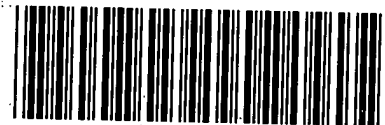


HIGHBRIDGE (OCKENDON) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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COMPANIES HOUSE

HIGHBRIDGE (OCKENDON) LIMITED

COMPANY INFORMATION

DIRECTORS

G N Marsden
P J Pulford

COMPANY SECRETARY

P J Pulford

REGISTERED NUMBER

05077125

REGISTERED OFFICE

131-135 Temple Chambers
3-7 Temple Avenue
London
EC4Y 0HP

INDEPENDENT AUDITORS

Barber & Co LLP
Chartered Accountants & Statutory Auditor
131-135 Temple Chambers
3-7 Temple Avenue
London
EC4Y 0HP

HIGHBRIDGE (OCKENDON) LIMITED

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HIGHBRIDGE (OCKENDON) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their report and the financial statements for the year ended 31 March 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, 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 judgments 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;
- 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.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £470 (2014 - loss £987).

The directors have not proposed the payment of any dividends in the year to 31st March 2015.

DIRECTORS

The directors who served during the year were:

G N Marsden
P J Pulford

HIGHBRIDGE (OCKENDON) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

DISCLOSURE 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 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 auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, Barber & Co LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 30 September 2015 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'P J Pulford', written over a horizontal line.

P J Pulford
Director

HIGHBRIDGE (OCKENDON) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

BUSINESS REVIEW

The company continues to obtain a substantial income from its property rental activities. It is currently seeking a buyer for the property held in stock and the directors are hopeful of a favourable outcome in the ensuing year.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's activities expose it to a number of financial risks; the most significant being changes in the property market. The principal business risks, which are predominantly external, are summarised below.

FINANCIAL KEY PERFORMANCE INDICATORS

Key performance indicators for the company are rental income and minimisation of void space within the property portfolio together with capital growth in owned properties.

PROPERTY RISKS

The risks relate to market pricing and other changes such as those caused by the aftermath of the 'credit crunch' affecting property values including change in investor and occupier demand, letting risk on speculative development and tenant default.

These risks are mitigated by regular investment appraisals assessing prospects and identifying properties for disposal and/or purchase where justified, obtaining long-leases on buildings and ensuring tenants with strong financial covenants are secured.

CREDIT RISKS

The company's principal financial assets are bank balances and cash, stock, trade and other receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high-credit ratings.

The company has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

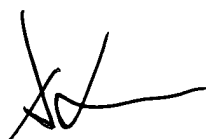
DEBT AND FINANCING

Risks arising due to reduced availability or increased cost of finance and adverse interest rate movements are mitigated by ensuring that sufficient lines are maintained for spending commitments.

PROPERTY INVESTMENT AND DEVELOPMENT

The risk of acquisition of properties that fail to meet performance expectations is mitigated by a thorough evaluation of acquisition, including due diligence reviews and market research.

This report was approved by the board on 30 September 2015 and signed on its behalf.



P J Pulford
Director

HIGHBRIDGE (OCKENDON) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HIGHBRIDGE (OCKENDON) LIMITED

We have audited the financial statements of Highbridge (Ockendon) Limited for the year ended 31 March 2015, set out on pages 6 to 14. 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, 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 Strategic report and 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 31 March 2015 and of its 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.

EMPHASIS OF MATTER

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 concerning the company's ability to continue as a going concern. The company made a net loss of £470 during the year ended 31 March 2015 but, at that date, the company's liabilities exceeded its total assets by £2,045,367. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

HIGHBRIDGE (OCKENDON) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HIGHBRIDGE (OCKENDON) LIMITED

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



Philip Jones (Senior statutory auditor)

for and on behalf of
Barber & Co LLP

Chartered Accountants
Statutory Auditor

131-135 Temple Chambers
3-7 Temple Avenue
London
EC4Y 0HP

30 September 2015

HIGHBRIDGE (OCKENDON) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
TURNOVER	1,2	1,447,665	1,449,299
Cost of sales		(470,000)	(948,000)
		<hr/>	<hr/>
GROSS PROFIT		977,665	501,299
Administrative expenses		(720,118)	(241,509)
		<hr/>	<hr/>
OPERATING PROFIT	3	257,547	259,790
Interest receivable and similar income		430	536
Interest payable and similar charges	5	(258,447)	(261,313)
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(470)	(987)
Tax on loss on ordinary activities	6	-	-
		<hr/>	<hr/>
LOSS FOR THE FINANCIAL YEAR	12	(470)	(987)
		<hr/>	<hr/>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

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

HIGHBRIDGE (OCKENDON) LIMITED
REGISTERED NUMBER: 05077125

BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	2014 £
CURRENT ASSETS				
Stocks	7	5,182,000	5,652,000	
Debtors	8	40,661	40,661	
Cash at bank		426,783	453,004	
		<u>5,649,444</u>	<u>6,145,665</u>	
CREDITORS: amounts falling due within one year	9	<u>(2,083,440)</u>	<u>(1,639,930)</u>	
NET CURRENT ASSETS			<u>3,566,004</u>	<u>4,505,735</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,566,004</u>	<u>4,505,735</u>
CREDITORS: amounts falling due after more than one year	10	<u>(5,611,371)</u>	<u>(6,550,632)</u>	
NET LIABILITIES		<u><u>(2,045,367)</u></u>	<u><u>(2,044,897)</u></u>	
CAPITAL AND RESERVES				
Called up share capital	11		2	2
Profit and loss account	12	<u>(2,045,369)</u>	<u>(2,044,899)</u>	
SHAREHOLDERS' DEFICIT	13	<u><u>(2,045,367)</u></u>	<u><u>(2,044,897)</u></u>	

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 September 2015.



P J Pulford
Director

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

HIGHBRIDGE (OCKENDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

I. ACCOUNTING POLICIES

I.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

I.2 Going concern

The company has net liabilities of £2,045,367 and its ability to continue as a going concern is dependent upon the continuing support of the company's bankers. The bank loan is due for repayment in April 2016 and the directors intend to enter into discussions with the bank or others with the intention of providing longer term financing whilst seeking a buyer for the property at a price sufficient to cover its liabilities. Despite the material uncertainty that currently exists, the directors are confident of a favourable outcome and, based on this, are of the opinion that the use of the going concern basis is appropriate in the preparation of these accounts.

I.3 Cash Flow Statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

I.4 Turnover

Turnover represents rents receivable.

I.5 Properties for Resale

Properties are included within current assets at the lower of cost and net realisable value.

I.6 Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

I.7 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for impairment. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

I.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

HIGHBRIDGE (OCKENDON) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

I. ACCOUNTING POLICIES (continued)

I.9 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

HIGHBRIDGE (OCKENDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Operating lease rentals:		
- other operating leases	216,224	216,224
	<u>216,224</u>	<u>216,224</u>

During the year, no director received any emoluments (2014 - £NIL).

In the current year, Auditors remuneration has been charged to Highbridge Properties PLC, the company's parent undertaking, and are disclosed in that company's financial statements.

4. STAFF COSTS

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Management	3	3
	<u>3</u>	<u>3</u>

5. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	257,607	261,313
Other similar charges payable	840	-
	<u>258,447</u>	<u>261,313</u>

HIGHBRIDGE (OCKENDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

6. TAXATION

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	(470)	(987)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	(99)	(227)
Effects of:		
Utilisation of tax losses	-	123
Group relief	99	104
Current tax charge for the year (see note above)	-	-

7. STOCKS

	2015 £	2014 £
Property for resale	5,182,000	5,652,000

8. DEBTORS

	2015 £	2014 £
Prepayments and accrued income	40,661	40,661

9. CREDITORS:

Amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	1,032,139	1,092,639
Amounts owed to group undertakings	641,880	137,880
Other taxation and social security	72,127	72,117
Accruals and deferred income	337,294	337,294
	2,083,440	1,639,930

The bank loan was renegotiated in February 2013 and is secured by a fixed and floating charge over the assets of the company. The loan is repayable by quarterly instalments and is disclosed above. Any balance outstanding on the loan after such instalments is repayable on 1st April 2016. The loan carries an interest rate of 3% over LIBOR. The bank also has full priority over the assignment of rental income for the property.

HIGHBRIDGE (OCKENDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

10. CREDITORS:

Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	<u>5,611,371</u>	<u>6,550,632</u>

Included within the above are amounts falling due as follows:

	2015 £	2014 £
Between one and two years		
Bank loans	<u>5,611,371</u>	<u>6,550,632</u>

The bank loan was renegotiated in February 2013 and is secured by a fixed and floating charge over the assets of the company. The loan is repayable by quarterly instalments and is disclosed above. Any balance outstanding on the loan after such instalments is repayable on 1st April 2016. The bank also has full priority over the assignment of rental income for the property.

HIGHBRIDGE (OCKENDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

11. SHARE CAPITAL

	2015 £	2014 £
Authorised, allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

12. RESERVES

	Profit and loss account £
At 1 April 2014	(2,044,899)
Loss for the financial year	(470)
At 31 March 2015	<u>(2,045,369)</u>

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2015 £	2014 £
Opening shareholders' deficit	(2,044,897)	(2,043,910)
Loss for the financial year	(470)	(987)
Closing shareholders' deficit	<u>(2,045,367)</u>	<u>(2,044,897)</u>

14. OPERATING LEASE COMMITMENTS

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £	2014 £
Expiry date:		
After more than 5 years	<u>216,224</u>	<u>216,224</u>

15. RELATED PARTY TRANSACTIONS

Exemption has been taken from including related party disclosures in respect of group transactions on the grounds that details are included in publicly consolidated financial statements.

HIGHBRIDGE (OCKENDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is Highbridge Properties PLC, which heads the smallest group for which consolidated financial statements have been prepared, which are available from the company's registered office.

The company's ultimate parent undertaking is Safehawk Limited, which heads the largest group for which consolidated financial statements are prepared and these are available from that company's registered office.

The ultimate controlling parties are G N Marsden, P J Pulford and G Ward.