Registered number: 01799743

THE LONDON OUTPOST LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Bishop Fleming

Chartered Accountants

THE LONDON OUTPOST LIMITED

COMPANY INFORMATION

DIRECTORS	M El-Solh M Thevenoux
COMPANY SECRETARY	K Millie-James
REGISTERED NUMBER	01799743
REGISTERED OFFICE	Unit 2 Capital Business Park Manor Way Borehamwood Hertfordshire WD6 1GW
INDEPENDENT AUDITORS	Bishop Fleming Bath Limited Chartered Accountants & Statutory Auditors Minerva House Lower Bristol Road Bath BA2 9ER

THE LONDON OUTPOST LIMITED

CONTENTS

THE LONDON OUTPOST LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

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

PRINCIPAL ACTIVITY

The company's prinicipal activity throughout the year was that of property investment.

DIRECTORS

The directors who served during the year were:

M El-Solh
M Thevenoux

GOING CONCERN

The company relies on the support of fellow group companies. The directors have received assurance that this support will be ongoing for at least 12 months from the approval of these financial statements.

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, Bishop Fleming Bath Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

M Thevenoux
Director

Date: 20 - 04 - 2016

Unit 2 Capital Business Park
Manor Way
Borehamwood
Hertfordshire
WD6 1GW

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

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 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 financial statements unless 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 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;
- 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 SHAREHOLDERS OF THE LONDON OUTPOST LIMITED

We have audited the financial statements of The London Outpost Limited for the year ended 31 December 2015, set out on pages 5 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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 December 2015 and of its loss 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE LONDON OUTPOST LIMITED

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.

Bishop Fleming Bath Ltd

Simon Morrison FCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER
Date: 17/3/2016

THE LONDON OUTPOST LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Administrative expenses		**(144,878)**	(123,424)
Other operating income		**1,565**	-
Unrealised loss on revaluation of investment property	6	**(3,982,256)**	(1,237,871)
Operating loss		**(4,125,569)**	(1,361,295)
Tax on loss	5	**1,360,000**	375,000
Loss for the year		**(2,765,569)**	(986,295)
Total comprehensive loss for the year		**(2,765,569)**	(986,295)

There were no recognised gains and losses for 2015 or 2014 other than those included in the Statement of Comprehensive Income.

The notes on pages 8 to 18 form part of these financial statements.

THE LONDON OUTPOST LIMITED
REGISTERED NUMBER:01799743

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note		2015 £		2014 £
Fixed assets					
Investment property	6		**11,500,000**		14,250,000
			11,500,000		14,250,000
Current assets					
Debtors: amounts falling due within one year	7	**263,027**		35,548	
Cash at bank and in hand	8	**7,004**		-	
		270,031		35,548	
Creditors: amounts falling due within one year	9	**(6,358,338)**		(4,748,286)	
Net current liabilities			**(6,088,307)**		(4,712,738)
Total assets less current liabilities			**5,411,693**		9,537,262
Provisions for liabilities					
Deferred tax		**(545,000)**		(1,905,000)	
			(545,000)		(1,905,000)
Net liabilities			**4,866,693**		7,632,262
Capital and reserves					
Called up share capital	13		**1,210,282**		1,210,282
Share premium account	12		**186,617**		186,617
Profit and loss account	12		**3,469,794**		6,235,363
			4,866,693		7,632,262

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M Thevenoux
Director

Date: 20 04 2016

The notes on pages 8 to 18 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Share premium	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2015	1,210,282	186,617	6,235,363	7,632,262
Loss for the year	-	-	(2,765,569)	(2,765,569)
At 31 December 2015	1,210,282	186,617	3,469,794	4,866,693

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital	Share premium	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2014	1,210,282	186,617	7,221,658	8,618,557
Loss for the year	-	-	(986,295)	(986,295)
At 31 December 2014	1,210,282	186,617	6,235,363	7,632,262

The notes on pages 8 to 18 form part of these financial statements.

1. COMPANY INFORMATION

The London Outpost Limited is a limited liability company incorporated in England and Wales. The registered office is Unit 2 Capital Business Park, Manor Way, Borehamwood, Hertfordshire, WD6 1GW.

2. ACCOUNTING POLICIES

2.1 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 17.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- *the requirements of Section 7 Statement of Cash Flows; and*
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

This information is included in the consolidated financial statements of M1 Real Estate Limited at 31 December 2015.

2.3 GOING CONCERN

The company relies on the support of fellow group companies. The directors have received assurance that this support will be ongoing for at least 12 months from the approval of these financial statements.

2.4 INVESTMENT PROPERTY

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.5 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. ACCOUNTING POLICIES (continued)

2.6 FINANCIAL INSTRUMENTS

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable loans to/from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

2. ACCOUNTING POLICIES (continued)

2.7 FOREIGN CURRENCY TRANSLATION

The company's functional and presentational currency is Sterling.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.8 BORROWING COSTS

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.9 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to provisions carried in the Statement of Financial Position.

2. ACCOUNTING POLICIES (continued)

2.10 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 reporting date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgments and estimates. Due to the straightforward nature of the company, the directors believe the following are the only areas where significant judgment has been exercised:

Valuation of investment property
At each year end the company revalues its investment property. The valuation in the accounts is based on the open market value for existing use basis, as determined by a suitably qualified third party. See note 6 for further information.

Deferred tax
The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the future taxable profits. As the company does not currently recognise any trading income the directors have taken the decision to not recognise a deferred tax asset in the accounts.

4. OPERATING LOSS

The operating loss is stated after charging:

	2015	2014
	£	£
Unrealised loss on revaluation of investment property	**3,982,256**	1,237,871
Auditors' remuneration	**4,350**	4,350
Exchange differences	**(78)**	11

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

5. TAXATION

	2015	2014
	£	£
Deferred tax		
Deferred tax credit due to year end investment property valuation	**(1,360,000)**	(375,000)
Total deferred tax	**(1,360,000)**	(375,000)
Taxation on loss on ordinary activities	**(1,360,000)**	(375,000)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax charge for the year was affected by the movement on deferred tax relating to revaluation of investment property at the year end. The deferred tax movement is calculated on the estimated tax liability which would be due if the investment property held by the company was sold at the year end valuation. See note 6 for further information.

6. INVESTMENT PROPERTY

	Freehold investment property £
Valuation	
At 1 January 2015	**14,250,000**
Additions at cost	**1,232,256**
Surplus on revaluation	**(3,982,256)**
At 31 December 2015	**11,500,000**

The investment property is owned on a freehold basis. The company uses the fair value model for subsequent measurement of investment property. In accordance with section 16 of FRS 102 the investment property us revalued at each year end by an external valuer. The valuation at 31 December 2015 was made by Savills, professional valuers.

The investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

If the investment property was sold at the year end valuation shown in the accounts the company would have an estimated tax liability of £545,000 (2014: £1,905,000). A deferred tax liability has been recognised in the Statement of Financial Position in relation to this estimated liability. See note 11 for further information.

7. DEBTORS

	2015 £	2014 £
Other debtors	**245,763**	17,575
Prepayments and accrued income	**17,264**	17,973
	263,027	35,548

8. CASH AND CASH EQUIVALENTS

	2015 £	2014 £
Cash at bank and in hand	**7,004**	-
Less: bank overdrafts	**-**	(1,792)
	7,004	(1,792)

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Bank overdrafts	**-**	1,792
Trade creditors	**4,476**	-
Amounts owed to group undertakings	**6,348,812**	4,740,434
Accruals and deferred income	**5,050**	6,060
	6,358,338	4,748,286

10. FINANCIAL INSTRUMENTS

	2015 £	2014 £
Financial assets		
Financial assets measured at amortised cost	**245,763**	17,575
	245,763	17,575
Financial liabilities		
Financial liabilities measured at amortised cost	**(6,358,338)**	(4,748,286)
	(6,358,338)	(4,748,286)

11. DEFERRED TAXATION

	Deferred tax £
At 1 January 2015	**(1,905,000)**
Charged to the profit or loss	**1,360,000**
At 31 December 2015	**(545,000)**

	2015 £	2014 £
Deferred tax liability on year end investment property valuation	**(545,000)**	(1,905,000)
	(545,000)	(1,905,000)

12. RESERVES

Share premium

The share premium reserve includes any premiums received on the issue of the share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium.

Profit and loss account

The profit and loss accout reserve includes all current and prior period retained profit and losses. Included within the profit and loss account reserve at 31 December 2015 is £4,681,250 (2014: £7,303,506) of non-distributable reserves relating to unrealised gains on the revaluation of investment property and related movements on deferred tax. The distributable element of the profit and loss reserve had a deficit balance of £1,211,456 (2014: £1,068,143) at the year end.

13. SHARE CAPITAL

	2015	2014
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
4,321,528 Ordinary A shares of £0.25 each	**1,080,382**	1,080,382
250,000 Ordinary B shares of £0.50 each	**125,000**	125,000
4,900 Preference shares of £1 each	**4,900**	4,900
	1,210,282	1,210,282

Except as outlined below, each category of shares rank pari passu but consistute separate classes of shares. the rights attached to each shares are as follows:

The holders of the A Ordinary shares have full voting rights and entitlement to dividends. The holders of the A Ordinary shares are entitled to 1 vote per share.

The holders of the B Ordinary shares have full voting rights and entitlement to dividends. The holders of the B Ordinary shares are entitled to a dividend equal to 170 times the sum payable in respect of each A Ordinary Share. The holders of the B Ordinary shares are entitled to 170 votes for each B share held.

The holders of the Preference shares have full voting rights but no entitlement to dividends. The holders of the Preference shares are entitled to 1 vote per share.

14. CONTINGENT LIABILITIES

During the year the company, along with other group companies, entered into a finance facility agreement with HSBS Private Bank Suisse S.A.. Under the terms of the agreement the companies are entitled to request loans of up to £45,360,000 to finance ongoing property development. Of this £45,360,000, the company is entitled to request loans of £11,600,000. As at 31 December 2015 the company had not received any funding under this agreement.

Tiverton Global Limited, a fellow group company, is one of the other companies listed in the agreement and is entitled to request loans of £11,620,000 under two separate financing facilities. Should all of the terms of the loan agreement be adhered to, the company acts, along with several other group companies, acts as a guarantor of one of these financing facilities of up to £10,800,000 on behalf of Tiverton Global Limited. At the year end Tiverton Global Limited has received £10,800,000 of this funding.

15. RELATED PARTY TRANSACTIONS

At the year end the company owed £6,348,812 (2014: £4,740,434) to a wholly owned group company.

The company has taken advantage of the exemption in FRS 102 from the requirement to disclose transactions with wholly owned group companies.

16. CONTROLLING PARTY

The company is a 100% subsidiary undertaking of Pipestone Properties Limited, a company incorporated in the United Kingdom. The ultimate parent company is M1 Group Limited, a company incorporated in Dubai (DFIC). There is no ultimate controlling party.

17. FIRST TIME ADOPTION OF FRS 102

	Note	As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	**FRS 102 (as restated) 1 January 2014 £**	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	**FRS 102 (as restated) 31 December 2014 £**
Fixed assets		15,000,000	-	**15,000,000**	14,250,000	-	**14,250,000**
Current assets		110,665	-	**110,665**	35,548	-	**35,548**
Creditors: amounts falling due within one year		(4,212,108)	-	**(4,212,108)**	(4,748,286)	-	**(4,748,286)**
Net current liabilities		(4,101,443)	-	**(4,101,443)**	(4,712,738)	-	**(4,712,738)**
Total assets less current liabilities		10,898,557	-	**10,898,557**	9,537,262	-	**9,537,262**
Provisions for liabilities	1	-	(2,280,000)	**(2,280,000)**	-	(1,905,000)	**(1,905,000)**
Net assets	1	10,898,557	(2,280,000)	**8,618,557**	9,537,262	(1,905,000)	**7,632,262**
Profit and loss account	1	(944,719)	8,166,377	**7,221,658**	(1,068,143)	7,303,506	**6,235,363**
Revaluation reserve	1	10,446,377	(10,446,377)	**-**	9,208,506	(9,208,506)	**-**
Share premium account		186,617	-	**186,617**	186,617	-	**186,617**
Share capital		1,210,282	-	**1,210,282**	1,210,282	-	**1,210,282**
Shareholder's deficit		10,898,557	(2,280,000)	**8,618,557**	9,537,262	(1,905,000)	**7,632,262**

17. FIRST TIME ADOPTION OF FRS 102 (continued)

	Note	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	**FRS 102 (as restated) 31 December 2014 £**
		-	-	**-**
Administrative expenses		(123,424)	-	**(123,424)**
Loss on revaluation of investment property	1	-	(1,237,871)	**(1,237,871)**
Operating loss		(123,424)	(1,237,871)	**(1,361,295)**
Taxation	1	-	375,000	**375,000**
Total comprehensive loss for the year		(123,424)	(862,871)	**(986,295)**

Explanation of changes to previously reported profit and equity:

1 Under FRS 102 gains and losses on revaluation of investment property are recognised as fair value movements through the Statement of Comprehensive Income as opposed to being recognised through the revaluation reserve. A deferred tax liability is recognised in relation to the estimated tax liability which would be payable if the company sold the investment property at the year end valuation.