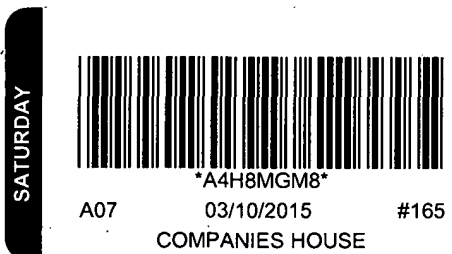


COMPANY REGISTRATION NUMBER: 616559

SEAGLEN INVESTMENTS LIMITED
FINANCIAL STATEMENTS
31 MARCH 2015



COHEN ARNOLD
Chartered Accountants & statutory auditor
New Burlington House
1075 Finchley Road
London
NW11 0PU

SEAGLEN INVESTMENTS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

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SEAGLEN INVESTMENTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS	B S E Freshwater D Davis
COMPANY SECRETARY	M R M Jenner, F.C.I.S.
REGISTERED OFFICE	Freshwater House 158-162 Shaftesbury Avenue London WC2H 8HR
AUDITOR	Cohen Arnold Chartered Accountants & statutory auditor New Burlington House 1075 Finchley Road London NW11 0PU

SEAGLEN INVESTMENTS LIMITED

DIRECTORS REPORT

YEAR ENDED 31 MARCH 2015

The directors present their report and the financial statements of the company for the year ended 31 March 2015.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is property investment in residential properties in the UK. From time to time the Company undertakes the redevelopment of its existing properties. The Company's business model is generally to hold its properties for the long term in order to generate rental income and capital appreciation. However, each of the Company's investment properties is considered to be potentially for sale in the right circumstances. There has been no significant change in the nature of the company's business activities during the year under review, nor is any envisaged in the immediate future.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,520,106. The directors have not recommended a dividend.

DIRECTORS

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

B S E Freshwater

D Davis

The Articles of Association of the company do not require the directors to retire by rotation.

Neither director has a service contract, nor do they receive any emoluments from the company.

The company does not grant share options to its directors nor does it pay pension contributions on their behalf.

DIRECTORS' INTERESTS IN CONTRACTS

The majority of the day-to-day management of the company's properties and its operations is carried out by Freshwater Property Management Limited and Highdorn Co. Limited. Mr BSE Freshwater is a director of, but has no beneficial interest in the share capital of, either of these companies.

Mr BSE Freshwater and Mr D Davis are also Governors of the parent undertaking of Freshwater Property Management Limited, but have no beneficial interest in that company.

The only contracts in which directors were interested were those entered into in the normal course of business.

DIRECTORS' INTERESTS IN SHARE CAPITAL

The whole of the issued share capital of the company is owned by Daejan Traders Limited. At 31 March 2015, neither director has any interest in the share capital of the company, the parent undertaking or any subsidiary of the company's parent undertaking.

The interest of the directors, and those of their families and family trusts, in the share capital of Daejan Holdings PLC, the ultimate parent undertaking, are set out in the Directors' Report of that company.

PROPERTIES

A professional valuation of all the Company's investment portfolio was carried out at 31 March 2015 by Colliers International Property Advisers UK LLP, RICS Registered Valuers. The valuation totalled £13,310,080 (2014: £13,340,580) producing a surplus of £1,781,500 (2014: £1,638,100) which has been included in the profit and loss account.

SEAGLEN INVESTMENTS LIMITED

DIRECTORS REPORT *(continued)*

YEAR ENDED 31 MARCH 2015

DIRECTORS RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

DONATIONS

During the year the company made no charitable donation nor political contribution.

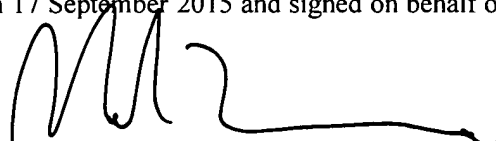
AUDITOR

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

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

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 17 September 2015 and signed on behalf of the board by:



M R M Jenner, F.C.I.S.
Company Secretary

SEAGLEN INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SEAGLEN
INVESTMENTS LIMITED
YEAR ENDED 31 MARCH 2015

We have audited the financial statements of Seaglen Investments Limited for the year ended 31 March 2015 which comprise the profit and loss account, statement of income and retained earnings, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the directors report for the financial year for which the financial statements are prepared is consistent with the financial statements.

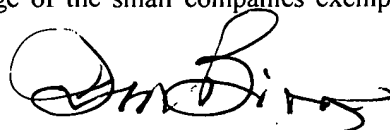
SEAGLEN INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SEAGLEN
INVESTMENTS LIMITED *(continued)*

YEAR ENDED 31 MARCH 2015

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



David Birns (Senior Statutory Auditor)

For and on behalf of
Cohen Arnold
Chartered Accountants & statutory auditor

New Burlington House
1075 Finchley Road
London
NW11 0PU

17 September 2015

SEAGLEN INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
TURNOVER	3	224,227	130,055
Cost of sales		<u>(187,219)</u>	<u>(168,673)</u>
GROSS PROFIT/(LOSS)		37,008	(38,618)
Administrative expenses		(13,800)	(10,200)
(Loss)/profit on disposal of investment property		(44,211)	72,176
Net valuation gains on investment property		<u>1,781,500</u>	<u>1,638,100</u>
OPERATING PROFIT	4	1,760,497	1,661,458
Interest receivable	6	<u>136,010</u>	<u>116,560</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,896,507	1,778,018
Taxation on ordinary activities	7	<u>(376,401)</u>	<u>(19,816)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>1,520,106</u>	<u>1,758,202</u>

All the activities of the company are from continuing operations.

The notes on pages 9 to 17 form part of these financial statements.

SEAGLEN INVESTMENTS LIMITED
STATEMENT OF INCOME AND RETAINED EARNINGS
YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
Profit for the financial year and total comprehensive income		1,520,106	1,758,202
RETAINED EARNINGS AT THE START OF THE YEAR		13,680,704	11,922,502
RETAINED EARNINGS AT THE END OF THE YEAR		<u>15,200,810</u>	<u>13,680,704</u>

The balance on the profit and loss account at 31 March 2015 includes £10,376,802 of unrealised profits which are not available for distribution.

The notes on pages 9 to 17 form part of these financial statements.


SEAGLEN INVESTMENTS LIMITED

BALANCE SHEET

31 MARCH 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	8	13,310,080	13,340,580
CURRENT ASSETS			
Debtors	9	5,583,820	3,469,552
CREDITORS: amounts falling due within one year	10	<u>(1,144,890)</u>	<u>(574,228)</u>
NET CURRENT ASSETS		<u>4,438,930</u>	<u>2,895,324</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>17,749,010</u>	<u>16,235,904</u>
PROVISIONS	12	<u>(2,548,000)</u>	<u>(2,555,000)</u>
NET ASSETS		<u>15,201,010</u>	<u>13,680,904</u>
CAPITAL AND RESERVES			
Called up share capital	14	200	200
Profit and loss account		<u>15,200,810</u>	<u>13,680,704</u>
SHAREHOLDERS FUNDS		<u>15,201,010</u>	<u>13,680,904</u>

These financial statements were approved by the board of directors and authorised for issue on 17 September 2015, and are signed on behalf of the board by:


B S E Freshwater
 Director

Company registration number: 616559

The notes on pages 9 to 17 form part of these financial statements.

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2015

1. STATEMENT OF COMPLIANCE

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

2. ACCOUNTING POLICIES

Basis of preparation

Seaglen Investments Limited (the "Company") is a company limited by shares and incorporated in the UK. The Company's Registered Office is Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR.

The financial statements have been prepared under the historical cost convention except that investment property is measured at fair value.

The financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, as the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due, based on the net current asset position of the company and available sources of finance.

Disclosure exemptions

The Company's ultimate parent undertaking, Daejan Holdings PLC, includes the Company in its consolidated financial statements. The consolidated financial statements of Daejan Holdings PLC are prepared in accordance with International Financial Reporting Standards (IFRS) and are available to the public and may be obtained from Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR. In these financial statements, the company is considered to be a qualifying entity (for the purposes of FRS 102) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements and key sources of estimation uncertainty

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 18.

Turnover

Turnover comprises rents and charges receivable and is derived wholly from operations in the UK. Rents receivable from investment property leased out under operating leases is recognised in the profit and loss account on a straight line basis over the certain term of the lease.

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2015

2. ACCOUNTING POLICIES *(continued)*

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Provision is made for consideration payable to or receivable from other group undertakings for the surrender of losses under group relief provisions.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2015

2. ACCOUNTING POLICIES *(continued)*

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- Investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the profit and loss account in the period that they arise; and
- No depreciation is provided in respect of investment properties applying the fair value model.

This treatment, as regards the company's investment properties, may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Investment property fair value is based on a valuation by an external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and class of property being valued. Any gain or loss arising from a change in fair value is recognised in the profit and loss account.

Profit on disposal of investment property includes the net proceeds from lease extensions.

Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Expenses

Interest receivable and Interest payable:

Interest income and interest payable are recognised in the profit and loss account as they accrue, using the effective interest method. Borrowing costs that are directly attributable to the acquisition, construction or redevelopment of an asset that takes a substantial time to be prepared for use are expensed as incurred.

Interest receivable and similar income include interest receivable on intercompany loans and late payment charges.

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2015

2. ACCOUNTING POLICIES *(continued)*

Financial instruments

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 entity after deducting all its financial liabilities.

Basic financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

3. TURNOVER

Turnover arises from:

	2015	2014
	£	£
Rent receivable	<u>224,227</u>	<u>130,055</u>

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

4. OPERATING PROFIT

Operating profit or loss is stated after charging:

	2015	2014
	£	£
Fees payable for the audit of the financial statements	<u>12,000</u>	<u>10,200</u>

5. PARTICULARS OF EMPLOYEES

The staff provided by the property and administrative management company, Highdorn Co. Limited, are engaged under joint employment contracts with a fellow subsidiary of the company and their costs subsequently recharged to the company at a level appropriate to the activity of the company. No recharges were made during the year (2014: Nil).

The directors of the company received no remuneration during the year nor in the preceding year.

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2015

6. INTEREST RECEIVABLE

	2015	2014
	£	£
Other interests receivable	10	1,560
Group Interest Receivable	<u>136,000</u>	<u>115,000</u>
	<u>136,010</u>	<u>116,560</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Major components of tax expense

	2015	2014
	£	£
Current tax:		
UK current tax expense	388,000	166,000
Adjustments in respect of prior periods	<u>(4,599)</u>	<u>(184)</u>
Total current tax	<u>383,401</u>	<u>165,816</u>
Deferred tax:		
Origination and reversal of timing differences	(7,000)	206,000
Impact of change in tax rate	<u>—</u>	<u>(352,000)</u>
Total deferred tax	<u>(7,000)</u>	<u>(146,000)</u>
Taxation on ordinary activities	<u>376,401</u>	<u>19,816</u>

All tax is recognised in the profit and loss account.

(b) Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 21% (2014: 23%).

	2015	2014
	£	£
Profit on ordinary activities before taxation	<u>1,896,507</u>	<u>1,778,018</u>
Profit on ordinary activities by rate of tax	398,266	408,944
Land remediation relief	(369)	(286)
Adjustments in respect of previous periods	(4,599)	(184)
Difference between chargeable gains and profit on disposal	363,969	133,616
Timing differences on unrealised gains	(381,115)	(522,763)
Other differences	249	413
Tax on profit on ordinary activities	<u>376,401</u>	<u>19,740</u>

(c) Factors that may affect future tax expense

A reduction in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) was substantially enacted on 2 July 2013. A further reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantially enacted on 2 July 2013. In July 2015 the Government announced further reductions in the UK Corporation Tax rate to 19% by 1 April 2017 and to 18% by 1 April 2020. This will reduce the Company's future tax charge accordingly. The deferred tax liability at 31 March 2015 has been calculated based on the rates of 20%.

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2015

8. TANGIBLE ASSETS

	Freehold property £
Fair Value	
At 1 April 2014	13,340,580
Disposals	(1,812,000)
Revaluations	1,781,500
At 31 March 2015	<u>13,310,080</u>

Tangible assets held at valuation

An independent professional revaluation of the Company's property was carried out at 31 March 2015 by Colliers International Property Advisers UK LLP, RICS Registered Valuers. The revaluation figures are based on open market value assessed in accordance with the RICS Valuation – Professional Standards (2015).

Valuation techniques and key inputs

The company's residential apartments and houses (£13,310,080) were valued using a sales valuation approach, derived from recent comparable transactions in the market, adjusted by applying discounts to reflect status of occupation and condition. The largest discounts were applied to those properties subject to registered tenancies, reflecting the relative difference in security of tenure, whilst the smallest discounts were applied to those properties subject to assured shorthold tenancies. Sales value assumptions were £1,059 per square foot.

Historical cost model

The historical cost of investment properties at 31 March 2015 is £385,278 (2014: £410,809).

9. DEBTORS

	2015 £	2014 £
Trade debtors	13,004	1,320
Amounts owed by group undertakings	5,380,696	3,429,632
Other debtors	190,120	38,600
	<u>5,583,820</u>	<u>3,469,552</u>

All debtors are payable within one year or are payable on demand.

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2015

10. CREDITORS: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	5,851	4,718
Amounts owed to group undertakings	160,874	–
Corporation tax	926,697	543,296
Other creditors	51,468	26,214
	<u>1,144,890</u>	<u>574,228</u>

All intercompany loans are sterling loans repayable on demand with interest paid at the rate of 3.98% (2014: 4.14%).

11. DEFERRED TAX

The deferred tax included in the balance sheet is as follows:

	2015	2014
	£	£
Included in provisions (note 12)	<u>2,548,000</u>	<u>2,555,000</u>

12. PROVISIONS

	Deferred tax (note 11) £
At 1 April 2014	2,555,000
Charge against provision	(7,000)
At 31 March 2015	<u>2,548,000</u>

13. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2015	2014
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>5,583,820</u>	<u>3,469,552</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>1,144,890</u>	<u>574,228</u>

14. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	100	100	100	100
Deferred Ordinary shares of £1 each	100	100	100	100
	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2015

14. CALLED UP SHARE CAPITAL *(continued)*

Other than the Deferred Ordinary Shares, funds relate exclusively to equity shareholder's interests.

The Deferred Ordinary Shares, rank after the Ordinary Shares up to their nominal amount. Any excess reserves thereafter are distributed amongst ordinary shareholders only.

15. COMMITMENTS UNDER OPERATING LEASES

The company as lessor

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

	2015	2014
	£	£
Not later than 1 year	40,986	25,984
Later than 1 year and not later than 5 years	25,716	25,716
Later than 5 years	569,398	575,827
	<u>636,100</u>	<u>627,527</u>

16. DIRECTORS' INTEREST IN CONTRACT

The majority of the day-to-day management of the company's property and its operations is carried out by Freshwater Property Management Limited and Highdorn Co. Limited respectively. Mr BSE Freshwater is a director of, but has no beneficial interest in the share capital of, either of these companies.

Mr BSE Freshwater and Mr D Davis are also Governors of the parent undertaking of Freshwater Property Management Limited, but have no beneficial interest in that company.

The aggregate amounts paid to Freshwater Property Management Limited and Highdorn Co. Limited for the provision of management services charged for at normal commercial rates was £2,604 (2014: £12,034). The amount outstanding at 31 March 2015 was £18,540 (2014: £818).

At 31 Mar 15, an aggregate amount of £176,301 (2014: £Nil) was due from Freshwater Property Management Limited and Highdorn Co. Limited.

The company has taken advantage of the exemption per FRS 102 "Related Party Disclosures" in order to dispense with the requirement to disclose transactions with other wholly owned Daejan Holdings PLC group companies.

17. PARENT COMPANY AND CONTROLLING PARTY

The parent company is Daejan Traders Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The company's ultimate parent undertaking and controlling party is Daejan Holdings PLC, a company incorporated in the United Kingdom and registered in England and Wales.

Copies of the Group Financial Statements of Daejan Holdings PLC can be obtained from Freshwater House, 158-162 Shaftesbury Avenue, London, WC2H 8HR.

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2015

18. ACCOUNTING ESTIMATES AND JUDGEMENTS

i. Property valuations

The valuation of the company's property portfolio is inherently subjective, depending on many factors, including the individual nature of each property, its location and expected future net rental values, market yields and comparable market transactions (as set out in Note 8). Therefore the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions. As noted in Note 2 above, all the company's properties are valued by external valuers with appropriate qualifications and experience.

ii. Trade debtors

Management uses details of the age of trade debtors and the status of any disputes together with external evidence of the credit status of the counterparty in making judgements concerning any need to impair the carrying values.

SEAGLEN INVESTMENTS LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2015

The following pages do not form part of the financial statements

SEAGLEN INVESTMENTS LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2015

	2015 £	2014 £
TURNOVER		
Rental income	224,227	130,055
COST OF SALES		
Ground rent	(224)	(321)
General and water rates	(1,760)	(762)
Insurance	330	(330)
Repairs and renewals	(53,718)	(52,097)
Legal and professional	(61,834)	(41,799)
Service charges payable	(49,361)	(53,541)
Light and heat	(326)	(139)
Porterage and cleaning	—	(2,495)
Management commission	(5,355)	(3,194)
Letting commission	(14,971)	(13,995)
	<u>(187,219)</u>	<u>(168,673)</u>
GROSS PROFIT/(LOSS)	37,008	(38,618)
OVERHEADS		
Administrative expenses	(13,800)	(10,200)
Investment property fair value adjustment	1,781,500	1,638,100
Gain/(loss) on disposal of tangible assets	(44,211)	72,176
	<u>1,760,497</u>	<u>1,661,458</u>
OPERATING PROFIT	1,760,497	1,661,458
Interest receivable	136,010	116,560
	<u>1,896,507</u>	<u>1,778,018</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1,896,507	1,778,018

SEAGLEN INVESTMENTS LIMITED
NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2015

	2015 £	2014 £
ADMINISTRATIVE EXPENSES		
Legal and professional fees (allowable)	(1,800)	—
Auditors remuneration	<u>(12,000)</u>	<u>(10,200)</u>
	<u>(13,800)</u>	<u>(10,200)</u>
 INTEREST RECEIVABLE		
Other interests receivable	10	1,560
Group Interest Receivable	<u>136,000</u>	<u>115,000</u>
	<u>136,010</u>	<u>116,560</u>