

Company registered no: 06194523

Glide Utilities Limited
Annual Report and Financial Statements
for the year ended 31 December 2015

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Glide Utilities Limited

Contents

Board of directors and advisers	1
Strategic report for the year ended 31 December 2015	2
Directors' report for the year ended 31 December 2015	4
Independent auditors' report to the members of Glide Utilities Limited	7
Profit and loss account for the year ended 31 December 2015	9
Balance sheet as at 31 December 2015	10
Statement of changes in equity	11
Notes to the financial statements for the year ended 31 December 2015	12

Glide Utilities Limited

Board of directors and advisers

Directors

J D Villarreal

S S Krishan

N H P Lloyd

Secretary

S S Krishan

Company number

06194523

Registered office

Alpha Tower

Suffolk Street Queensway

Birmingham

B1 1TT

Bankers

Barclays Bank PLC

15 Colmore Row

Birmingham

B3 2BH

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Cornwall Court

19 Cornwall Street

Birmingham

B3 2DT

Glide Utilities Limited

Strategic report for the year ended 31 December 2015

Introduction

The directors present their Strategic report of Glide Utilities Limited ("**Glide**") for the year ended 31 December 2015.

Business review

Glide is an energy and telecommunications company specialising in shared accommodation and supplying services to tenants, landlords, letting agents and property investors in the UK. Glide's core proposition is that it solves the problem of splitting bills in shared accommodation by billing each tenant individually and enables landlords and managing agents to easily offer rents inclusive of bills with a consolidated billing service. Glide believes it provides the best and simplest choice for tenants and landlords.

Glide has continued to improve its customer communication, online portals and processes to increase awareness of the amount of energy its customers use, thereby assisting its customers in managing their energy consumption.

Glide has grown its number of services provided to 26,000 at the end of December 2015 and this has resulted in strong growth of 18% in turnover over a comparable period with both the tenant and landlord market segments performing well and with combined revenues standing at £15.9m at the end of the year ended 31 December 2015.

Gross margins have improved in the period due to the fall in the wholesale market prices for gas and electricity and this has enabled Glide to remain competitive with its services and continue its investment of over £0.25m in its brand, infrastructure and processes to improve the customer experience. Operating profit is therefore in line with expectations at £0.7m for 2015 (2014: £0.3m).

The directors continue to manage the business prudently and the balance sheet remains strong with cash balances in excess of £5.9m (2014: £2.2m) as at 31 December 2015. The year ended with cash balances approximately £2.0m higher than would normally be expected because during the second half of the year, one of Glide's key suppliers upgraded their billing platform, which led to difficulties in the supplier providing invoices to Glide in a timely manner especially during the final quarter of 2015.

Future developments

Following a strong performance in the year to 31 December 2015, Glide is focussed on continued growth in market share and its service solution continues to attract interest in the market.

Glide will continue to develop strategic partnerships with key suppliers to maintain security and stability of supply. The continued investment in Glide's brand and customer service has significantly improved customer satisfaction and the investment in the website and online services will provide greater integration with its business systems and processes, thereby improving the overall customer experience and operational efficiency. Glide will strive to enhance customer service through continued investment in its staff, training and business infrastructure and the directors are confident of further profitable growth.

Glide Utilities Limited

Strategic report for the year ended 31 December 2015 (continued)

Principal risks and uncertainties

The principal risks and uncertainties facing Glide are outlined below:

Energy price volatility

Glide's performance may be affected by fluctuations in wholesale energy prices. Glide's trading terms mitigates this risk by allowing business customers to fix their energy tariffs for terms of up to 24 months, thereby giving more certainty to their costs and to Glide's future revenue. For domestic customers, changes in wholesale energy prices could lead to pricing action being taken to increase tariffs which is provided for in the contractual terms.

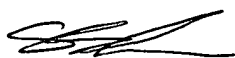
Financial risks

The main financial risks are outlined and managed as noted in the Directors' report.

Financial key performance indicators

Glide is part of a group controlled by Glide 2 Limited and the directors of Glide believe that analysis using key performance indicators, apart from the performance indicators noted in the Business review above, is not necessary or appropriate for an understanding of the development or performance of Glide. The development and performance of Glide 2 Limited, which includes Glide, is discussed in the group's financial statements.

This report was approved by the board on 9 May 2016 and signed on its behalf by:



S S Krishan
Director

Glide Utilities Limited

Directors' report for the year ended 31 December 2015

The directors present their report and the audited financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the company is that of distributing, trading and provision of utilities and telecommunications.

Results and dividends

The trading results for the period and the company's financial position at the end of the period are shown in the attached financial statements. The directors have paid a dividend of £85,000 (2014: £160,000) in the financial period.

Directors

The directors of the company who were in office during the period and up to the date of signing the financial statements were:

J D Villarreal
S S Krishan
N H P Lloyd (appointed 6 April 2015)

Financial risk management

Financial risks

The company's principal financial instruments comprise hire purchase contracts and cash at bank. The main purpose of these financial instruments is to raise finance for the company's operations. The company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The company does not enter into derivative transactions.

It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the company's financial instruments are credit risk, interest rate risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

Due to the nature of the business, not all domestic customers are subject to credit vetting procedures. Business customers who wish to trade on credit terms are subject to credit vetting procedures using Creditsafe Business Solutions Ltd.

Credit risk for domestic customers is minimised through deposits taken at the start of the contract term and through payment plans set up to take payment in advance. The terms and conditions of tenant contracts are such that all tenants are jointly and severally liable for a property's debt.

Interest rate risk

The company's exposure to market risk for changes in interest rates relates primarily to the company's hire purchase contracts. The company manages this risk by negotiating contracts with fixed interest rates.

Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of its cash reserves, bank facility and hire purchase contracts.

Glide Utilities Limited

Directors' report for the year ended 31 December 2015 (continued)

Directors' indemnity

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

Statement of directors' responsibilities

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 period. Under that law the directors have prepared 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 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 statements on the going concern basis unless it is inappropriate to presume that the company will remain 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that ought to have been taken as directors in order to be aware of any information needed by the company's auditors in connection with preparing its report and to establish that the company's auditors are aware of that information.

Glide Utilities Limited

Directors' report for the year ended 31 December 2015 (continued)

Independent auditors

PricewaterhouseCoopers LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the group receives notice under section 488(1) of the Companies Act 2006.

This report was approved by the board on 9 May 2016 and signed on its behalf.



S S Krishan
Director

Glide Utilities Limited

Independent auditors' report to the members of Glide Utilities Limited

Report on the financial statements

Our opinion

In our opinion, Glide Utilities Limited's financial statements (the "**financial statements**"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

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

- the balance sheet as at 31 December 2015;
- the profit and loss for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

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

Glide Utilities Limited

Independent auditors' report to the members of Glide Utilities Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

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

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

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

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

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



Neil Philpott (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
9 May 2016

Glide Utilities Limited

Profit and loss account for the year ended 31 December 2015

		Year ended 31 December 2015	15 month period ended 31 December 2014
	Note	£	£
Turnover	4	15,872,530	16,524,911
Cost of sales		<u>(11,759,444)</u>	<u>(12,686,725)</u>
Gross profit		4,113,086	3,838,186
Administrative expenses		<u>(3,390,162)</u>	<u>(3,537,524)</u>
Operating profit	5	722,924	300,662
Interest receivable and similar income	7	-	2,885
Interest payable and similar charges	8	<u>-</u>	<u>(3,251)</u>
Profit on ordinary activities before taxation		722,924	300,296
Tax on profit on ordinary activities	9	<u>(115,743)</u>	<u>(12,282)</u>
Profit for the financial year/period		<u>607,181</u>	<u>288,014</u>

The notes on pages 12 to 23 form an integral part of these financial statements.

There are no recognised gains and losses for the financial years other than those included above.

Accordingly, no separate statement of comprehensive income is presented.

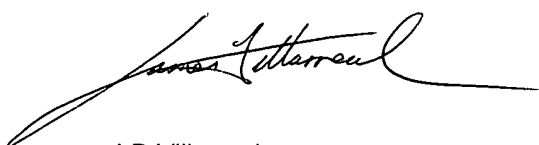
Glide Utilities Limited

Balance sheet as at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Intangible assets	10	36,439	126,996
Tangible assets	11	161,800	154,484
Current assets			
Debtors	12	2,948,216	2,860,186
Cash at bank and in hand		5,875,056	2,217,340
		<u>8,823,272</u>	<u>5,077,526</u>
Creditors: amounts falling due within one year	13	<u>(7,599,233)</u>	<u>(4,422,807)</u>
Net current assets		<u>1,224,039</u>	<u>654,719</u>
Total assets less current liabilities		<u>1,422,278</u>	<u>936,199</u>
Creditors: amounts falling due after more than one year	14	<u>(10,742)</u>	<u>(23,264)</u>
		<u>(19,498)</u>	<u>(43,078)</u>
Provisions for liabilities and charges	15		
Net assets		<u>1,392,038</u>	<u>869,857</u>
Capital and reserves			
Called up share capital	17	1,200	1,200
Profit and loss account		1,390,838	868,657
Total equity		<u>1,392,038</u>	<u>869,857</u>

The notes on pages 12 to 23 form part of these financial statements

The financial statements on pages 9 to 23 were approved by the board of directors on 9 May 2016 and were signed on its behalf by:



J D Villarreal
Director

Company number: 06194523

Glide Utilities Limited

Statement of changes in equity

	Called up share capital	Profit and loss account	Total
	£	£	£
Balance as at 1 January 2014	1,200	740,643	-741,843
Profit for the year	-	288,014	288,014
Dividend paid	-	(160,000)	(160,000)
Balance as at 1 January 2015	1,200	868,657	869,857
Profit for the year	-	607,181	606,484
Dividend paid	-	(85,000)	(85,000)
Balance as at 31 December 2015	1,200	1,390,838	1,392,038

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015

1. General information

Glide Utilities Limited (“the company”) is an energy and telecommunications company specialising in shared accommodation and supplying services to tenants, landlords, letting agents and property investors in the UK.

The company is incorporated and domiciled in the UK. The address of its registered office is Alpha Tower, Suffolk Street, Queensway, Birmingham B1 1TT.

2. Statement of compliance

The individual financial statements of the company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (“FRS 102”) and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements. Details of the transition to FRS 102 are disclosed in note 22

3.1 Basis of accounting

The financial statements have been prepared on the going concern basis in accordance with the historical cost convention and with the applicable accounting standards in the United Kingdom and the Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed at the end of note 3.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

3.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. Exemptions under FRS 102 paragraph 1.12 have been applied: in relation to presentation of a cash flow statement and related party transactions.

Cash flow statement

Glide Utilities Limited is a wholly owned subsidiary company of Glide 2 Limited, and is included in the consolidated financial statements of that company, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 102 paragraph 1.12(b).

Related party transactions

The company has taken advantage of the exemption granted under FRS 102 paragraph 1.12 (e) to not disclose transactions with other group companies where they are wholly owned by a common parent entity

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

3.3 Going concern

The directors consider that the company has sufficient financial resources, together with excellent relationships with its investors, suppliers and bankers. As a consequence, the directors believe the company is well placed to manage its business risks successfully.

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

3.4 Revenue recognition

Turnover comprises revenue recognised by the company in respect of goods and services attributable to distributing, trading and provision of utilities and telecommunications during the year, exclusive of Value Added Tax.

Turnover is recognised in the period that the service was provided on an accruals basis, where payment plans are billed in advance the billed amounts are recorded as trade debtors and revenue is deferred within accruals and deferred income until earned.

3.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment - 33% - 67% straight line

Computer equipment - 33% straight line

Assets in the course of construction are stated at cost. These assets are not depreciated until it is available for use.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised as a profit/loss on disposal.

3.6 Intangible assets

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of between three and five years, on a straight line basis.

Where factors, such as technological advancement or changes in market price, indicate that residual value of useful life has changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

3.7 Hire purchase contracts

Assets held under hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the assets' useful lives. The capital elements of future obligations under hire purchase contracts are included as liabilities in the balance sheet. The interest elements of the rental obligations are charged to the profit and loss account over the periods of the hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

3.8 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period of the lease.

3.9 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

3.10 Deferred taxation

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

3.11 Financial instruments

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

I. Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

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

II. Financial liabilities

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

3.12 Critical accounting judgements and estimation uncertainty

Doubtful debts

Provisions are made against Glide's trade receivables based on historical experience of levels of recovery from accounts in a particular ageing category. The actual amounts collected could differ from the estimated level of recovery which could impact operating results.

4. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company and all turnover is generated within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	Year ended 31 December 2015	15 month period ended 31 December 2014
	£	£
Amortisation of intangible fixed assets	92,257	32,821
Depreciation of tangible fixed assets		
- owned by the company	103,076	141,624
- held under finance leases	32,097	26,694
Auditors' remuneration - fees payable to the company's auditor in respect of the audit of the financial statements	17,100	14,000
Impairment of trade receivables	389,210	390,887
Operating leases - other	88,169	102,583
Operating leases – plant and machinery	<u>17,140</u>	<u>21,093</u>

In accordance with SI 2008/489 the company has not disclosed the fees payable to the companies auditor for 'other services' as this information is included in the consolidated financial statements of Glide 2 Limited.

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

6. Employees

The monthly average number of persons employed by the company, including the directors, during the financial year/period amounted to:

	Year ended 31 December 2015 No.	15 month period ended 31 December 2014 No.
Sales and marketing staff	16	13
Management and administrative staff	42	33
	<u>58</u>	<u>46</u>

The aggregate payroll costs of the above were:

	Year ended 31 December 2015 £	15 month period ended 31 December 2014 £
Wages and salaries	1,194,467	1,241,347
Social security costs	102,704	115,486
	<u>1,297,171</u>	<u>1,356,833</u>

The directors did not receive emoluments from the company (2014: none). The directors emoluments are disclosed in the parent company financial statements. Key management personnel are deemed to only be the directors for the company.

7. Interest receivable and similar income

	Year ended 31 December 2015 £	15 month period ended 31 December 2014 £
Interest receivable from group companies	-	2,885
Other interest receivable	-	-
	<u>-</u>	<u>2,885</u>

8. Interest payable and similar charges

	Year ended 31 December 2015 £	15 month period ended 31 December 2014 £
Hire purchase interest payable	-	2,938
Other interest payable	-	313
	<u>-</u>	<u>3,251</u>

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

9. Tax on profit on ordinary activities

	Year ended 31 December 2015	15 month period ended 31 December 2014
	£	£
Current tax		
UK corporation tax on profits in the year/period	131,326	1,133
Adjustments in respect of prior periods	7,997	(2,247)
Total current tax	<u>139,323</u>	<u>(1,114)</u>
Deferred tax		
Origination and reversal of timing differences	(19,126)	13,207
Adjustments in respect of prior periods	(2,521)	189
Effect of tax rate change on opening balance	(1,933)	-
Total deferred tax (see note 15)	<u>(23,580)</u>	<u>13,396</u>
Total tax on profit on ordinary activities	<u>115,743</u>	<u>12,282</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.25% (2014 – 21.8%) The differences are explained below:

	Year ended 31 December 2015	15 month period ended 31 December 2014
	£	£
Profit on ordinary activities before tax	722,924	300,296
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.8%)	146,392	65,464
Effects of		
Expenses not deductible for tax purposes	32,142	6,738
Income non taxable	(23,767)	-
Research and development uplift	(30,886)	(44,834)
Changes in tax rates	(1,932)	(102)
Group relief claimed	(11,682)	(11,737)
Adjustments in respect of prior periods	5,476	(2,058)
Other adjustments	-	(1,189)
Total tax charge for the year (see note above)	<u>115,743</u>	<u>12,282</u>

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

9. Tax on profit on ordinary activities (continued)

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015. As the change to 17% had not been substantively enacted at the balance sheet date its effects are not included in these financial statements.

10. Intangible fixed assets

	Intangibles £
Cost	
At 1 January 2015	159,817
Additions	1,700
At 31 December 2015	<u>161,517</u>
Accumulated depreciation	
At 1 January 2015	32,821
Charge for the year	92,257
At 31 December 2015	<u>125,078</u>
Net book value	
At 31 December 2015	<u>36,439</u>
At 31 December 2014	<u>126,996</u>

11. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 January 2015	389,750	201,119	590,869
Additions	135,621	6,868	142,489
At 31 December 2015	<u>525,371</u>	<u>207,987</u>	<u>733,358</u>
Accumulated depreciation			
At 1 January 2015	337,229	99,156	436,385
Charge for the year	96,941	38,232	135,173
At 31 December 2015	<u>434,170</u>	<u>137,388</u>	<u>571,558</u>
Net book value			
At 31 December 2015	<u>91,201</u>	<u>70,599</u>	<u>161,800</u>
At 31 December 2014	<u>52,521</u>	<u>101,963</u>	<u>154,484</u>

Our depreciation policies are reviewed on a regular basis against the background of changing technological and competitive developments. Office equipment contains some specialist items that are depreciated at 67%.

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

11. Tangible fixed assets (continued)

The net book value of assets held under hire purchase contracts, included above, are as follows:

	2015	2014
	£	£
Computer equipment	<u>25,929</u>	<u>58,026</u>

12. Debtors

	2015	2014
	£	£
Trade debtors	2,491,430	2,346,085
Amounts owed to group undertakings	-	212,622
Other taxation and social security	20,276	-
Other debtors	500	-
Prepayments and accrued income	<u>436,010</u>	<u>301,480</u>
	<u>2,948,216</u>	<u>2,860,187</u>

All amounts owed by group undertakings are unsecured and repayable on demand.

13. Creditor amounts falling due within one year

	2015	2014
	£	£
Net obligations under hire purchase contracts	12,522	32,098
Trade creditors	3,059,914	1,781,350
Amounts owed to group undertakings	286,251	330,833
Corporation tax	131,326	1,133
Other taxation and social security	-	19,188
Other creditors	802,368	762,000
Accruals and deferred income	<u>3,306,852</u>	<u>1,496,205</u>
	<u>7,599,233</u>	<u>4,422,807</u>

All amounts owed by group undertakings are unsecured and repayable on demand.

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

14. Creditor amounts falling due after more than one year

	2015	2014
	£	£
Net obligations under hire purchase contracts	<u>10,742</u>	<u>23,264</u>

Future minimum payments under finance leases are as follows:

	2015	2014
	£	£
Net obligations under hire purchase contracts		
Within one year	12,522	32,098
In more than one year, but not more than five years	<u>10,742</u>	<u>23,264</u>
Total gross payments	<u>23,264</u>	<u>55,362</u>

15. Provisions for liabilities

Deferred taxation:

	2015	2014
	£	£
At beginning of year	43,078	29,682
Adjustment in respect of prior periods	(2,521)	
(Charge)/asset for the year	(21,059)	13,207
Rate change	-	189
At end of year	<u>19,498</u>	<u>43,078</u>

The deferred tax (asset)/ provision is made up as follows:

	2015	2014
	£	£
Accelerated capital allowances	<u>19,498</u>	<u>43,078</u>

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

16. Financial instruments

The company has the following financial instruments:

	2015	2014
	£	£
Financial assets that are debt instruments measured at amortised costs		
Trade receivables	2,491,430	2,346,085
Amounts owed by group undertakings	-	212,622
	<u>2,491,430</u>	<u>2,558,707</u>
Financial liabilities measured at amortised cost		
Trade creditors	3,059,914	1,781,350
Amounts owed to group undertakings	286,251	330,833
Other creditors	802,368	762,000
Hire purchase contracts	12,522	32,098
	<u>4,161,055</u>	<u>2,906,281</u>

17. Called up share capital

	2015	2014
	£	£
Allotted, called up and fully paid		
660 (2014: 660) A Ordinary shares of £1 each	660	660
540 (2014: 540) B Ordinary shares of £1 each	540	540
	<u>1,200</u>	<u>1,200</u>

A and B ordinary shares have equal voting rights and rank pari-passu.

18. Dividends

	2015	2014
	£	£
Equity – ordinary		
Final Paid: £70.83 (2014: £133.33) per £1 share	85,000	160,000
	<u>85,000</u>	<u>160,000</u>

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

19. Operating lease commitments

	2015		2014	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Expiry date				
Within 1 year	-	1,103	-	1,241
Between 2 and 5 years	<u>395,485</u>	<u>26,406</u>	<u>108,927</u>	<u>21,341</u>

20. Related party transactions

As permitted by FRS 102, details of transactions with other group undertakings have not been disclosed within the financial statements.

Premier Medical Properties Limited and Beauty and Laser Clinic are companies under the control of Dr K S Krishan, a close family member of S S Krishan.

During the year the company entered into the following related party transactions at arm's length.

2015	Debtors £	Creditors £	Purchases £	Sales £
James Villarreal and Richard Price	-	-	-	2,131
Premier Medical Properties Limited	-	-	-	8,722
Dr K S Krishan	-	-	-	3,184
Beauty and Laser Clinic	-	-	-	1,001
2014	Debtors £	Creditors £	Purchases £	Sales £
James Villarreal and Richard Price	-	-	-	3,020
Premier Medical Properties Limited	-	-	-	14,338
Dr K S Krishan	-	-	349	22,172
Beauty and Laser Clinic	-	-	-	183

Glide Utilities Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

21. Parent company and controlling related party

The ultimate parent undertaking and controlling party is Glide 2 Limited, a company incorporated in England and Wales.

Glide 2 Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2015. The consolidated financial statements of Glide 2 Limited are available from Alpha Tower, Suffolk Street Queensway, Birmingham, B1 1TT.

Glide 2 Limited is not controlled by any one individual party.

22. Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the period ended 31 December 2014. The date of transition to FRS 102 was 1 October 2013. There were no material changes in accounting policies or adjustments to the profit or net assets for the financial period ended 31 December 2014 between UK GAAP as previously reported and FRS 102.