

# Delamere Place Crewe Limited

Annual report and audited  
financial statements

**For the year ended 31 August 2016**

*Registered Number: 4984673*

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# Delamere Place Crewe Limited

## Annual report and audited financial statements

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# Delamere Place Crewe Limited

## Company information

<b>Directors</b>	A. Horsbrugh N. Gregory (resigned 30 September 2016)
<b>Registered office</b>	2nd Floor 30 Charles II Street London SW1Y 4AE
<b>Secretary</b>	L. Hibberd
<b>Independent auditor</b>	KPMG Statutory Auditor Chartered Accountants 1 Harbourmaster Place IFSC Dublin 1 Ireland
<b>Bankers</b>	National Westminster Bank Piccadilly and New Bond Street Branch 63-65 Piccadilly London W1J 0AJ
<b>Solicitors</b>	Eversheds LLP 115 Colmore Row Birmingham B3 3AL  Pinsent Masons LLP 3 Hardman Street Manchester M3 3AU

# Delamere Place Crewe Limited

## Directors' report

The Directors submit their annual report together with the audited financial statements of Delamere Place Crewe Limited ("the Company") for the year ended 31 August 2016.

### **Incorporation**

Delamere Place Crewe Limited (registered number 4984673) was incorporated in England on 4 December 2004 under the laws of England & Wales.

### **Principal activity**

The Company's principal activity was property investment and development. The Company disposed of its investment property, Delamere Place Shopping Centre, Crewe on 20 May 2015 and it is the Directors intention to arrange for the orderly wind-up of the affairs of the Company.

### **Business review**

The Company's results for the year ended, and financial position as at 31 August 2016 are set out in full in the statement of comprehensive income, the balance sheet, the statement of changes in equity and the notes relating thereto.

The loss after tax for the year ended 31 August 2016 was £111,000 (31 August 2015: £2,709,000).

Given the straightforward nature of the business the Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the Company.

The Directors believe that the principal risks and uncertainties that face the Company are not materially different to those disclosed on pages 14 and 15 in the Annual Report of Redefine International P.L.C. for the year ended 31 August 2016 that are publicly available and in which the Company is consolidated.

### **Dividends**

The Directors do not recommend the payment of a dividend (2015: £nil).

### **Subsequent events**

No events occurred after the reporting date that would require amendment to the financial statements or inclusion of notes therein.

### **Going concern and future developments**

The Company is in a net liability position. It is the Directors' intention to arrange for the orderly wind-up of the affairs of the Company. This wind-up process is expected to be completed within twelve months of signing the financial statements. Therefore, the financial statements are prepared on a wind-up basis of accounting where all assets are stated at their net recoverable amounts. The estimated costs of wind-up will be borne by the Company's ultimate parent Redefine International P.L.C.

# Delamere Place Crewe Limited

## Directors' report

### **Directors and Directors' interests**

The Directors of the Company who were in office during the year and up to the date of signing the financial statements are provided below:

A. Horsburgh

N. Gregory (resigned 30 September 2016)

The Directors did not hold an interest in the shares of the Company at any point during the financial year.

### **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 Accounting Standards, FRS 101 'Reduced Disclosure Framework' ("FRS 101"). FRS 101 sets out a reduced disclosure framework for the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations as issued by the IFRS Interpretations Committee (IFRIC). Amendments are made to the requirements of IFRS where necessary so as to comply with the Companies Act 2006 and the early adoption of the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015. 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 the affairs of the Company and of the profit or loss of the Company for that year. 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;
- notify its shareholders in writing about the use of disclosure exemptions, if any, available under FRS 101 in the preparation of 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. As explained in the basis of preparation, forming part of the financial statements, 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 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.

### **Provision 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 necessary steps that they ought to have taken in order to make themselves aware of all relevant information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

# Delamere Place Crewe Limited

## Directors' report

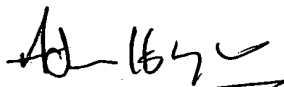
### Auditors

Under section 487 of the Companies Act 2006, KPMG will be deemed to be reappointed as auditors 28 days after these financial statements are sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

### Strategic report

The Company qualifies as a small company in accordance with Section 4(3) of the Companies, Partnerships and Group (Accounts and Reports) Regulations 2015. The Company has therefore availed of the small companies exemption from preparing a Strategic Report in accordance with Section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

On behalf of the Board



A. Horsburgh

Director

24 May 2017



KPMG  
Audit  
1 Harbourmaster Place  
IFSC  
Dublin 1  
D01 F6F5  
Ireland

## **Independent auditor's report to the members of Delamere Place Crewe Limited**

We have audited the financial statements of Delamere Place Crewe Limited for the year ended 31 August 2016 which comprise the principal accounting policies, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

### **Opinions and conclusions arising from our audit**

#### ***1 Our opinion on the financial statements is unmodified***

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2016 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### ***2 Our opinion on the financial statements is accompanied by an emphasis of matter - non-going concern basis of preparation***

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are no longer being prepared on the going concern basis for the reason set out in that note.

#### ***3 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below***

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

#### ***4 We have nothing to report in respect of matters on which we are required to report by exception***

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required 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;
- the financial statements are not in agreement with the accounting records and returns;
- 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.

We have nothing to report in respect of the above responsibilities.



## **Independent auditor's report to the members of Delamere Place Crewe Limited (continued)**

### **Basis of our report, responsibilities and restrictions on use**

As explained more fully in the Statement of Directors' Responsibilities 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 and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) 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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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.

**N. Marshall (Senior Statutory Auditor)**  
**for and on behalf of KPMG, Statutory Auditor**  
Chartered Accountants  
1 Harbourmaster Place  
IFSC  
Dublin

24 May 2017



# Delamere Place Crewe Limited

## Statement of comprehensive income for the year ended 31 August 2016

	<i>Note</i>	<b>Year ended 31 August 2016 £'000</b>	<b>Re-presented Year ended 31 August 2015 £'000</b>
<b>Discontinued operations</b>			
<b>Revenue</b>	2	-	585
Rental income	2	-	581
Rental expense	3	(121)	(43)
<b>Net rental (expense)/income</b>		<b>(121)</b>	<b>538</b>
Other income	2	-	4
Administrative costs and other fees	4	10	(42)
<b>Net operating (expense)/income</b>		<b>(111)</b>	<b>500</b>
Loss on disposal of investment property	5	-	(3,209)
<b>Loss before tax</b>		<b>(111)</b>	<b>(2,709)</b>
Taxation	6	-	-
<b>Loss for the year</b>		<b>(111)</b>	<b>(2,709)</b>
Other comprehensive income		-	-
<b>Total comprehensive expense for the year</b>		<b>(111)</b>	<b>(2,709)</b>

*The notes to the financial statements form an integral part of the financial statements.*

*The prior year comparative has been re-presented to reclassify rental expense from administrative costs and other fees to rental expense.*

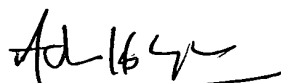
# Delamere Place Crewe Limited

## Balance sheet as at 31 August 2016

	Note	31 August 2016 £'000	Re-presented 31 August 2015 £'000
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	7	-	95
Cash and cash equivalents		69	80
<b>Total current assets</b>		<b>69</b>	<b>175</b>
<b>Total assets</b>		<b>69</b>	<b>175</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	8	-	(18,905)
<b>Total non-current liabilities</b>		<b>-</b>	<b>(18,905)</b>
<b>Current liabilities</b>			
Borrowings	8	(20,103)	-
Trade and other payables	9	-	(1,193)
<b>Total current liabilities</b>		<b>(20,103)</b>	<b>(1,193)</b>
<b>Total liabilities</b>		<b>(20,103)</b>	<b>(20,098)</b>
<b>Net liabilities</b>		<b>(20,034)</b>	<b>(19,923)</b>
<b>Equity</b>			
Share capital	10	130	130
Share premium		1,989	1,989
Retained loss		(22,153)	(22,042)
<b>Total equity</b>		<b>(20,034)</b>	<b>(19,923)</b>

*The notes to the financial statements form an integral part of the financial statements.*

On behalf of the Board



A. Horsburgh  
Director

24 May 2017

# Delamere Place Crewe Limited

## Statement of changes in equity for the year ended 31 August 2016

	Share capital £'000	Share Premium £'000	Retained loss £'000	Total equity £'000
Balance at 1 September 2014	130	1,989	(19,333)	(17,214)
Loss for the year	-	-	(2,709)	(2,709)
<b>Balance at 1 September 2015</b>	<b>130</b>	<b>1,989</b>	<b>(22,042)</b>	<b>(19,923)</b>
Loss for the year	-	-	(111)	(111)
<b>Balance at 31 August 2016</b>	<b>130</b>	<b>1,989</b>	<b>(22,153)</b>	<b>(20,034)</b>

*The notes to the financial statements form an integral part of the financial statements.*

# Delamere Place Crewe Limited

## Notes to the financial statements *for the year ended 31 August 2016*

### **1. Accounting policies**

#### **Basis of preparation**

The financial statements of the Company have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") and in compliance with the Companies Act 2006. The Company has chosen to early adopt the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 ("the Regulations"), effective for financial periods beginning on or after 1 January 2016, in these financial statements and has applied the required amendments to FRS 101 in the same period.

The Company's financial statements are presented in Great British Pounds (£), which is the functional and presentational currency of the Company and rounded to the nearest thousand pounds. The financial statements have been prepared under the historical cost convention and, in the current year, under the wind-up basis of accounting.

These financial statements are presented on a wind-up basis of accounting where all assets are stated at their estimated net recoverable amounts. Full provision is made for operating losses expected to be incurred up to the date the Company will cease to trade, and the estimated costs of wind-up will be borne by Redefine International P.L.C. The comparatives relating to the year ended 30 September 2014 have been prepared on a going concern basis as the financial statements relating to that year had been approved and finalised before the decision to wind-up was taken.

FRS 101 sets out a reduced disclosure framework that addresses the financial reporting requirements of, and disclosure exemptions available in, the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations as issued by the IFRS Interpretations Committee (IFRIC). Amendments are made to the requirements of IFRS where necessary so as to comply with Companies Act 2006 and the Regulations.

The Company, as a qualifying entity, is a member of a group where the parent of that group, being Redefine International P.L.C., prepares publicly available consolidated financial statements that are intended to give a true and fair view and the Company is included in the consolidation. Details of where the Annual Report of Redefine International P.L.C. for the year ended 31 August 2016 can be obtained are disclosed in Note 12.

#### ***Transition to FRS 101***

For all years, up to and including the year ended 31 August 2015, the Company's financial statements were prepared in accordance with existing United Kingdom Generally Accepted Accounting Principles ('UK GAAP'). These financial statements for the year ended 31 August 2016 are the first to be prepared in accordance with FRS 101 and the Directors have applied transitional arrangements accordingly.

FRS 100 'Application of Financial Reporting Requirements', being the framework to the revised financial reporting standards for the United Kingdom, requires that an entity adopting FRS 101 applies the transitional arrangements of IFRS 1 'First-time Adoption of International Financial Reporting Standards' ("IFRS 1"). The date of transition to FRS 101 for the Company is 1 September 2014. IFRS 1 requires that an entity explains how the transition from existing UK GAAP to FRS 101 affected its reported financial position, financial performance and cash flows by way of reconciliations of equity at the date of transition to FRS 101 and at comparative period end and also by way of a reconciliation of comprehensive income for the comparative year. Given that there were no adjustments required by the Company in restating its existing UK GAAP financial statements, including the balance sheet as at 1 September 2014 and the financial statements as at and for the year ended 31 August 2015, the Directors have determined that the presentation of these reconciliations is neither necessary nor useful to the users of these financial statements.

# Delamere Place Crewe Limited

## Notes to the financial statements for the year ended 31 August 2016

### 1. Accounting policies *continued*

#### **Basis of preparation *continued***

The prior year statement of comprehensive income and balance sheet have been re-presented in accordance with IFRS format as permitted under the Regulations.

#### **Disclosure Exemptions**

The Directors have taken advantage of the following disclosure exemptions available under FRS 101:

- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 111 and 134 to 136 of IAS 1 'Presentation of Financial Statements';
- The requirements of IAS 7 'Statement of Cash Flows';
- The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - disclosure of new standards and interpretations that have been issued but not yet effective and not applied by the Company;
- The requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group;
- The requirements of IFRS 7 'Financial Instruments: Disclosures'; and
- The requirements of paragraphs 91 to 99 of IFRS 13 'Fair value measurement' ("IFRS 13") - disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities.

In addition, while IFRS 1 requires that an entity prepares and presents an opening balance sheet at the date of transition to IFRS, FRS 101 paragraph 7A and 8(g) provides an exemption from this requirement.

The Directors have notified the shareholder of the Company in writing about the use of disclosure exemptions in these financial statements and the shareholder does not object.

There were no new standards and guidelines relevant to the Company that were issued and effective during the year or up to the date of approval of the financial statements.

#### **Going concern**

The Company is in a net liability position. It is the Directors' intention to arrange for the orderly wind-up of the affairs of the Company. This wind-up process is expected to be completed within twelve months of signing the financial statements. Therefore, the financial statements are prepared on a wind-up basis of accounting where all assets are stated at their net recoverable amounts. The estimated costs of wind-up will be borne by the Company's ultimate parent Redefine International P.L.C.

#### **Significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

#### **Rental income**

Rental income from investment property leased out under operating leases is recognised in the statement of comprehensive income on a straight-line basis over the term of the leases. Lease incentives granted are recognised as an integral part of the total rental income and amortised over the term of the leases.

Contingent rental income is recognised as it arises. Premiums to terminate leases are recognised in the statement of comprehensive income as they arise.

# Delamere Place Crewe Limited

## Notes to the financial statements

*for the year ended 31 August 2016*

### **1. Accounting policies continued**

#### **Significant accounting policies continued**

##### ***Service charges***

Where the Company invoices service charges, these amounts are not recognised as income as the risks in relation to the provision of these goods and services are primarily borne by the Company's tenants and consequently they are recognised as a reduction in rental expense. Any servicing expenses suffered by the Company, which cannot be reclaimed, are included within rental expense in the statement of comprehensive income.

##### ***Finance costs***

Finance costs recognised in the statement of comprehensive income comprise interest payable on borrowings calculated using the effective interest rate method, net of interest capitalised.

##### ***Taxation***

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income.

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted by the reporting date. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are not taxable (or tax deductible).

Deferred tax is provided, using the balance sheet liability method, on temporary timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the reporting date.

On 4 December 2013, the Redefine International P.L.C. Group, in which the Company is a 100% subsidiary, converted to a UK Real Estate Investment Trust (UK REIT). As a result, the Group and subsidiaries in which it holds an interest of 75% or more no longer pay UK corporation tax on the profits and gains from qualifying rental business in the UK provided certain conditions are met. Non-qualifying profits and gains continue to be subject to corporation tax.

It is intended that the Redefine International P.L.C. Group will continue as a REIT for the foreseeable future, with the result that deferred tax is no longer recognised on temporary differences relating to the Company's property rental business which is within the REIT structure.

##### ***Financial instruments***

###### ***Recognition, classification and measurement***

A financial instrument is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire.

###### ***Non-derivative financial instruments***

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

# Delamere Place Crewe Limited

## Notes to the financial statements for the year ended 31 August 2016

### 1. Accounting policies continued

#### Significant accounting policies continued

##### *Financial instruments continued*

##### *Non-derivative financial instruments (continued)*

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not designated at fair value through profit or loss, any directly attributable transaction costs. Loan receivables and payables are subsequently measured at amortised cost using the effective interest rate method.

##### *Impairment*

Financial assets not carried at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition, that the loss event had a negative effect on the estimated future cash flows of that asset and the impact on those cash flows can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Company, economic conditions that correlate with defaults or the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in the statement of comprehensive income and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is calculated on a basis consistent with the original charge and reversed through the statement of comprehensive income.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances on hand, cash deposited with financial institutions and short-term call deposits. Cash and cash equivalents have a maturity of less than three months. Restricted cash comprises cash deposits which are restricted until the fulfilment of certain conditions.

##### *Borrowings*

Interest-bearing borrowings are recognised initially at fair value less directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income over the period of the borrowings on an effective interest basis.

##### *Provisions, capital commitments and contingent liabilities*

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

# Delamere Place Crewe Limited

## Notes to the financial statements

*for the year ended 31 August 2016*

### **1. Accounting policies continued**

#### **Significant accounting policies continued**

##### ***Provisions, capital commitments and contingent liabilities continued***

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Capital commitments are disclosed when the Company has a contractual future obligation which has not been provided for at the balance sheet date.

##### ***Ordinary share capital***

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction in equity, net of tax, from the proceeds.

##### ***Dividends***

Dividends attributable to the Company's shareholders are recognised when they become legally payable.



# Delamere Place Crewe Limited

## Notes to the financial statements for the year ended 31 August 2016

### 2. Revenue

	Year ended 31 August 2016 £'000	Year ended 31 August 2015 £'000
Rental income	-	581
Other income	-	4
	-	585

### 3. Rental expense

	Year ended 31 August 2016 £'000	Year ended 31 August 2015 £'000
Write-off/(reversal of write-off) of bad debt	119	(51)
Property management and other fees	-	55
Other non-recoverable expenses	2	39
	121	43

### 4. Administration costs and other fees

	Year ended 31 August 2016 £'000	Year ended 31 August 2015 £'000
Professional fees	1	(20)
Administration fees	9	(22)
	10	(42)

Audit fees for the year ended 31 August 2015 and 31 August 2016 were borne by the Company's ultimate parent, Redefine International P.L.C. and have not been recharged.

Directors' remuneration is borne by the Company's ultimate parent, Redefine International P.L.C.

There were no employees of the Company during the year (2015: nil).

# Delamere Place Crewe Limited

## Notes to the financial statements for the year ended 31 August 2016

### 5. Loss on disposal of investment property

	Year ended 31 August 2016 £'000	Year ended 31 August 2015 £'000
Opening balance 1 September	-	8,694
Capitalised expenditure	-	34
Disposal of investment property	-	(5,519)
<b>Loss on disposal of investment property</b>	<b>-</b>	<b>(3,209)</b>

On 20 May 2015, the Company disposed of Delamere Place shopping centre, Crewe for a net consideration of £5,519,000.

### 6. Taxation

	Year ended 31 August 2016 £'000	Year ended 31 August 2015 £'000
UK corporation tax at 20% (2015: 20.58%)	-	-
	-	-

#### *Factors affecting the tax charge for the period*

The difference between the actual tax assessed in the year and the charge based on the standard rate of corporation tax in the United Kingdom of 20% (2015: 20.58%) is explained as follows;

	Year ended 31 August 2016 £'000	Re-stated Year ended 31 August 2015 £'000
Loss before tax	(111)	(2,709)
Loss before tax multiplied by the standard rate of corporation tax in the UK of 20% (2015: 20.58%) <sup>1</sup>	(22)	(557)
<i>Effect of:</i>		
Loss on disposal of investment property	-	660
Income not subject to UK income tax	-	(120)
Expenses not deductible for UK income tax	22	17
<b>Tax charge for the year reported in the statement of comprehensive income</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Loss before tax for the year ended 31 August 2015 was incorrectly stated as £577,000 in the prior year financial statements. The tax note has been re-stated in the current year to correct this error.

# Delamere Place Crewe Limited

## Notes to the financial statements

for the year ended 31 August 2016

### 6. Taxation continued

*Factors that may affect future tax charges*

On 4 December 2013, Redefine International P.L.C. Group, of which the Company is a 100% subsidiary, converted to a UK Real Estate Investment Trust (UK REIT). As a result, the Company no longer pays UK corporation tax on the profits and gains from qualifying rental business in the UK provided certain conditions are met. Non-qualifying profits and gains continue to be subject to corporation tax.

It is intended that the Redefine International P.L.C. Group will continue as a REIT for the foreseeable future, with the result that deferred tax is no longer recognised on temporary differences relating to the Company's property rental business which is within the REIT structure.

### 7. Trade and other receivables

	31 August 2016 £'000	31 August 2015 £'000
Trade and other receivables	-	95
	-	95

### 8. Borrowings

	31 August 2016 £'000	31 August 2015 £'000
<b>Non-current</b>		
Amounts owed to related companies	-	18,905
<b>Total non-current borrowings</b>	-	18,905
<b>Current</b>		
Amounts owed to related companies	20,103	-
<b>Total current borrowings</b>	20,103	-

Amounts owed to related companies related to balances due to the Company's intermediate parent undertaking Redefine International Holdings Limited ("RIHL"). No interest is charged on these balances. The loan is repayable on demand. Following a review of the working capital of the Company, the loan was reclassified from non-current to current during the year as the Directors consider it more appropriate to classify the loan as a current trading balance.

### 9. Trade and other payables

	31 August 2016 £'000	31 August 2015 £'000
Trade payables	-	3
VAT payable	-	1,190
	-	1,193

# Delamere Place Crewe Limited

## Notes to the financial statements for the year ended 31 August 2016

### 10. Share capital

	31 August 2016 £'000	Re-stated 31 August 2015 £'000
<b>Authorised</b>		
130,000 Ordinary shares of £1 each <sup>1</sup>	130	130
	<b>130</b>	<b>130</b>
<b>Issued, called up and fully paid</b>		
130,000 Ordinary shares of £1 each	130	130
	<b>130</b>	<b>130</b>

<sup>1</sup>The authorised share capital was disclosed as £2,000,000 in the prior year financial statements and has been re-stated in the current year to correct this error.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

### 11. Contingencies, guarantees and commitments

At 31 August 2016, the Company had no capital commitments or contingent liabilities (2015: £nil).

### 12. Ultimate parent and controlling party

The Company's intermediate parent undertaking is Redefine International Holdings Limited ("RIHL"), a company incorporated in Jersey, which is wholly owned by Redefine International P.L.C.

Redefine International P.L.C. is the ultimate parent and controlling part of the Company and its consolidated Group financial statements are available to the public and may be obtained from Merchants House, 24 North Quay, Douglas, Isle of man, IM1 4LE.

### 13. Events after the end of the reporting period

No events occurred after the reporting date that would require amendment to the financial statements or inclusion of notes therein.

### 14. Approval of financial statements

The financial statements were approved by the Board on 24 May 2017.