The Year Ended 30 September 2019

The Directors present their report with the audited financial statements for Bruntwood Management Services Limited for the year ended 30 September 2019. In accordance with S414 (C) (11) of the Companies Act, included in the Strategic Report is information relating to the future development of the business which would otherwise be required to be contained in the Directors' Report.

For further information on the operations of the Bruntwood Group, its approach to customer service, facilities management and the environment together with a review of market conditions please refer to the Bruntwood Group Annual Report which may be downloaded from our website at www.bruntwood.co.uk.

GOING CONCERN

After making enquiries, the directors believe that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

DIVIDENDS

Dividends of £10m were paid in the year (2018: £nil).

FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES

The company, by nature of its business, is exposed to financial risks. The financial risks of all Bruntwood companies are managed and controlled on a unified basis. Details of the Group's financial risk management objectives and policies are explained in more detail in the accounts of the ultimate parent Bruntwood Group Limited (company number: 02825044). A copy of its financial statements can be obtained from the Registered Office, Union, Albert Square, Manchester, England, M2 6LW.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2018 to the date of this report.

C G Oglesby
K J Crotty
P A Crowther
R P Burgess

Other changes in directors holding office are as follows:

K J Vokes - resigned 13 December 2018
R M Burns - resigned 13 December 2018
J R Marland - resigned 13 December 2018
A C Butterworth - resigned 13 December 2018
C A Roberts - resigned 13 December 2018
P A Kemp - resigned 13 December 2018
J C Bowles - resigned 13 December 2018

DIRECTORS' INDEMNITIES

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

EMPLOYEES

The company employed an average of 759 people during the year ended 30 September 2019 (2018: 715). Further details of employment costs can be found in the notes to the financial statements. On 28 September 2018 50 employees were transferred (in accordance with TUPE regulations) to Bruntwood Science Management Services Limited, a 100% subsidiary of Bruntwood SciTech Limited, a joint venture between Bruntwood Limited and Legal and General Capital Investments Limited.

BRUNTWOOD MANAGEMENT SERVICES LIMITED

REPORT OF THE DIRECTORS

For The Year Ended 30 September 2019

During the year the company continued its training and development programmes through a combination of internal and external training.

The company keeps employees informed on matters relevant to them through quarterly trading updates, an intranet site, a company magazine and an annual staff presentation. Employees are consulted regularly on a wide range of matters affecting their interests.

All employees are eligible to join the group's contributory pension scheme. The group's all employee share ownership scheme is open to all employees who have completed one year of employment. Each year the company sets aside reserves out of profits to meet both these liabilities and at 30 September 2019 the cumulative value amounted to £4.0m (2018: £3.6m).

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group and company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

HEALTH & SAFETY

Across the Bruntwood group we implement a program of continuous improvement to reduce health and safety risks in all buildings on a prioritised basis to ensure cost effective and pragmatic risk management. There is a rolling program of the required statutory inspections and risk assessments to ensure safe buildings for our customers, employees, contractors and visitors. All employees receive tailored health and safety training to undertake their role to ensure no adverse health effects or injuries and the reporting of all incidents including near-misses and hazard identification is encouraged in order to learn lessons wherever possible. Despite the wide range of refurbishment, development and facilities management activities undertaken by Bruntwood and their contractors there have been no Prohibition or Improvement Notices issued during the year by the Health & Safety Executive.

AUDITOR

Each of the directors at the date of approval of this report confirms that:

- (i) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (ii) the 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Deloitte LLP Statutory Auditor has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

APPROVED AND SIGNED ON BEHALF OF THE BOARD BY:



K J Crotty - Director

17 December 2019

BRUNTWOOD MANAGEMENT SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT For The Year Ended 30 September 2019

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRUNTWOOD MANAGEMENT SERVICES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Bruntwood Management Services Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of income and retained earnings;
- the statement of financial position;
- the statement of cash flows; and
- the related notes 1 to 19.

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

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.

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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRUNTWOOD MANAGEMENT SERVICES LIMITED

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.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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 report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have 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 strategic report or the report of the directors.

Matters on which we are required to report by exception

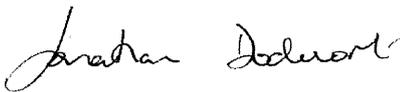
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

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.



Jonathan Dodworth (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Manchester
United Kingdom

Date: 17 December 2019

BRUNTWOOD MANAGEMENT SERVICES LIMITED**STATEMENT OF INCOME AND RETAINED EARNINGS
For The Year Ended 30 September 2019**

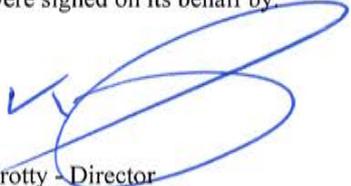
	Notes	2019 £'000	2018 £'000
TURNOVER	2	87,526	69,099
Cost of sales		<u>(84,992)</u>	<u>(67,752)</u>
GROSS PROFIT		2,534	1,347
Administrative expenses		<u>(1,268)</u>	<u>(467)</u>
OPERATING PROFIT	5	1,266	880
Interest receivable and similar income	6	13	7
Interest payable and similar expenses	7	<u>(10)</u>	<u>(4)</u>
PROFIT BEFORE TAXATION		1,269	883
Tax on profit	8	<u>(342)</u>	<u>779</u>
PROFIT FOR THE FINANCIAL YEAR		927	1,662
Retained earnings at beginning of year		15,227	13,565
Dividends	9	<u>(10,000)</u>	<u>-</u>
RETAINED EARNINGS AT END OF YEAR		<u><u>6,154</u></u>	<u><u>15,227</u></u>

The notes on pages 13 to 25 form part of these financial statements

BRUNTWOOD MANAGEMENT SERVICES LIMITED (REGISTERED NUMBER: 06020655)**STATEMENT OF FINANCIAL POSITION****30 September 2019**

	Notes	2019 £'000	2018 £'000
FIXED ASSETS			
Tangible assets	10	4,118	2,602
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	23,722	17,109
Debtors: amounts falling due after more than one year	11	1,318	1,902
Cash at bank		<u>12,706</u>	<u>10,950</u>
		37,746	29,961
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	<u>(34,075)</u>	<u>(15,308)</u>
NET CURRENT ASSETS		<u>3,671</u>	<u>14,653</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,789	17,255
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13	<u>(1,625)</u>	<u>(2,018)</u>
NET ASSETS		<u>6,164</u>	<u>15,237</u>
CAPITAL AND RESERVES			
Called up share capital	15	10	10
Retained earnings		<u>6,154</u>	<u>15,227</u>
SHAREHOLDERS' FUNDS		<u>6,164</u>	<u>15,237</u>

The financial statements of company number 06020655 were approved by the Board of Directors on 17 December 2019 and were signed on its behalf by:



K J Crotty - Director

The notes on pages 13 to 25 form part of these financial statements

BRUNTWOOD MANAGEMENT SERVICES LIMITED**STATEMENT OF CASH FLOWS****For The Year Ended 30 September 2019**

	Notes	2019 £'000	2018 £'000
Cash flows from operating activities			
Cash generated from operations	18	4,762	7,666
Interest paid		(10)	(4)
Tax paid		<u>(457)</u>	<u>(66)</u>
Net cash from operating activities		<u>4,295</u>	<u>7,596</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,434)	(1,722)
Interest received		<u>13</u>	<u>7</u>
Net cash from investing activities		<u>(2,421)</u>	<u>(1,715)</u>
Cash flows from financing activities			
Finance lease payments		<u>(118)</u>	<u>(129)</u>
Net cash from financing activities		<u>(118)</u>	<u>(129)</u>
		<u>—————</u>	<u>—————</u>
Increase in cash and cash equivalents		1,756	5,752
Cash and cash equivalents at beginning of year	19	<u>10,950</u>	<u>5,198</u>
Cash and cash equivalents at end of year	19	<u><u>12,706</u></u>	<u><u>10,950</u></u>

The notes on pages 13 to 25 form part of these financial statements

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 30 September 2019

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standards 102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland" and the Companies Act 2006.

Bruntwood Management Services Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activity are set out in the Strategic Report on pages 2 to 4.

The principal accounting policies adopted are described below. They have all been applied consistently throughout the current and preceding year.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates in.

Going Concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 4.

The company participates in the groups' (Bruntwood Group Limited) centralised treasury function and so shares banking arrangements with its parent and fellow subsidiaries. The Strategic Report on pages 2 to 4 describes the financial position of the company, its borrowing facilities and its financial risk management objectives.

The directors have considered the future trading of the company, including forecasts and projections, taking into account reasonable possible changes in trading performance. The directors are confident that the company has adequate working capital and resources to continuing operation existence for the foreseeable future and accordingly they continue to adopt the going concern basis in preparing the financial statements.

The directors have received confirmation that Bruntwood Group Limited ("Bruntwood"), the company's ultimate holding company, will continue to provide the necessary level of support to enable it to continue to operate for the foreseeable future. In considering the ability of Bruntwood to provide any necessary support in the context of the uncertainties all property companies face as a result of the current economic climate, the directors have obtained an understanding of Bruntwood's forecasts, the continuing availability of its facilities and its strategic and contingent plans. Additional details surrounding these factors and mitigating actions can be found in the Going Concern disclosure which appears in Note 1 of the accounts of Bruntwood Group Limited.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company, as a qualifying entity, has taken advantage of the following disclosure exemptions in preparing these financial statements, as the relevant disclosures are made in Bruntwood Limited accounts, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Turnover

Turnover is recognised on an accruals basis in line with the provision of services and amounts invoiced in advance relating to the next account period are recognised in deferred income in the balance sheet.

Fixed assets

Fixed assets are shown at cost less accumulated depreciation and provision for impairment. Depreciation is provided on the following basis:

Fixtures, fittings & IT equipment:	10%-30% on cost
Plant and Machinery:	10%-30% on cost
Motor vehicles:	25%-30% on reducing balance

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 30 September 2019

1. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

i. Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- a) The contractual return to the holder is
 - (i) a fixed amount;
 - (ii) a positive fixed rate or a positive variable rate; or
 - (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that
 - (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or
 - (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 30 September 2019

1. ACCOUNTING POLICIES - continued

ii. Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Taxation

Current UK corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Leases

i. The entity as lessee

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term.

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding.

ii. The entity as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 30 September 2019

1. ACCOUNTING POLICIES - continued

Share based payments

Fair value is measured by reference to the net assets of the group at year end less a discount for a non-controlling interest in a private company. The group has a choice to issue either cash-settled share-based or equity-settled share based payments to certain employees. Given the lack of a readily available market for the shares they are accounted for as cash settled and as such a liability equal to the portion of the employment services received is recognised at the current fair value determined at each balance sheet date for cash-settled share-based payments.

Finance leases

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding.

Pension costs

Bruntwood Management Services Limited makes discretionary contributions to personal pension plans in respect of all employees. The amounts charged to the profit and loss account in respect of the pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments on the balance sheet.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Critical accounting judgements

The Directors do not consider there to be any critical accounting judgements.

Key sources of estimation uncertainty

Share based payments

Fair value is measured by reference to the net assets of the group at year end less a discount for a non-controlling interest in a private company. The cost of cash-settled transactions is measured with reference to the fair value of the liability, which is taken to be the closing price of Bruntwood Group Limited's shares. Until the liability is settled it is remeasured at the end of each reporting period and at the date of settlement, with any changes in the fair value being recognised in the income statement for the period. Estimation exists in respect of the forecast future settlement dates available to employees. Management base estimation on historic actuals, the outputs are reviewed to ensure these are in line with the Director's best estimates each reporting period. The company has appropriate control procedures to ensure all estimates are determined on a consistent basis and subject to appropriate review and authorisation. Further details around these transactions during the period can be found in note 3.

2. TURNOVER

	2019	2018
	£'000	£'000
Management fees	19,369	32,832
Facilities management & property services income	<u>68,157</u>	<u>36,267</u>
Total	<u><u>87,526</u></u>	<u><u>69,099</u></u>

All turnover arises from the company's principal activity in the United Kingdom and excludes Value Added Tax. Revenue is recognised on an accruals basis.

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2019

3. EMPLOYEES AND DIRECTORS

Average monthly number of persons employed (including directors)	Average 2019	Average 2018
Administration and management	484	424
Customer service staff	<u>275</u>	<u>291</u>
Total	<u>759</u>	<u>715</u>

Staff costs during the year (including directors)	2019 £'000	2018 £'000
Wages and salaries	24,594	24,736
Social security costs	2,505	2,633
All Employee Share Ownership Plan and Cash Incentive Plan	1,165	4,954
Pension costs	<u>1,078</u>	<u>846</u>
Total	<u>29,342</u>	<u>33,169</u>

Share based payment

The company runs, for all employees after a qualifying period of service, an All Employee Share Ownership Plan (AESOP), which provides for the granting of shares on an annual basis for all eligible members of staff based upon performance targets.

In respect of the above scheme the group has recorded liabilities at the intrinsic values of £2,446k (2018: £8,010k) which are included in creditors due in less than one year (note 12) and £1,568k (2018: £1,891k) which are included in creditors due in more than one year (note 13).

Under the share option scheme the fair value is determined by reference to the net asset value less an appropriate discount for a non-controlling interest in a private company. The vesting period of the AESOP is ten years and the maximum term of the options granted is fifteen years.

4. DIRECTORS' AND KEY MANAGEMENT PERSONNEL REMUNERATION

	2019 £'000	2018 £'000
Directors' remuneration		
Emoluments	3,037	3,308
Pension contributions	<u>24</u>	<u>-</u>
	<u>3,061</u>	<u>3,332</u>

The number of directors who:

Had awards receivable in the form of shares under a long term incentive scheme	<u>8</u>	<u>8</u>
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	£'000	£'000
Remuneration of the highest paid director		
Emoluments	<u>435</u>	<u>488</u>

The directors of Bruntwood Limited are deemed to be the key management personnel.

BRUNTWOOD MANAGEMENT SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
For The Year Ended 30 September 2019**5. OPERATING PROFIT**

	2019	2018
	£'000	£'000
Operating profit is stated after charging:		
Depreciation	844	644
Auditor's remuneration - fees payable to the company's auditor for the audit of the company's annual accounts	8	8
Auditor's remuneration - non audit services	15	24
Loss on disposal of fixed assets	<u>107</u>	<u>175</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2019	2018
	£'000	£'000
Deposit account interest	<u>13</u>	<u>7</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£'000	£'000
Bank loans and overdrafts	<u>10</u>	<u>4</u>

8. TAXATION**Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit for the year was as follows:

	2019	2018
	£'000	£'000
Current tax:		
UK corporation tax	<u>66</u>	<u>-</u>
Deferred tax:		
Timing differences, origination and reversal	928	(282)
Adjustments in respect of prior years	<u>(652)</u>	<u>(497)</u>
Total deferred tax	<u>276</u>	<u>(779)</u>
Total tax charge/(credit)	<u>342</u>	<u>(779)</u>

BRUNTWOOD MANAGEMENT SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
For The Year Ended 30 September 2019**8. TAXATION - continued****Reconciliation of total tax charge/(credit) included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019	2018
	£'000	£'000
Profit before tax	<u>1,269</u>	<u>883</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	241	168
Effects of:		
Group relief surrendered for nil payment	1,467	(467)
Disallowable expenses	28	30
Difference in tax rate	(110)	33
Interest receivable in tax computation not in accounts	18	(46)
Adjustments in respect of prior years - Deferred tax	(652)	(497)
Differences or timing difference not recognised in deferred tax	(716)	-
Adjustments in respect of prior years - Current tax	<u>66</u>	<u>-</u>
Total tax charge/(credit)	<u>342</u>	<u>(779)</u>

The government announced that it intends to reduce the rate of corporation tax to 17% with effect from 1 April 2020. This legislation has been given effect by Finance Bill 2016 which was substantively enacted on 6 September 2016. Accordingly, all deferred tax assets and liabilities have been calculated on the basis that they reverse in future at the 17% rate.

9. DIVIDENDS

	2019	2018
	£'000	£'000
Ordinary shares of £1 each		
Final (£1 per share)	<u>10,000</u>	<u>-</u>

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2019

10. TANGIBLE FIXED ASSETS

	Plant and machinery £'000	Fixtures, fittings & IT equipment £'000	Motor vehicles £'000	Totals £'000
COST				
At 1 October 2018	194	5,379	819	6,392
Additions	149	2,318	-	2,467
Disposals	<u>-</u>	<u>(126)</u>	<u>(328)</u>	<u>(454)</u>
At 30 September 2019	<u>343</u>	<u>7,571</u>	<u>491</u>	<u>8,405</u>
DEPRECIATION				
At 1 October 2018	32	3,301	457	3,790
Charge for year	16	753	75	844
Eliminated on disposal	<u>-</u>	<u>(95)</u>	<u>(252)</u>	<u>(347)</u>
At 30 September 2019	<u>48</u>	<u>3,959</u>	<u>280</u>	<u>4,287</u>
NET BOOK VALUE				
At 30 September 2019	<u>295</u>	<u>3,612</u>	<u>211</u>	<u>4,118</u>
At 30 September 2018	<u>162</u>	<u>2,078</u>	<u>362</u>	<u>2,602</u>

Fixed assets, included in the above, which are held under finance leases are as follows:

	Motor vehicles £'000
COST	
At 1 October 2018	746
Disposals	<u>(282)</u>
At 30 September 2019	<u>464</u>
DEPRECIATION	
At 1 October 2018	392
Charge for year	73
Eliminated on disposal	<u>(209)</u>
At 30 September 2019	<u>256</u>
NET BOOK VALUE	
At 30 September 2019	<u>208</u>
At 30 September 2018	<u>354</u>

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2019

11. DEBTORS

	2019	2018
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	220	591
Amounts owed by group undertakings	-	8,223
Owed by related parties	1,592	32
Other debtors and prepayments	21,454	8,197
Corporation tax debtor	<u>456</u>	<u>66</u>
	<u>23,722</u>	<u>17,109</u>
Amounts falling due after more than one year:		
Amounts due from related parties	-	308
Deferred Tax asset	<u>1,318</u>	<u>1,594</u>
	<u>1,318</u>	<u>1,902</u>
Aggregate amounts	<u>25,040</u>	<u>19,011</u>

Amounts receivable from parent and subsidiary companies are unsecured, interest free and are repayable on demand.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£'000	£'000
Finance leases (see note 14)	78	111
Trade creditors	550	1,363
Related party creditor	70	2
Amounts owed to group undertakings	13,911	479
Other Creditors	2,227	1,920
Accruals and deferred income	<u>17,239</u>	<u>11,433</u>
	<u>34,075</u>	<u>15,308</u>

Amounts payable to parent and subsidiary companies are unsecured, interest free and are repayable on demand.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£'000	£'000
Finance leases (see note 14)	57	127
Other creditors	<u>1,568</u>	<u>1,891</u>
	<u>1,625</u>	<u>2,018</u>

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2019

14. LEASING AGREEMENTS

Minimum lease payments under finance leases fall due as follows:

	Finance leases	
	2019	2018
	£'000	£'000
Net obligations repayable:		
Within one year	78	111
Between one and five years	<u>57</u>	<u>127</u>
	<u>135</u>	<u>238</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

The entity has one class of ordinary share with no right to fixed income.

16. ULTIMATE PARENT COMPANY

Bruntwood Limited is the intermediate parent company of the smallest group of which the company is a member and for which group financial statements are drawn up. Bruntwood Group Limited is the ultimate parent company of the largest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from the Registered Office, Union, Albert Square, Manchester, England, M2 6LW. The ultimate controlling party is considered by the directors to be Mr C G Oglesby, close members of his family and Oglesby family trusts.

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 30 September 2019

17. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year ended 30 September 2019 the company entered into the following transactions with Bruntwood SciTech Group companies, related parties by nature of the Group holding a 50% share in Bruntwood SciTech Limited and its associated subsidiaries. Following the sale of 50% of the share capital of Bruntwood Scitech Limited on 29th September 2018 the Bruntwood SciTech Limited Group of companies were no longer wholly owned by Bruntwood Group Limited and as such were not covered by the section 33 exemption from this date. There were no transactions with related companies from this date to 30th September 2018. During the year ended 30 September 2019 the company entered into the following transactions with Bruntwood SciTech Group companies, related parties by nature of the Group holding a 50% share in Bruntwood SciTech Limited and its associated subsidiaries.

Income receivable in respect of service level agreements for the provision of facilities management, utilities supply, fixed recharges in respect of overheads and project and development management:

	2019	2018
	£'000	£'000
Alderley Park Limited	8,209	-
Bruntwood Circle Square 1 Limited	3,254	-
Bruntwood Circle Square 2 Limited	142	-
Bruntwood Circle Square 4 Limited	184	-
Bruntwood Platform Leeds Limited	2,178	-
Bruntwood Science Management Services Limited	3,458	-
Circle Square Green Company Limited	16	-
Citylabs Limited	971	-
Citylabs 2.0 Limited	141	-
Citylabs 4.0 Limited	883	-
Innovation Birmingham Limited	953	-
Manchester Science Partnerships Limited	4,914	-
MI-IDEA Limited	15	-
Trafford Bruntwood LLP	271	-
Circle Square District Company Ltd	21	-

Expenses payable in respect of service charge expenditure and internal rent payable:

	2019	2018
	£'000	£'000
Alderley Park Limited	530	-
Bruntwood Circle Square 1 Limited	45	-
Bruntwood Science Management Services Limited	531	-
Manchester Science Partnerships Limited	182	-

BRUNTWOOD MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 30 September 2019

The following amounts were outstanding at year end:

	2019	2019
	£'000	£'000
	Debtor	Creditor
Bruntwood SciTech Companies:		
Alderley Park Limited	303	4
Bruntwood Circle Square 1 Limited	30	-
Bruntwood Circle Square 2 Limited	13	-
Bruntwood Circle Square 4 Limited	17	-
Bruntwood Platform Leeds Limited	26	-
Bruntwood Science Management Services Limited	255	-
Circle Square Green Company Limited	4	-
Citylabs 2.0 Limited	35	-
Citylabs 4.0 Limited	78	-
Innovation Birmingham Limited	262	61
Manchester Science Partnerships Limited	92	5
	<u>1,115</u>	<u>70</u>
Other:		
Trafford Bruntwood LLP	59	-
3 Sovereign Square LLP	13	-
Roundthorn Group Pension Scheme	405	-
	<u>477</u>	<u>-</u>
	<u>1,592</u>	<u>70</u>
	2018	2018
	£'000	£'000
	Debtor	Creditor
Trafford Bruntwood LLP	32	-
Roundthorn Group Pension Scheme	308	-
Bruntwood Outsourced Properties Limited	2	-
	<u>342</u>	<u>-</u>

Included in debtors falling due within more than one year is an amount due from Roundthorn Group Pension and Life Assurance Schemes of £405,205 (2018: debtors falling within one year £308,400). This is a related party because the scheme trustees include Mr C G Oglesby and Mrs K J Vokes, both directors of this company during the year.

Additionally included in debtors falling due within one year is an amount due from Trafford Bruntwood LLP of £58,833 (2018: £31,835). The Group owns a 50% share of Trafford Bruntwood LLP, which is a 50:50 joint venture established during the period between the shareholders Trafford Borough Council and K-Site Limited (a subsidiary of Bruntwood Limited).

Included in creditors falling due within one year is an amount of £nil (2018: £2,000) owed to Bruntwood Outsourced Properties Limited, a company of which Mr M J Oglesby and Mr C G Oglesby are directors and shareholders.

BRUNTWOOD MANAGEMENT SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
For The Year Ended 30 September 2019**18. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019	2018
	£'000	£'000
Profit before taxation	1,269	883
Depreciation charges	844	644
Loss on disposal of fixed assets	107	175
Increase in provisions	430	951
Finance costs	10	4
Finance income	<u>(13)</u>	<u>(7)</u>
	2,647	2,650
(Increase)/decrease in trade and other debtors	(5,501)	1,978
Increase in trade and other creditors	<u>7,616</u>	<u>3,038</u>
Cash generated from operations	<u><u>4,762</u></u>	<u><u>7,666</u></u>

19. CASH AND CASH EQUIVALENTS**Year ended 30 September 2019**

	2019	2018
	£'000	£'000
Cash and cash equivalents	<u>12,706</u>	<u>10,950</u>

Year ended 30 September 2018

	2018	2017
	£'000	£'000
Cash and cash equivalents	10,950	7,036
Bank overdrafts	<u>-</u>	<u>(1,838)</u>
	<u><u>10,950</u></u>	<u><u>5,198</u></u>