

REGISTERED NUMBER· 02885028 (England and Wales)

**Report of the Directors and
Unaudited Financial Statements for the Year Ended 30 November 2015
for
St Modwen Developments (Longbridge) Ltd**



**Contents of the Financial Statements
for the Year Ended 30 November 2015**

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5

St Modwen Developments (Longbridge) Ltd

**Company Information
for the Year Ended 30 November 2015**

DIRECTORS:

W A Oliver
S F Prosser
R J Hudson

REGISTERED OFFICE:

Park Point
17 High Street
Longbridge
Birmingham
B31 2UQ

REGISTERED NUMBER:

02885028 (England and Wales)

ACCOUNTANTS:

Deloitte LLP
Chartered Accountants
& Statutory Auditor
4 Brindley Place
Birmingham
West Midlands
B1 2HZ

**Report of the Directors
for the Year Ended 30 November 2015**

The directors present their report with the financial statements of the company for the year ended 30 November 2015

PRINCIPAL ACTIVITY

The principal activity of the company is that of property investment and development. The directors consider that the result for the year and the future prospects are satisfactory.

DIVIDENDS

The directors do not recommend payment of a final dividend (2014: £nil).

DIRECTORS

W A Oliver has held office during the whole of the period from 1 December 2014 to the date of this report.

Other changes in directors holding office are as follows:

M E Dunn - resigned 31 May 2015

S F Prosser - appointed 1 December 2014

R J Hudson - appointed 26 October 2015

A Taylor - appointed 5 May 2015 - resigned 26 October 2015

None of the directors had any interest in the shares of the company.

GOING CONCERN

The financial position of the Company is set out in the Balance Sheet and the accompanying notes to the financial statements.

The Company has satisfactory financial resources. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements. In doing so, the directors have considered the latest guidelines from the Financial Reporting Council regarding the preparation of accounts on a going concern basis.

DIRECTORS' INDEMNITIES

For the financial year ended 30 November 2015 qualifying third party indemnity provisions (provided by the ultimate parent company St Modwen Properties PLC) were in force for the benefit of all the directors of the company and these remain in force at the date of this report.

ON BEHALF OF THE BOARD:



R J Hudson - Director

Date

31st May 2016

St Modwen Developments (Longbridge) Ltd (Registered number: 02885028)

**Profit and Loss Account
for the Year Ended 30 November 2015**

	Notes	2015 £	2014 £
TURNOVER	2	25,281	25,138
Cost of sales		<u>(16,631)</u>	<u>(27,293)</u>
GROSS PROFIT/(LOSS)		8,650	(2,155)
OPERATING PROFIT/(LOSS) and PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3	8,650	(2,155)
Tax on profit/(loss) on ordinary activities	4	<u>(1,759)</u>	<u>11,520</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>6,891</u></u>	<u><u>9,365</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

**Note of Historical Cost Profits and Losses
for the Year Ended 30 November 2015**

	2015 £	2014 £
REPORTED PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	8,650	(2,155)
Revaluation losses realised from previous years	<u> </u>	<u> </u>
HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	<u><u>8,650</u></u>	<u><u>(2,155)</u></u>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION	<u><u>6,891</u></u>	<u><u>9,365</u></u>

The notes form part of these financial statements

St Modwen Developments (Longbridge) Ltd (Registered number. 02885028)

Balance Sheet
30 November 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	5	1,517,065	1,517,065
CURRENT ASSETS			
Debtors	6	16,726,304	16,719,450
CREDITORS			
Amounts falling due within one year	7	<u>(14,556,973)</u>	<u>(14,557,010)</u>
NET CURRENT ASSETS		<u>2,169,331</u>	<u>2,162,440</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,686,396</u>	<u>3,679,505</u>
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Revaluation reserve	9	(131,637)	(131,637)
Profit and loss account	9	<u>3,818,031</u>	<u>3,811,140</u>
SHAREHOLDERS' FUNDS	12	<u>3,686,396</u>	<u>3,679,505</u>

The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 30 November 2015

The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 2015 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved and authorised for issue by the Board of Directors on 31st May 2016 and were signed on its behalf by



R J Hudson - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 30 November 2015**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

However, compliance with SSAP 19 "Accounting for investment properties" requires departure from the Companies Act 2006 relating to depreciation and an explanation of the departure is given below

The accounting policies have been applied consistently throughout the year and the preceding year. The directors have prepared the financial statements on a going concern basis for the reasons set out in the paragraph headed going concern in the directors' report

Cash flow statement

The company is a 100% subsidiary of St Modwen Properties PLC. Its cash flows are included in that company's consolidated cash flow statement. Consequently, the company is exempt from the requirement of Financial Reporting Standard 1 (Revised) to prepare a cash flow statement

Turnover

Turnover represents rental income recognised on a straight line basis to first break point in the lease, and other recoveries

Tangible fixed assets

Depreciation is not provided on investment properties which are subject to annual revaluations

Investment properties

Investment properties are revalued annually. Surplus or deficits on individual properties are transferred to the revaluation reserve, except that a deficit which is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit is charged/(credited) to the profit and loss account

No depreciation is provided in respect of investment properties. The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principal set out in SSAP19. The directors consider that, because these properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP19 in order to give a true and fair view

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified

Notes to the Financial Statements - continued
for the Year Ended 30 November 2015

1 ACCOUNTING POLICIES - continued

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

Interest

Interest incurred on properties in the course of development, whether for sale or retention as investments, is charged to the profit and loss account on an accruals basis

2 TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

3 OPERATING PROFIT/(LOSS)

None of the directors received any remuneration during the year (2014 £nil). The remuneration of the directors is paid by other group undertakings for both the current financial year and the prior financial year and no part of their remuneration is specifically attributable to their services to this company

4 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	2015 £	2014 £
Current tax		
UK corporation tax	<u>1,759</u>	<u>(11,520)</u>
Tax on profit/(loss) on ordinary activities	<u>1,759</u>	<u>(11,520)</u>

UK corporation tax was charged at 21.67% in 2014

Notes to the Financial Statements - continued
for the Year Ended 30 November 2015

4 TAXATION - continued

Factors affecting the tax charge/(credit)

The tax assessed for the year is the same as the standard rate of corporation tax in the UK

	2015 £	2014 £
Profit/(loss) on ordinary activities before tax	<u>8,650</u>	<u>(2,155)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.330% (2014 - 21.670%)	1,759	(467)
Effects of of depreciation		
Adjustments to tax charge in respect of previous periods investment properties	-	(11,053)
	<u>1,759</u>	<u>(11,520)</u>
Current tax charge/(credit)	<u>1,759</u>	<u>(11,520)</u>

Factors that may affect future tax charges

The UK corporation tax rate reduced from 21% to 20% from 1 April 2015. In accordance with the Finance (No 2) Act 2015, the UK corporation tax rate will reduce to 19% in 2017 and 18% in 2020.

5 TANGIBLE FIXED ASSETS

	Land and buildings £
COST	
At 1 December 2014 and 30 November 2015	<u>1,517,065</u>
NET BOOK VALUE	
At 30 November 2015	<u>1,517,065</u>
At 30 November 2014	<u>1,517,065</u>

Investment properties were valued at 30th November 2015 and 30th November 2014 by DTZ Debenham Tie Leung Ltd (since the merger of the firms trading, and herein referred to, as Cushman & Wakefield), Chartered Surveyors, in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors, on the basis of market value. Cushman & Wakefield are professionally qualified independent external valuers and had appropriate recent experience in the relevant location and category of the properties being valued.

Tangible fixed assets included at a valuation would have been included on a historical cost basis at

	2015 £	2014 £
Freehold investment properties	<u>1,517,065</u>	<u>1,517,065</u>

St Modwen Developments (Longbridge) Ltd (Registered number: 02885028)

**Notes to the Financial Statements - continued
for the Year Ended 30 November 2015**

6 DEBTORS

	2015	2014
	£	£
Trade debtors	332	-
Amounts owed by group undertakings	16,725,333	16,719,450
Other debtors	<u>639</u>	<u>-</u>
	<u>16,726,304</u>	<u>16,719,450</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	29,808	30,706
Amounts owed to group undertakings	14,525,000	14,525,000
Taxation and social security	1,759	862
Other creditors	<u>406</u>	<u>442</u>
	<u>14,556,973</u>	<u>14,557,010</u>

8 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2015	2014
Number	Class	Nominal value	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

9 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 December 2014	3,811,140	(131,637)	3,679,503
Profit for the year	<u>6,891</u>	<u>-</u>	<u>6,891</u>
At 30 November 2015	<u>3,818,031</u>	<u>(131,637)</u>	<u>3,686,394</u>

10 ULTIMATE PARENT COMPANY

The immediate parent undertaking is Redman Heenan Properties Limited. The ultimate parent company is St Modwen Properties PLC, a company registered in England. Copies of the Group report and accounts of St Modwen Properties PLC are available from the Registered Office at Park Point, 17 High Street Longbridge Birmingham. This is the smallest and largest group into which this company is consolidated.

11 RELATED PARTY DISCLOSURES

As the company is wholly owned by the group, it has taken advantage of the exemption under FRS 8 "Related Party Disclosures" not to disclose transactions with other companies in the group.

St Modwen Developments (Longbridge) Ltd (Registered number: 02885028)

**Notes to the Financial Statements - continued
for the Year Ended 30 November 2015**

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Profit for the financial year	<u>6,891</u>	<u>9,365</u>
Net addition to shareholders' funds	6,891	9,365
Opening shareholders' funds	<u>3,679,505</u>	<u>3,670,140</u>
Closing shareholders' funds	<u>3,686,396</u>	<u>3,679,505</u>