

Company Registration No. 03023212 (England and Wales)

WIDEMARSH GATE DEVELOPMENTS LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2014

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WIDEMARSH GATE DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors

Mr S A Moschini
Mr V Corrigan
Mr S C Camp
Mr F P Lewis
Mr A Aikenhead
Mr D M McAlpine
Mr R E T W
McAlpine
Mr R Watts (Appointed 29 November 2013)

Secretary

F L R Nominees Limited

Company number

03023212

Registered office

Norfolk House
31 St James's Square
London
SW1Y 4JJ

Auditors

Grant Thornton UK LLP
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

WIDEMARSH GATE DEVELOPMENTS LIMITED

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WIDEMARSH GATE DEVELOPMENTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2014

Review of the business

The company commenced trading in November 2012, and its principal activity is that of construction and redevelopment of the old Hereford Cattle Market. The project consists of 320,000 square feet of retail and leisure development, anchored by Debenhams, Waitrose and Odeon. Practical completion was achieved in May 2014, and with the scheme 97% let at the centre opening date, the retail units are trading well and above expectations.

Principle Risk and Uncertainties

The principal risk to the company is that the redevelopment project has cost over runs. To minimise this risk the company uses a cost consultant to monitor the construction costs, and has regular board meetings to review management information and discuss project performance to identify and combat any potential areas of concern.

Following practical completion, the company has been making good progress on closing out the snagging items, in particular the car park remedial works to the roof car park which is experiencing ponding issues during rain.

In addition, the company has been finalising the trade contractors' final accounts, which include claims from them and contra charges from the company.

The key outstanding risks, therefore, are the successful outcome of the contra claims against the structural engineer and various trade contractors, and the completion of the snagging items. It should be noted however, that any cost overruns due to claims are recoverable from the construction manager, Sir Robert McAlpine, and the development manager, Stanhope. They are also the company's shareholders. Accordingly, no provision has been made in these financial statements for any potential loss

Financial Instruments

Liquidity Risk

The company monitors and reviews liquidity risks regularly on an ongoing basis and also as part of the planning process. The board considers short term requirements against available sources of funding, taking into account cash flow and responds to any identified needs as necessary to support the business.

Credit Risk

The company's credit risk relates to the recovery of amounts owed by customers for invoiced sales. The credit risk is managed by regular monitoring of outstanding amounts and through credit checks.



.....
Mr S A Moschini

Director

11/08/14

WIDEMARSH GATE DEVELOPMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Principal activities

The company commenced trading in November 2012, its principal activity is that of construction and redevelopment of the old Hereford Cattle Market.

Results and dividends

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

Directors

The following directors have held office since 1 April 2013:

Mr S A Moschini
Mr V Corrigan
Mr S C Camp
Mr F P Lewis
Mr A Aikenhead
Mr D M McAlpine
Mr R E T W McAlpine
Mr R Watts

(Appointed 29 November 2013)

Auditors

Grant Thornton UK LLP were appointed auditors to the company and in accordance with section 487(2) of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

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 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 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.

WIDEMARSH GATE DEVELOPMENTS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

Statement of disclosure to auditors

The directors confirm that:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board

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Mr S A Moschini

Director

11/08/14.....



WIDEMARSH GATE DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WIDEMARSH GATE DEVELOPMENTS LIMITED

We have audited the financial statements of Widemarsh Gate Developments Limited for the year ended 31 March 2014 set out on pages 6 to 12. 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 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 set out on pages 2 - 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

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 Annual 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 2014 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.

WIDEMARSH GATE DEVELOPMENTS LIMITED

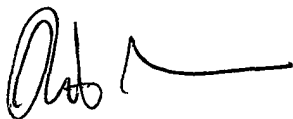
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF WIDEMARSH GATE DEVELOPMENTS 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



Philip Westerman
(Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP

21/08/14.....

Chartered Accountants
Statutory Auditor

Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

WIDEMARSH GATE DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Turnover	2	42,462,280	12,230,933
Cost of sales		(42,462,280)	(12,230,933)
Gross loss		-	-
Administrative expenses		(11,888)	(1,117)
Operating loss	3	(11,888)	(1,117)
Other interest receivable and similar income	4	11,888	1,117
Loss on ordinary activities before taxation		-	-
Tax on loss on ordinary activities	5	-	-
Loss for the year		-	-

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

WIDEMARSH GATE DEVELOPMENTS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2014

	Notes	2014 £	£	2013 £	£
Current assets					
Debtors	6	3,897,520		2,225,903	
Cash at bank and in hand		3,904,309		1,110,179	
		<u>7,801,829</u>		<u>3,336,082</u>	
Creditors: amounts falling due within one year	7	(7,800,829)		(3,335,082)	
Total assets less current liabilities			<u>1,000</u>		<u>1,000</u>
Capital and reserves					
Called up share capital	8		<u>1,000</u>		<u>1,000</u>
Shareholders' funds	9		<u>1,000</u>		<u>1,000</u>

Approved by the Board and authorised for issue on 11/08/14

.....
Mr S A Moschini
Director

Company Registration No. 03023212

WIDEMARSH GATE DEVELOPMENTS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2014

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Net cash inflow from operating activities	2,782,242	1,108,064
Returns on investments and servicing of finance		
Interest received	11,888	1,117
Net cash inflow for returns on investments and servicing of finance	11,888	1,117
Net cash inflow before management of liquid resources and financing	2,794,130	1,109,181
Financing		
Issue of ordinary share capital	-	998
Net cash (outflow)/inflow from financing	-	998
Increase in cash in the year	2,794,130	1,110,179

WIDEMARSH GATE DEVELOPMENTS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

1	Reconciliation of operating loss to net cash outflow from operating activities		2014	2013	
			£	£	
			(11,888)	(1,117)	
			(1,671,617)	(2,225,901)	
			4,465,747	3,335,082	
			2,782,242	1,108,064	
2	Analysis of net funds	1 April 2013	Cash flow	Other non-cash changes	31 March 2014
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,110,179	2,794,130	-	3,904,309
	Bank deposits	-	-	-	-
	Net funds	1,110,179	2,794,130	-	3,904,309
3	Reconciliation of net cash flow to movement in net funds		2014	2013	
			£	£	
	Increase in cash in the year		2,794,130	1,110,179	
	Movement in net funds in the year		2,794,130	1,110,179	
	Opening net funds		1,110,179	-	
	Closing net funds		3,904,309	1,110,179	

WIDEMARSH GATE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover is calculated as that proportion of total contract value (net of VAT) which costs to date bear to total expected costs for that contract.

1.4 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.5 Long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be seen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years.

Where the outcome of a long term contract cannot be assessed with reasonable certainty before conclusion of the contract, no profit is reflected in the profit and loss account.

Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched to turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

1.6 Cash and Cash Equivalents

Cash and cash equivalents are included in the balance sheet at cost.

2 Turnover

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

3 Operating loss

Operating loss is stated after charging:

Auditors' remuneration (including expenses and benefits in kind)

2014
£

5,000

2013
£

5,000

WIDEMARSH GATE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

4	Investment income	2014 £	2013 £
	Bank interest	11,888	1,117
		<u>11,888</u>	<u>1,117</u>

5	Taxation	2014	2013
	Total current tax	-	-
		<u>-</u>	<u>-</u>

Factors affecting the tax charge for the year

Loss on ordinary activities before taxation	-	-
	<u>-</u>	<u>-</u>

Current tax charge for the year

-	-
<u>-</u>	<u>-</u>

Based on current results there is no provision for taxation required.

6	Debtors	2014 £	2013 £
	Other debtors	216,488	1,000
	Prepayments and accrued income	3,681,032	2,224,903
		<u>3,897,520</u>	<u>2,225,903</u>

7	Creditors: amounts falling due within one year	2014 £	2013 £
	Trade creditors	704,531	110,355
	Amounts owed to parent and fellow subsidiary undertakings	280,386	-
	Taxes and social security costs	-	86,873
	Accruals and deferred income	6,815,912	3,137,854
		<u>7,800,829</u>	<u>3,335,082</u>

WIDEMARSH GATE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

8	Share capital	2014	2013
		£	£
	Allotted, called up and fully paid		
	1,000 Ordinary shares of £1 each	1,000	1,000
		<u>1,000</u>	<u>1,000</u>
9	Reconciliation of movements in shareholders' funds	2014	2013
		£	£
	Loss for the financial year	-	-
	Proceeds from issue of shares	-	998
		<u>-</u>	<u>998</u>
	Net (depletion in)/addition to shareholders' funds	-	998
	Opening shareholders' funds	1,000	2
		<u>1,000</u>	<u>2</u>
	Closing shareholders' funds	1,000	1,000
		<u>1,000</u>	<u>1,000</u>

10 Employees

Number of employees

There were no employees during the year apart from the directors.

11 Control

In the opinion of the directors the controlling parties comprise Stanhope Plc and Sir Robert McAlpine Limited, acting together by virtue of their 50% share holding of the ordinary share capital.

12 Related party relationships and transactions

During the period the company carried out the following transactions with Stanhope Plc, the joint controlling party who owns 50% of the issued share capital

- i) Payments in respect of construction related costs and fees £285,082 (2013: £3,872,727).
- ii) The balance due from Stanhope Plc at the year end was £21,059 (2013: £500).

It also carried out the following transactions with Sir Robert McAlpine Ltd, the other joint controlling party who owns 50% of the issued share capital.

- i) Payments in respect of construction related costs and fees £4,533,635 (2013: £2,334,837).
- ii) The balance outstanding at the year end was £301,445 (2013: £249,692).

Due to underlying contractual arrangements all the turnover of the company is from Stanhope Plc.