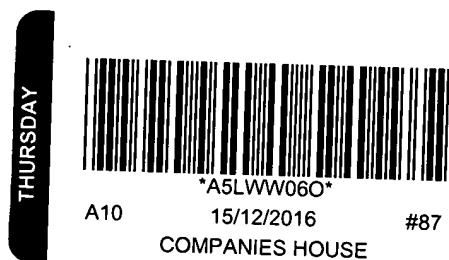


The Victoria Dock Company Limited

**Directors' report and financial
statements**

Registered number 2048436

31 July 2016



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Directors' report

The directors present their directors' report and financial statements for the year ended 31 July 2016.

Principal activities and business review

The Victoria Dock Company Limited was involved in the development of the Victoria Dock site of approximately 150 acres in the city of Kingston upon Hull. The Company assisted in the co-ordination of the development of the site. The Company has an issued share capital of £10,000 of which 40% is owned by Hull City Council and 60% by Bellway Homes Limited.

The development is now complete and the Company has not traded during the current or previous year.

The shareholders have taken the decision not to continue to provide support to the Company and therefore the directors have not prepared the financial statements on a going concern basis. There are no significant creditors other than loan balances with the parent entities.

Results

The Company's loss for the financial year amounted to £24 (2015: £24).

The results for the year are set out on page 6.

Proposed dividend

The directors cannot recommend the payment of a dividend (2015: £nil).

Directors

The directors who held office during the year and up to the date of this report were as follows:

A Williams
A Sloan
GK Wrightson (resigned 31 January 2016)
AF Healand
AE Wastling
JK Watson
EF Ayres
KD Adey

Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the year (2015: £nil).

Disclosure of information to the auditor

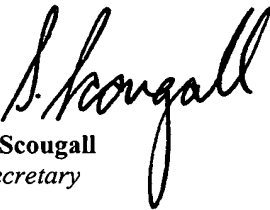
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' report *(continued)*

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board


S Scougall
Secretary

Seaton Burn House
Dudley Lane
Seaton Burn
Newcastle upon Tyne
NE13 6BE

17 October 2016

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Independent auditor's report to the members of The Victoria Dock Company Limited

We have audited the financial statements of The Victoria Dock Company Limited for the year ended 31 July 2016 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU. These financial statements have not been prepared on the going concern basis for the reason set out in note 1 to the financial statements.

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 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 members, 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 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 July 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; 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 auditor's report to the members of The Victoria Dock Company Limited *(continued)*

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.



Nick Plumb (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle Upon Tyne
NE1 3DX

17 October 2016

Income Statement
for the year ended 31 July 2016

	<i>Note</i>	2016 £	2015 £
Administrative expenses		(30)	(30)
Operating loss	2,3	(30)	(30)
Finance income	4	6	6
Loss before taxation		(24)	(24)
Income tax expense	5	-	-
Loss for the year		(24)	(24)

Statement of Comprehensive Income
for the year ended 31 July 2016

During both the current and preceding financial year there has been no income, expenditure, gains or losses other than those recognised in the Income Statement.

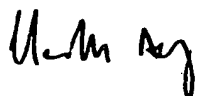
Statement of Changes in Equity
for the year ended 31 July 2016

	Share capital £	Retained earnings £	Total equity £
At 1 August 2014	10,000	(164,211)	(154,211)
Total comprehensive expense for the period			
Loss for the financial year	-	(24)	(24)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the period	-	(24)	(24)
Transactions with shareholders, recorded directly in equity	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 July 2015	10,000	(164,235)	(154,235)
Total comprehensive expense for the period			
Loss for the financial year	-	(24)	(24)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the period	-	(24)	(24)
Transactions with shareholders, recorded directly in equity	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 July 2016	10,000	(164,259)	(154,259)
	<hr/>	<hr/>	<hr/>

Balance Sheet
at 31 July 2016

	<i>Note</i>	2016 £	2015 £
ASSETS			
Current assets			
Trade and other receivables	7	1,250	1,250
Cash and cash equivalents		77,058	77,082
Total assets		78,308	78,332
LIABILITIES			
Current liabilities			
Trade and other payables	8	(232,567)	(232,567)
Total liabilities		(232,567)	(232,567)
Net liabilities		(154,259)	(154,235)
EQUITY			
Share capital	10	10,000	10,000
Retained earnings		(164,259)	(164,235)
Total deficit		(154,259)	(154,235)

These financial statements were approved by the board of directors on 17 October 2016 and were signed on its behalf by:



KD Adey
 Director

Company registered number: 2048436

Cash Flow Statement
for the year ended 31 July 2016

	2016 £	2015 £
Cash flows from operating activities		
Loss for the year	(24)	(24)
Finance income	(6)	(6)
	<hr/>	<hr/>
Cash from operations	(30)	(30)
Interest received	6	6
	<hr/>	<hr/>
Net cash outflow from operating activities	(24)	(24)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(24)	(24)
Cash and cash equivalents at beginning of year	77,082	77,106
	<hr/>	<hr/>
Cash and cash equivalents at end of year	77,058	77,082
	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The Victoria Dock Company Limited is a company incorporated and domiciled in the UK.

The financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") and have been prepared on a historical cost basis.

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

Effect of new standards and interpretations effective for the first time

During the year the Company adopted various standards and interpretations that were applicable for the first time in the Company's financial statements for the year ended 31 July 2016. These standards and interpretations have not had a material effect on these financial statements.

Going concern

The Company's issued share capital is owned 60% by Bellway Homes Limited and 40% by Hull City Council. Until the year ended 31 July 2007, the financial statements were prepared on the going concern basis. However, the financial statements for the year ended 31 July 2008 and subsequent year ends have been prepared on a break-up basis as the shareholders took the decision not to continue to provide support to the Company.

During the year ended 31 July 2008, adjustments were made to record assets at their recoverable value.

Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Trade and other receivables

Trade and other receivables are stated at their fair value at the date of initial recognition and subsequently at amortised cost less allowances for impairment.

Trade and other payables

Trade payables on normal terms are not interest bearing and are stated at their nominal value.

Notes *(continued)*

1 **Accounting policies** *(continued)*

Cash and cash equivalents

Cash and cash equivalents are defined as cash balances in hand and in the bank (including short-term cash deposits).

Finance income

Finance income relates to interest on bank deposits and is recognised in the income statement as it accrues, using the effective interest rate method.

Taxation

The charge for taxation is based on the result for the year and takes into account current and deferred taxation. The charge is recognised in the income statement except to the extent that it relates to items recognised in equity in which case it is recognised in equity.

Deferred taxation is provided for all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Accounting estimates and judgements

The company no longer trades and there have been no significant accounting estimates or judgements required in the preparation of the financial statements for the current year.

Standards and interpretations in issue but not yet effective

At the date of authorisation of these financial statements there were a number of standards and interpretations which were in issue and endorsed by the EU but not yet effective. These have not been applied in these financial statements and are not expected to have a material effect when adopted.

2 **Auditor's remuneration**

No auditor's remuneration has been charged to the income statement (2015: £nil) as this is borne by the Company's ultimate parent undertaking.

3 **Employee information**

No emoluments were paid by the Company to directors in either the current or preceding financial year. In addition, during those years, the Company employed no personnel other than the directors and incurred no staff costs.

Notes (continued)

4 Finance income

	2016 £	2015 £
Bank interest	6	6

5 Income tax expense

	2016 £	2015 £
<i>Current tax expense:</i>		
UK corporation tax	-	-
Total income tax expense in income statement	-	-
<i>Reconciliation of effective tax rate:</i>	2016 £	2015 £
Loss on ordinary activities before tax	(24)	(24)
Current tax at 20.0% (2015: 20.7%)	(5)	(5)
<i>Effects of:</i>		
Losses not available for surrender	5	5
Total tax expense (see above)	-	-

The Company has UK corporation tax losses of £142 (2015: £118) to carry forward against future taxable profits.

6 Deferred taxation

	Tax losses £
<i>Unrecognised</i>	
At beginning of year	25
Current year tax losses	4
Reduction in tax rate	(3)
At end of year	26

No deferred tax asset has been recognised in respect of the above losses because it is not considered probable that future taxable profits will be available against which the Company can utilise the benefits therefrom.

The corporation tax rate reduced to 21% with effect from 1 April 2014 and to 20% with effect from 1 April 2015.

The unrecognised deferred tax assets held by the Company at the start of the comparative year that were expected to be realised after 31 March 2015 were valued at 20%, the substantively enacted tax rate that will be effective when they are expected to be realised.

Notes (continued)

6 Deferred taxation (continued)

The unrecognised deferred tax assets held by the Company at the start of the current year have been revalued at the substantively enacted corporation tax rate that will be effective when they are expected to be realised. Reductions in the UK corporation tax rate to 19% from April 2017 and to 18% from April 2020 have been announced and were substantively enacted at the balance sheet date. A further reduction in the UK corporation tax rate, from the aforementioned April 2020 rate of 18%, to 17% has been announced but was not substantively enacted at the balance sheet date.

7 Trade and other receivables

	2016 £	2015 £
Amounts owed by Group undertakings (note 11)	1,250	1,250

All of the above amounts fall due within one year. The amounts owed by Group undertakings are recoverable on demand but have no due date.

8 Trade and other payables

	2016 £	2015 £
Loan from Hull City Council (note 11)	93,000	93,000
Loan from Bellway Homes Limited (note 11)	139,500	139,500
Other payables	67	67
	<u>232,567</u>	<u>232,567</u>

Included in trade and other payables is £232,500 (2015: £232,500) of shareholder loans which are interest free and repayable on demand but have no due dates.

9 Financial risk management

The Company's financial instruments comprise amounts owed by Group undertaking, loans from related parties and other payables.

Capital Management

The Company financed its operations through shareholder loans.

Credit risk

The Company's exposure to credit risk is limited by the fact that all of the receivables are due from Group undertakings.

Fair values

In aggregate the carrying values of financial assets and liabilities are not materially different to their fair values.

Notes (continued)

9 Financial risk management (continued)

Financial assets and liabilities by category

	2016 £	2015 £
Loans and receivables	1,250	1,250
Cash and cash equivalents	77,058	77,082
Financial liabilities at amortised cost	(232,567)	(232,567)
	<u>(154,259)</u>	<u>(154,235)</u>

10 Called up share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

11 Related party disclosures

	Amounts owed by related party		Amounts owed to related party	
	2016 £	2015 £	2016 £	2015 £
Bellway Services Limited	888	888	-	-
Bellway p.l.c.	362	362	-	-
Bellway Homes Limited	-	-	139,500	139,500
Hull City Council	-	-	93,000	93,000
	<u>1,250</u>	<u>1,250</u>	<u>232,500</u>	<u>232,500</u>

There were no trading transactions between the Company and other related parties.

Key management personnel comprise the directors (note 3).

12 Ultimate parent company and parent company of larger group

The ultimate parent company and ultimate controlling party is Bellway p.l.c., a Company incorporated in England and Wales.

The only group in which the results of the Company are consolidated is that headed by Bellway p.l.c. Copies of the Bellway p.l.c. consolidated Group Accounts can be obtained from the Company Secretary, Bellway p.l.c., Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle upon Tyne, NE13 6BE.