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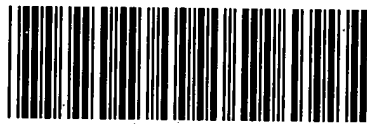
DENCORA SECURITIES LIMITED

UNAUDITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 OCTOBER 2015**

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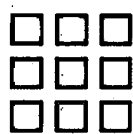
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COMPANIES HOUSE



**Wellden
Turnbull**

Chartered Accountants and
Chartered Tax Advisers
Statutory Auditors

DENCORA SECURITIES LIMITED

COMPANY INFORMATION

DIRECTORS

D J Williams MRICS
M J Rickards FRICS

COMPANY SECRETARY

D J Williams

REGISTERED NUMBER

01109003

REGISTERED OFFICE

Suite 1, Silwood Business Centre
Silwood Park, Buckhurst Road
Ascot
Berkshire
SL5 7PW

ACCOUNTANTS

Wellden Turnbull Ltd
Chartered Accountants
Munro House
Portsmouth Road
Cobham
Surrey
KT11 1PP

DENCORA SECURITIES LIMITED

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DENCORA SECURITIES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2015**

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

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review was investment in commercial properties for letting and development and dealing in commercial property.

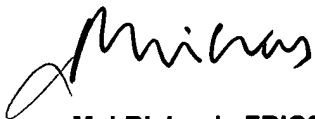
DIRECTORS

The directors who served during the year were:

D J Williams MRICS
M J Rickards FRICS

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25 July 2016 and signed on its behalf.



M J Rickards FRICS
Director



DENCORA SECURITIES LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF DENCORA SECURITIES LIMITED FOR THE YEAR ENDED 31 OCTOBER 2015

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Dencora Securities Limited for the year ended 31 October 2015 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/regulations.

This report is made solely to the board of directors of Dencora Securities Limited, as a body, in accordance with the terms of our engagement as detailed at www.wtca.co.uk/company-terms-conditions. Our work has been undertaken solely to prepare for your approval the financial statements of Dencora Securities Limited and state those matters that we have agreed to state to them in this report in accordance with AAF 2/10 as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Dencora Securities Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Dencora Securities Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and profit. You consider that Dencora Securities Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Dencora Securities Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Wellden Turnbull Ltd

Chartered Accountants

Munro House
Portsmouth Road
Cobham
Surrey
KT11 1PP

25 July 2016

DENCORA SECURITIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2015**

| | Note | 2015 £ | 2014 £ |
|--|------|-------------|-------------|
| TURNOVER | 1 | 488,962 | 496,839 |
| Cost of sales | | (150,600) | (126,087) |
| | | <hr/> | <hr/> |
| GROSS PROFIT | | 338,362 | 370,752 |
| Administrative expenses | | (111,670) | 7,447 |
| Other operating income | 2 | 4,457 | 43,241 |
| | | <hr/> | <hr/> |
| OPERATING PROFIT | | 231,149 | 421,440 |
| Interest receivable and similar income | | 259 | 6 |
| Interest payable and similar charges | 4 | 12,028 | (207,411) |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 243,436 | 214,035 |
| Tax on profit on ordinary activities | 5 | (86,716) | (7,495) |
| | | <hr/> | <hr/> |
| PROFIT FOR THE FINANCIAL YEAR | 11 | 156,720 | 206,540 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 6 to 10 form part of these financial statements.

DENCORA SECURITIES LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 2015**

| | 2015 £ | 2014 £ |
|--|----------------|----------------|
| PROFIT FOR THE FINANCIAL YEAR | 156,720 | 206,540 |
| Unrealised (deficit)/surplus on revaluation of investment properties | (48,000) | 81,673 |
| TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR | <u>108,720</u> | <u>288,213</u> |

The notes on pages 6 to 10 form part of these financial statements.

DENCORA SECURITIES LIMITED
REGISTERED NUMBER: 01109003

BALANCE SHEET
AS AT 31 OCTOBER 2015

| | Note | 2015 £ | 2014 £ |
|--|------|-------------------------|-------------------------|
| FIXED ASSETS | | | |
| Investment property | 6 | 2,750,000 | 3,150,000 |
| CURRENT ASSETS | | | |
| Debtors | 7 | 13,815,089 | 13,819,935 |
| Cash at bank | | 415,468 | 172,871 |
| | | <u>14,230,557</u> | <u>13,992,806</u> |
| CREDITORS: amounts falling due within one year | 8 | <u>(15,612,498)</u> | <u>(15,883,467)</u> |
| NET CURRENT LIABILITIES | | <u>(1,381,941)</u> | <u>(1,890,661)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,368,059</u> | <u>1,259,339</u> |
| CREDITORS: amounts falling due after more than one year | 9 | <u>(73,000)</u> | <u>(73,000)</u> |
| NET ASSETS | | <u><u>1,295,059</u></u> | <u><u>1,186,339</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 10 | 5,000 | 5,000 |
| Revaluation reserve | 11 | 4,877 | 270,041 |
| Profit and loss account | 11 | 1,285,182 | 911,298 |
| SHAREHOLDERS' FUNDS | | <u><u>1,295,059</u></u> | <u><u>1,186,339</u></u> |

For the year ending 31 October 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 ("the Act") relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 July 2016.



M J Rickards FRICS
Director

The notes on pages 6 to 10 form part of these financial statements.

DENCORA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Rental income and rent are recognised on an accruals basis.

Sales of investment properties are recognised on date of completion.

1.3 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

1.4 Deferred taxation

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

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

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

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

Deferred tax assets and liabilities are not discounted.

DENCORA SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

2. OTHER OPERATING INCOME

| | 2015 £ | 2014 £ |
|------------------------|--------------|---------------|
| Tenant insurance | 4,457 | 9,782 |
| Ground rent receivable | - | 800 |
| Water rates refund | - | 32,610 |
| Sundry income | - | 49 |
| | <u>4,457</u> | <u>43,241</u> |

3. OPERATING PROFIT

During the year, no director received any emoluments (2014 - £NIL)

4. INTEREST PAYABLE

| | 2015 £ | 2014 £ |
|------------------------------|-----------------|----------------|
| On bank loans and overdrafts | - | 173,873 |
| On other loans | (12,028) | 33,538 |
| | <u>(12,028)</u> | <u>207,411</u> |

5. TAXATION

| | 2015 £ | 2014 £ |
|--|---------------|--------------|
| Analysis of tax charge in the year | | |
| UK corporation tax charge on profit for the year | 86,716 | 7,500 |
| Adjustments in respect of prior periods | - | (5) |
| | <u>86,716</u> | <u>7,495</u> |
| Tax on profit on ordinary activities | | |

DENCORA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

5. TAXATION (continued)

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% (2014 - 20%). The differences are explained below:

| | 2015 £ | 2014 £ |
|--|-----------|-----------|
| Profit on ordinary activities before tax | 243,436 | 214,035 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%) | 48,687 | 42,807 |
| Effects of: | | |
| Capital allowances for year in excess of depreciation | (1,720) | (1,971) |
| Adjustments to tax charge in respect of prior periods | - | (5) |
| Book profit on chargeable assets | 2,154 | (8,062) |
| Capital gains | 35,838 | 10,173 |
| Group relief | - | (35,447) |
| Difference in tax rates | 1,757 | - |
| Current tax charge for the year (see note above) | 86,716 | 7,495 |

There were no factors that may affect future tax charges.

6. INVESTMENT PROPERTY

| | Freehold investment property £ |
|----------------------------------|---|
| Valuation | |
| At 1 November 2014 | 3,150,000 |
| Disposals | (352,000) |
| Surplus/(deficit) on revaluation | (48,000) |
| At 31 October 2015 | 2,750,000 |

The 2015 valuations were made by D J Williams MRICS, a director of the company, on an open market value for existing use basis.

7. DEBTORS

| | 2015 £ | 2014 £ |
|------------------------------------|------------|------------|
| Trade debtors | 17,183 | 30,620 |
| Amounts owed by group undertakings | 13,780,129 | 13,779,518 |
| Other debtors | 17,777 | 9,797 |
| | 13,815,089 | 13,819,935 |

DENCORA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

8. CREDITORS: Amounts falling due within one year

| | 2015 £ | 2014 £ |
|------------------------------------|-------------------|-------------------|
| Trade creditors | 7,749 | 3,334 |
| Amounts owed to group undertakings | 15,296,327 | 15,773,438 |
| Corporation tax | 86,716 | 7,500 |
| Other taxation and social security | 68,624 | 21,553 |
| Other creditors | 153,082 | 77,642 |
| | <u>15,612,498</u> | <u>15,883,467</u> |

9. CREDITORS: Amounts falling due after more than one year

| | 2015 £ | 2014 £ |
|---|---------------|---------------|
| Share capital treated as debt (Note 10) | <u>73,000</u> | <u>73,000</u> |

10. SHARE CAPITAL

| | 2015 £ | 2014 £ |
|---|---------------|---------------|
| Shares classified as capital | | |
| Allotted, called up and fully paid | | |
| 5,000 A Ordinary shares of £1 each | <u>5,000</u> | <u>5,000</u> |
| Shares classified as debt | | |
| Allotted, called up and fully paid | | |
| 73,000 B Ordinary shares of £1 each | <u>73,000</u> | <u>73,000</u> |

In accordance with FRSSE, the 'B' ordinary shares of £1 each are presented as a liability in the balance sheet.

11. RESERVES

| | Revaluation reserve £ | Profit and loss account £ |
|--|-----------------------------|---------------------------------|
| At 1 November 2014 | 270,041 | 911,298 |
| Profit for the financial year | | 156,720 |
| (Deficit) on revaluation of freehold property | (48,000) | |
| Transfer between Revaluation reserve and P/L account | (217,164) | 217,164 |
| | <u>4,877</u> | <u>1,285,182</u> |
| At 31 October 2015 | | |

DENCORA SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

12. CROSS GUARANTEE

The company has given a fixed and floating charge over its assets as part of the refinancing of the Group.

13. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 8 "Related party transactions" for disclosures between Dencora Securities Limited and undertakings of the Stockbourne Group not to be disclosed.

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is Stockbourne Group Limited by virtue of its 100% shareholding.

There is no controlling party.