

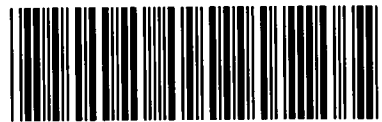
Registered number: 04002329

CENTRAL PROPERTIES (GLASGOW) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

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CENTRAL PROPERTIES (GLASGOW) LIMITED

COMPANY INFORMATION

Directors	J P White S R Jenkin
Company secretary	C A Stratton
Registered number	04002329
Registered office	11-15 Wigmore Street London W1A 2JZ
Independent auditor	Westbury Chartered Accountants and Statutory Auditor 145 - 157 St John Street London United Kingdom EC1V 4PY

CENTRAL PROPERTIES (GLASGOW) LIMITED

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CENTRAL PROPERTIES (GLASGOW) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

The directors present their report and the financial statements for the year ended 30 June 2016.

The directors report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Principal activity

The principal activity of the Company is that of property trading and development.

There has been no change in the activity of the Company during the year under review or since the balance sheet date.

Going Concern

The Company has limited cash resources and at 30 June 2016 had net liabilities of £1.73m (2015 - £1.76m). For some time, its outgoings have been funded by loans from a group company but that is no longer assured. If the Company is unable to raise money from its assets or secure alternative borrowings in the event its parent Company ceases to provide additional loans or demands repayment of its existing loan, it may not be able to continue to trade.

The directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal case of business. Nevertheless, after making enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

Results and dividends

The profit for the year, after taxation, amounted to £32,726 (2015 - £712,825).

The directors do not recommend the payment of a dividend (2015 - £Nil).

Directors

The directors who served during the year were:

J P White
S R Jenkin

Auditor

The auditor, Westbury, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

CENTRAL PROPERTIES (GLASGOW) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016**

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Companies Act 2006 requires the directors to prepare financial statements for each financial year. Under this Act the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under the Companies Act 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

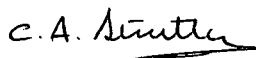
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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 auditor is aware of that information.

This report was approved by the board on 27 MARCH 17 and signed on its behalf.



C A Stratton
Secretary

CENTRAL PROPERTIES (GLASGOW) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CENTRAL PROPERTIES
(GLASGOW) LIMITED**

We have audited the financial statements of Central Properties (Glasgow) Limited for the year ended 30 June 2016, which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the notes set out on pages 8 to 14. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the 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'.

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 on page 2, 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 30 June 2016 and of its profit or 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.

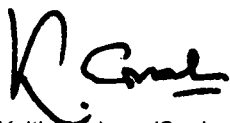
CENTRAL PROPERTIES (GLASGOW) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CENTRAL PROPERTIES
(GLASGOW) 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.



Keith Graham (Senior Statutory Auditor)

for and on behalf of
Westbury

Chartered Accountants and Statutory Auditor

145 - 157 St John Street
London
United Kingdom
EC1V 4PY

Date: **29 March 2017**

CENTRAL PROPERTIES (GLASGOW) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 £	2015 £
Turnover	2	1,080,231	28,670
Cost of sales		(1,031,276)	(9,498)
Reversal of stock provision		-	700,000
Gross profit		48,955	719,172
Administrative expenses		(16,806)	(2,989)
Operating profit	3	32,149	716,183
Interest receivable	5	577	-
Profit before tax		32,726	716,183
Tax on profit	6	-	(3,358)
Total profit for the year		32,726	712,825

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 8 to 14 form part of these financial statements.

CENTRAL PROPERTIES (GLASGOW) LIMITED
REGISTERED NUMBER: 04002329

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	£	2016 £	£	2015 £
Current assets					
Development and trading properties		-		1,000,000	
Debtors: amounts falling due within one year	7	1,060,026		30,996	
		<u>1,060,026</u>		<u>1,030,996</u>	
Creditors: amounts falling due within one year	8	(2,789,836)		(2,793,532)	
Net current liabilities			(1,729,810)		(1,762,536)
Total assets less current liabilities			(1,729,810)		(1,762,536)
Net liabilities					
			<u>(1,729,810)</u>		<u>(1,762,536)</u>
Capital and reserves					
Called up share capital	10		1		1
Profit and loss account	11		(1,729,811)		(1,762,537)
			<u>(1,729,810)</u>		<u>(1,762,536)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

27 MARCH 17.

J P White

J P White
Director

The notes on pages 8 to 14 form part of these financial statements.

CENTRAL PROPERTIES (GLASGOW) LIMITED

**STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2016**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 July 2015	1	(1,762,537)	(1,762,536)
Comprehensive income for the year			
Profit for the year	-	32,726	32,726
Total comprehensive income for the year	-	32,726	32,726
At 30 June 2016	1	(1,729,811)	(1,729,810)

**STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2015**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 July 2014	1	(2,475,362)	(2,475,361)
Comprehensive income for the year			
Profit for the year	-	712,825	712,825
Total comprehensive income for the year	-	712,825	712,825
At 30 June 2015	1	(1,762,537)	(1,762,536)

The notes on pages 8 to 14 form part of these financial statements.

CENTRAL PROPERTIES (GLASGOW) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. Accounting policies

1.1 Basis of preparation of financial statements

Central Properties (Glasgow) Limited is a private company limited by shares incorporated in the United Kingdom. The address of the registered office is given in the Company information page of these financial statements.

The nature of the Company's operations and principal activities are property trading and development.

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102, The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below.

These financial statements for the year ended 30 June 2016 are the first financial statements of Central Properties (Glasgow) Limited prepared in accordance with FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland. The date of transition was 1 July 2014. The reported financial position and financial performance for the previous periods were unaffected by the transition to FRS102.

The Company has adopted reporting exemptions under FRS102 as follows:

- i) a statement of cash flows is not presented because the Company is a small entity;
- ii) related party transactions between members of the group which are wholly owned by North Row Holdings Limited are not disclosed.

1.2 Going concern

The company has limited cash resources and at 30 June 2016 had net liabilities of £1.73m. For some time, its outgoings have been funded by loans from a group company but that is no longer assured. If the company is unable to raise money from its assets or secure alternative borrowings in the event its parent company ceases to provide additional loans or demands repayment of its existing loan, it may not be able to continue to trade.

The directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern and that, therefore, the company may be unable to realise its assets and discharge its liabilities in the normal case of business. Nevertheless, after making enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

CENTRAL PROPERTIES (GLASGOW) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. Accounting policies (continued)

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

1.4 Trading properties and developments

These assets are included in the financial statements at the lower of cost and net realisable value. Cost for this purpose comprises the purchase cost of land and buildings, development expenditure and attributable overheads.

In considering the net realisable value of land and properties. It is assumed developments will be completed and sold in the ordinary course of the Company's business, and that they would not be placed on the market for immediate sale.

Profits on sales of developed properties are taken on receipt of sales proceeds at legal completion. Costs attributable to each sale comprise of an appropriate proportion of the total costs of the development. Provision is made for anticipated after sales maintenance costs.

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.7 Taxation

Tax is recognised in the income statement, 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.

CENTRAL PROPERTIES (GLASGOW) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. Accounting policies (continued)

1.8 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 debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 outright 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 Income statement.

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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

CENTRAL PROPERTIES (GLASGOW) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

1. Accounting policies (continued)

1.9 Interest income

Interest income is recognised in the Income statement using the effective interest method.

2. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Trading Properties - Sales	1,100,000	-
Rental Income	(19,769)	28,670
	<u>1,080,231</u>	<u>28,670</u>

	2016 £	2015 £
United Kingdom	1,080,231	28,670
	<u>1,080,231</u>	<u>28,670</u>

3. Operating profit

Fees payable to the Company's auditor for the audit of the company's annual accounts, for the current and preceding year have been borne by the ultimate parent company, North Row Holdings Limited in the sum of £2,500 (2015 - £1,970).

During the year, no director received any emoluments (2015 - £NIL).

4. Staff costs

The Company has no employees other than the directors, who did not receive any remuneration (2015 £nil).

5. Interest receivable

	2016 £	2015 £
Other interest receivable	577	-
	<u>577</u>	<u>-</u>

CENTRAL PROPERTIES (GLASGOW) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

6. Taxation

	2016 £	2015 £
Corporation tax		
UK corporation tax charge on profit for the year	-	3,358

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - *lower than*) the standard rate of corporation tax in the UK of 20% (2015 - 20.75%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	32,726	716,183
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.75%)	6,545	148,608
Effects of:		
Utilisation of tax losses brought forward	(6,545)	(145,250)
Group relief	-	(3,358)
Payment to group company for surrender of tax losses	-	3,358
Total tax charge for the year	-	3,358

Factors that may affect future tax charges

The company has potential deferred tax assets of £318,606 (2015 - £325,151) in respect of tax losses. These have not been recognised as it is not sufficiently certain that suitable taxable profits will arise against which the assets could be recovered.

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rate with effect from April 2015 now standing at 20%. The closing deferred tax asset and liabilities have been calculated at 20% in accordance with the rates enacted at the balance sheet date.

In the Budget on 8 July 2015, the UK Government proposed, amongst other things, to further reduce the main rate of UK corporation tax to 19% with effect from 1 April 2017 and to 18% with effect from 1 April 2020. These rate changes were substantively enacted in Finance Bill 2015 on 26 October 2015 and existing temporary differences may therefore unwind in periods subject to these reduced rates.

CENTRAL PROPERTIES (GLASGOW) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

7. Debtors

	2016 £	2015 £
Trade debtors	-	28,505
Amounts owed by group undertakings	1,054,551	-
Other debtors	4,831	1,846
Prepayments and accrued income	644	645
	<u>1,060,026</u>	<u>30,996</u>

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	-	1,846
Amounts owed to group undertakings	2,789,836	2,789,836
Taxation and social security	-	504
Accruals and deferred income	-	1,346
	<u>2,789,836</u>	<u>2,793,532</u>

Amounts owed to group companies are interest free and repayable on demand

9. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	1,059,382	30,351
	<u>1,059,382</u>	<u>30,351</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(2,789,836)	(2,793,028)
	<u>(2,789,836)</u>	<u>(2,793,028)</u>

Financial assets measured at amortised cost comprise trade and other receivables.

Financial Liabilities measured at amortised cost comprise trade and other payables.

CENTRAL PROPERTIES (GLASGOW) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

10. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

11. Reserves

Profit & loss account

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties, net of dividends paid and other adjustments.

12. Ultimate parent undertaking and controlling party

The ultimate parent company and controlling party of the largest and smallest group of which the company is a member and for which group accounts are prepared is North Row Holdings Limited; Canonsfield Developments Limited is the immediate parent company and parent company of the smallest group to which the company belongs. Both companies are incorporated in Great Britain and registered in England and Wales. Copies of the financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.