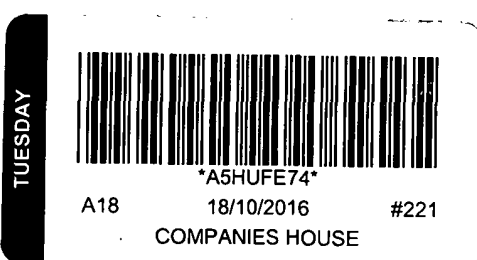

D S PROPERTY DEVELOPMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2016



D S PROPERTY DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	M H Marx (resigned 29 February 2016) C J Barwick M S Weiner R Upton (appointed 8 February 2016) M O Shepherd J S Hesketh (appointed 29 January 2016) B D Cassels (appointed 8 February 2016)
Company secretary	C J Barton
Registered number	0610733
Registered office	7a Howick Place London SW1P 1DZ
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH
Bankers	Barclays Bank PLC 50 Pall Mall London SW1A 1QA

D S PROPERTY DEVELOPMENTS LIMITED

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D S PROPERTY DEVELOPMENTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 29 FEBRUARY 2016

Business review and future developments

The principal activity of the company during the year and for the foreseeable future is that of property development and trading. The directors do not foresee any changes in the future activities of the company.

The company has an interest in a leasehold property at 7 St Paul's Place in Sheffield.

The profit for the year, after taxation, amounted to £190,589 (2015 - £589,308).

The directors do not recommend the payment of a dividend for the year (2015 - £Nil).

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks, particularly around market and operational risks in the current difficult market conditions. The company is a member of the U and I Group PLC group of companies. Further discussion of the risks and uncertainties, in the context of the group as a whole, is provided in the group's annual report which does not form part of this report.

Financial key performance indicators

The directors of U and I Group PLC manage the group's operations on a group basis. For this reason, the company's directors believe that an analysis using KPIs for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the company. The development, performance and position of the group is discussed in the group's annual report which does not form part of this report.

This report was approved by the board on 7 October 2016 and signed on its behalf.



C J Barton
Secretary

D S PROPERTY DEVELOPMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 29 FEBRUARY 2016

The directors present their report and the audited financial statements for the year ended 29 February 2016.

Results and dividends

The profit for the year, after taxation, amounted to £190,589 (2015 - £589,308).

The directors do not recommend the payment of a dividend for the year (2015 - £Nil).

Details of the business review and future developments of the company are discussed in the Strategic report on page 1.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

M H Marx (resigned 29 February 2016)
C J Barwick
M S Weiner
R Upton (appointed 8 February 2016)
M O Shepherd
J S Hesketh (appointed 29 January 2016)
B D Cassels (appointed 8 February 2016)

Qualifying third party indemnity provisions

The company maintains directors' and officers' liability insurance, which is reviewed annually and is considered to be adequately insured. Such qualifying third party indemnity provisions remain in place at the date of approving the directors' report.

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 director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 7 October 2016 and signed on its behalf.



C J Barton
Secretary

D S PROPERTY DEVELOPMENTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 29 FEBRUARY 2016

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

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the audited 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 audited financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgments 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 auditors' report to the members of D S Property Developments Limited

Report on the financial statements

Our opinion

In our opinion, D S Property Developments Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 29 February 2016 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 and Financial Statements (the "Annual Report"), comprise:

- the Balance sheet as at 29 February 2016;
- the Statement of comprehensive income 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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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

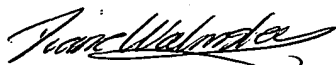
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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



Diane Walmsley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

7 October 2016

D S PROPERTY DEVELOPMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2016

	Note	2016 £	2015 £
Turnover	3	221,887	572,769
Cost of sales		(3,897)	44,649
Gross profit		217,990	617,418
Administrative expenses		(27,642)	(28,110)
Operating profit	4	190,348	589,308
Interest receivable and similar income		241	-
Profit before tax		190,589	589,308
Tax on profit	6	-	-
Profit for the year		190,589	589,308

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 10 to 15 form part of these financial statements.

D S PROPERTY DEVELOPMENTS LIMITED
REGISTERED NUMBER:0610733

BALANCE SHEET
AS AT 29 FEBRUARY 2016

	Note	29 February 2016 £	28 February 2015 £
Current assets			
Stocks	7	2,135,206	2,135,208
Debtors: amounts falling due within one year	8	284,166	173,144
Cash at bank and in hand		5,593	5,593
		<u>2,424,965</u>	<u>2,313,945</u>
Creditors: amounts falling due within one year	9	(1,432,627)	(1,499,636)
Net current assets		<u>992,338</u>	<u>814,309</u>
Total assets less current liabilities		<u>992,338</u>	<u>814,309</u>
Provisions for liabilities			
Other provisions	10	-	(12,560)
		<u>-</u>	<u>(12,560)</u>
Net assets		<u><u>992,338</u></u>	<u><u>801,749</u></u>
Capital and reserves			
Called up share capital	11	100	100
Retained earnings		992,238	801,649
Total equity		<u><u>992,338</u></u>	<u><u>801,749</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 October 2016.



M O Shepherd
Director

The notes on pages 10 to 15 form part of these financial statements.

D S PROPERTY DEVELOPMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 29 FEBRUARY 2016**

	Share capital £	Retained earnings £	Total equity £
At 1 March 2015	100	801,649	801,749
Comprehensive income for the year			
Profit for the year	-	190,589	190,589
Other comprehensive income for the year	-	-	-
At 29 February 2016	100	992,238	992,338

D S PROPERTY DEVELOPMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2015**

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 March 2014	100	212,341	212,441
Comprehensive income for the year			
Profit for the year	-	589,308	589,308
Other comprehensive income for the year	-	-	-
At 28 February 2015	100	801,649	801,749

The notes on pages 10 to 15 form part of these financial statements.

D S PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

1. Accounting policies

1.1 General information

DS Property Development Limited is a property development company.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 7A Howick Place, SW1P 1DZ, London.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.3 Going concern

The directors have prepared the financial statements on the going concern basis, on the grounds that the company can meet its liabilities as they fall due.

1.4 Exemptions for qualifying entities under FRS 102

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, U and I Group PLC, includes the company's cash flows in its own consolidated financial statements.

This company discloses transactions with related parties which are not wholly owned within the U and I Group PLC group. It does not disclose transactions with members of the U and I Group PLC group that are wholly owned.

1.5 Turnover

Rental income, net of value added tax, is accrued based on the amounts earned in the period. Any incentives for lessees to enter into lease agreements are spread evenly over the period to the earlier of the lease expiry and the first review date on which rent is adjusted to the market rate.

1.6 Stocks

Stocks are stated at the lower of cost and fair value less costs to sell, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase and includes directly attributable expenditure. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.7 Financial instruments

D S PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

1. Accounting policies (continued)

1.7 Financial instruments (continued)

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to and from group undertakings.

Financial assets

Cash and cash equivalents – Cash comprises cash in hand and on-demand deposits less overdrafts. Cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade debtors – Trade debtors are recognised at the original transaction value and subsequently measured at amortised cost. A provision for impairment is established where there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables concerned.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.8 Taxation

Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

D S PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2016

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the company's accounting policies. Not all of these accounting policies require management to make difficult, subjective or complex judgements or estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements.

Trade debtors

The company is required to judge when there is sufficient objective evidence to require the impairment of individual trade debtors. It does this on the basis of the age of the relevant receivables, external evidence of the credit status of the debtor entity and the nature of any disputed amounts.

3. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Rental income	221,887	239,432
Other property income	-	5,037
Proceeds from sale of property	-	328,300
	<u>221,887</u>	<u>572,769</u>

All turnover arose within the United Kingdom.

4. Operating profit

The auditors' remuneration of £3,500 (2015 - £Nil) has been borne by U and I Group PLC, the ultimate parent company.

5. Employees

The company has no employees other than the directors (2015 - none). Their remuneration, including pension costs, is not borne directly by the company but by U and I Group PLC. The entity has been recharged its share of overhead expenses, totalling £26,769 (2015 - £27,824). This includes directors' costs. However, the amount is not easily identifiable.

6. Taxation

There is no tax charge in the current year (2015 - £Nil).

D S PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 21.2%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>190,589</u>	<u>589,308</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21.2%)	38,118	124,933
Effects of:		
Group relief	(38,118)	(124,933)
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The UK corporation tax rate was 20% from 1 April 2015 and this has been reflected in the accounts. Further changes to the UK corporation tax rates were announced in the Chancellor's Budget on 8 July 2015. These include reductions to the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020. As these changes had not been substantively enacted at the balance sheet date their effects are not included in these financial statements.

7. Stocks

	29 February 2016 £	28 February 2015 £
Work in progress	<u>2,135,206</u>	<u>2,135,208</u>
	<u>2,135,206</u>	<u>2,135,208</u>

D S PROPERTY DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

8. Debtors: amounts falling due within one year

	29 February 2016 £	28 February 2015 £
Trade debtors	105	5,770
Amounts owed by group undertakings	18,049	-
Other debtors	46,620	167,374
Prepayments and accrued income	219,392	-
	284,166	173,144

There is neither a set date nor terms for repayment of the unsecured amounts owed by group undertakings and interest is not charged on the balance.

9. Creditors: Amounts falling due within one year

	29 February 2016 £	28 February 2015 £
Bank loans and overdrafts	2	-
Amounts owed to group undertakings	1,413,126	1,478,284
Taxation and social security	7,166	7,611
Other creditors	1,124	-
Accruals and deferred income	11,209	13,741
	1,432,627	1,499,636

There is neither a set date nor terms for repayment of the unsecured amounts owed to group undertakings and interest is not charged on this balance.

D S PROPERTY DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

10. Other provisions

	Onerous lease commitment £
At 1 March 2015	12,560
Movement during the year - dilapidation provision	(12,560)
At 29 February 2016	-

11. Called up share capital

	29 February 2016 £	28 February 2015 £
Allotted, called up and fully paid		
100 (2015: 100) Ordinary shares of £1 each	100	100

12. Controlling party

The ultimate parent controlling company and the largest and smallest group of which D S Property Development Limited is a member and for which consolidated financial statements are prepared is U and I Group PLC.

The immediate parent company is U and I (Projects) Limited.

Both companies are incorporated in Great Britain and registered in England and Wales.

Copies of the annual report and financial statements of U and I Group PLC and U and I (Projects) Limited can be obtained from 7a Howick Place, London SW1P 1DZ.

13. First time adoption of FRS102

This is the first year the company has presented its results under FRS102. The last financial statements under UK GAAP were for the year ended 28 February 2015. The date of the transition to FRS 102 was 1 March 2014. No changes to the comparatives have been required.