

Company Registration No. 05122315 (England and Wales)

GREGORY PROJECTS (HALIFAX) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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GREGORY PROJECTS (HALIFAX) LIMITED

COMPANY INFORMATION

Directors	G Barry Gregory T R Gurney (Appointed 29 November 2012)
Secretary	M Robertson
Company number	05122315
Registered office	2 The Embankment Sovereign Street LEEDS LS1 4GP
Auditors	Firth Parsh 1 Airport West Lancaster Way Yeadon LEEDS LS19 7ZA
Bankers	Yorkshire Bank Plc 94 Albion Street LEEDS LS1 6AG Barclays Bank Plc 3rd Floor 6 East Parade LEEDS LS1 2UX

GREGORY PROJECTS (HALIFAX) LIMITED

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GREGORY PROJECTS (HALIFAX) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the year ended 31 December 2011

Principal activities and review of the business

The principal activity of the company is property development and property investment

Broad Street Plaza, Halifax continued to absorb a major slice of our resources as more lettings were achieved and related complexities of construction overcome. New tenants included TGI Friday and Pure Gym who replaced Tenpin which entered into a Creditors Arrangement. Practical completion was achieved on 2 July 2012 prior to which a further letting, to Nando's, was effected and subsequently a large medical centre for the NHS was fitted out for them.

The Premier Inn Hotel, let to Whitbread Group, was sold January 2013 with the benefit of a clear, twenty year term.

Barclays Bank has just refinanced phase one of Broad Street Plaza for a period of three years.

Results and dividends

The results for the year are set out on page 5

Directors

The following directors have held office since 1 January 2011

G Barry Gregory	
D J Brimblecombe	(Resigned 30 November 2012)
P J B Wilkinson	(Retired 24 January 2011)
T R Gurney	(Appointed 29 November 2012)

Charitable donations	2011	2010
	£	£

During the year the company made the following payments

Charitable donations	5,000	-
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The recipients, amounts and purpose of the charitable donations are as follows: Community Foundation £5,000 for unrestricted purposes.

Auditors

The auditors, Firth Parish, are deemed to be reappointed under section 487(2) of the Companies Act 2006

GREGORY PROJECTS (HALIFAX) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

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:

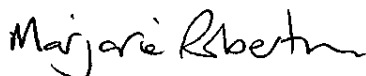
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



M Robertson

Secretary

21 February 2013

GREGORY PROJECTS (HALIFAX) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GREGORY PROJECTS (HALIFAX) LIMITED

We have audited the financial statements of Gregory Projects (Halifax) Limited for the year ended 31 December 2011 set out on pages 5 to 13. 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 1 - 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. 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 December 2011 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- 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.

GREGORY PROJECTS (HALIFAX) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF GREGORY PROJECTS (HALIFAX) 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

Geoffrey Beaumont (Senior Statutory Auditor)
for and on behalf of Firth Parish

21 February 2013

Chartered Accountants
Statutory Auditor

1 Airport West
Lancaster Way
Yeadon
LEEDS
LS19 7ZA

GREGORY PROJECTS (HALIFAX) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £	2010 £
Administrative expenses		(274,119)	(517,360)
Operating loss	2	(274,119)	(517,360)
Lease surrender compensation		108,655	-
Loan waived		60,003	-
Loss on ordinary activities before interest		(105,461)	(517,360)
Other interest receivable and similar income	3	914	866
Interest payable and similar charges	4	(11,950)	-
Loss on ordinary activities before taxation		(116,497)	(516,494)
Tax on loss on ordinary activities	5	38,362	151,088
Loss for the year	12	(78,135)	(365,406)

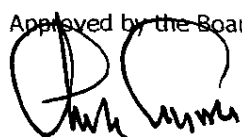
The profit and loss account has been prepared on the basis that all operations are continuing operations

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

GREGORY PROJECTS (HALIFAX) LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2011**

	Notes	2011 £	£	2010 £	£
Current assets					
Developments in progress	6	26,685,292		10,771,972	
Debtors	7	222,585		151,838	
Cash at bank and in hand		66,629		108,782	
		<u>26,974,506</u>		<u>11,032,592</u>	
Creditors: amounts falling due within one year	8	<u>(9,971,339)</u>		<u>(7,291,029)</u>	
Total assets less current liabilities			17,003,167		3,741,563
Creditors: amounts falling due after more than one year	9		(17,428,635)		(4,088,896)
			<u>(425,468)</u>		<u>(347,333)</u>
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account	12		(425,568)		(347,433)
Shareholders' funds	13		<u>(425,468)</u>		<u>(347,333)</u>

Approved by the Board and authorised for issue on 21 February 2013

G Barry Gregory
Director

Company Registration No. 05122315

GREGORY PROJECTS (HALIFAX) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

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

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 from disclosing related party transactions with group undertakings 90% or more of whose voting rights are controlled within the group, on the grounds that publicly available consolidated accounts are prepared

As described in the directors' report on page 1 the current economic environment is difficult

The company has recently arranged refinancing of phase one of the Broad Street Plaza development with Barclays Bank Plc for a period of three years

As set out in Note 16 the company has recently entered into a Joint Venture Agreement the object of which is the interim management financing and sale of the Broad Street Plaza development

The financial statements have been prepared on a going concern basis. In the directors' opinion, a going concern basis is appropriate based on future satisfactory project development and the company has the continuing support of Gregory Property Holdings Limited, the immediate parent company and its Joint Venture Partners

1.2 Developments in progress

Developments in progress are stated at the lower of cost or net realisable value plus an estimated amount of profit recognised when the overall profitability of the development can be reasonably foreseen

Finance costs that are directly attributable to the construction of a development are capitalised as part of the cost of that development

Long-term contract work-in-progress is shown at cost after deducting foreseeable losses and payments on account

Profit taken on long-term contracts is determined on the basis of the proportion of expected contract profit calculated at the contract stage reached at the balance sheet date

Gross profit includes attributable profit recoverable on contracts incomplete at the balance sheet date. Amounts recoverable are also included within debtors

1.3 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

1.4 Group accounts

The financial statements present information about the company as an individual undertaking. The results of the company are included in the consolidated financial statements of Gregory Property Group Limited

2 Operating loss

	2011	2010
	£	£
Operating loss is stated after charging		
Auditors' remuneration (including expenses and benefits in kind)	-	(2,750)

GREGORY PROJECTS (HALIFAX) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

3	Investment income	2011	2010
		£	£
	Bank interest	914	866
		<u>914</u>	<u>866</u>
		<u><u>914</u></u>	<u><u>866</u></u>
4	Interest payable	2011	2010
		£	£
	On bank loans and overdrafts	11,950	-
		<u>11,950</u>	<u>-</u>
		<u><u>11,950</u></u>	<u><u>-</u></u>

GREGORY PROJECTS (HALIFAX) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2011**

5	Taxation	2011	2010
		£	£
	Domestic current year tax		
	Adjustment for prior years	(8,073)	-
	Receipt in respect of group relief	(30,289)	(27,908)
		<u></u>	<u></u>
	Total current tax	(38,362)	(27,908)
	Deferred tax		
	Deferred tax charge/credit current year	-	(123,180)
		<u></u>	<u></u>
		(38,362)	(151,088)
		<u></u>	<u></u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(116,497)	(516,494)
		<u></u>	<u></u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.00% (2010 - 28.00%)	(30,289)	(144,618)
		<u></u>	<u></u>
	Effects of:		
	Adjustments to previous periods	(8,073)	-
	Current year tax losses carried forward	-	116,710
		<u></u>	<u></u>
		(8,073)	116,710
		<u></u>	<u></u>
	Current tax charge for the year	(38,362)	(27,908)
		<u></u>	<u></u>

The company has estimated losses of £ 401,488 (2010 - £ 401,488) available for carry forward against future trading profits

An effective corporation tax rate of 26.00% (2010 - 28.00%) has been used as the directors consider that this is the rate applicable to the company taking into account its result.

6	Developments in progress	2011	2010
		£	£
	Developments in progress	26,685,292	10,771,972
		<u></u>	<u></u>

Developments in progress include capitalised interest of £973,162 (2010: £362,676)

GREGORY PROJECTS (HALIFAX) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2011**

7 Debtors	2011 £	2010 £
Amounts owed by parent and fellow subsidiary undertakings	30,289	27,908
Other debtors	69,116	-
Prepayments and accrued income	-	750
Deferred tax asset (see note 10)	123,180	123,180
	<u>222,585</u>	<u>151,838</u>
8 Creditors: amounts falling due within one year	2011 £	2010 £
Bank loans and overdrafts	1,645,154	-
Trade creditors	1,544,799	649,509
Amounts owed to parent and fellow subsidiary undertakings	497,916	801,774
Other creditors	3,184,324	3,189,999
Accruals and deferred income	3,099,146	2,649,747
	<u>9,971,339</u>	<u>7,291,029</u>
Debt due in one year or less	<u>1,645,154</u>	<u>-</u>

The Guernsey Investments Limited loan of £3,000,000 (2010 £3,000,000) included in other creditors is secured by a fixed and floating debenture and a first legal charge over the land at Broad Street, Halifax

Amounts advanced by Yorkshire Forward of £nil (2010 £90,000) included in other creditors and a grant of £2,911,057 (2010 £2,629,000) included in deferred income are secured by a second ranking legal charge over the property and goodwill relating to the property dated 3 November 2010

The Abbey National Treasury Services Plc loan of £1,645,154 (2010 £nil) is secured by a debenture dated 29 October 2010

GREGORY PROJECTS (HALIFAX) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2011**

9	Creditors: amounts falling due after more than one year	2011	2010
		£	£
	Bank loans	14,628,635	1,288,896
	Other loans	2,800,000	2,800,000
		<u>17,428,635</u>	<u>4,088,896</u>
	Analysis of loans		
	Wholly repayable within five years	22,173,789	7,278,895
		<u>22,173,789</u>	<u>7,278,895</u>
	Included in current liabilities	(4,745,154)	(3,189,999)
		<u>17,428,635</u>	<u>4,088,896</u>
	Loan maturity analysis		
	In more than one year but not more than two years	17,428,635	4,088,896
		<u>17,428,635</u>	<u>4,088,896</u>

The Abbey National Treasury Services Plc loan of £14,628,635 (2010: £1,288,896) is secured by a debenture dated 29 October 2010

10 Provisions for liabilities

The deferred tax asset (included in debtors, note 7) is made up as follows:

	2011	
	£	
Balance at 1 January 2011 & at 31 December 2011	(123,180)	
	<u>(123,180)</u>	
	2011	2010
	£	£
Tax losses available	(123,180)	(123,180)
	<u>(123,180)</u>	<u>(123,180)</u>

GREGORY PROJECTS (HALIFAX) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

11 Share capital	2011	2010
	£	£
Allotted, called up and fully paid		
50 Ordinary 'A' shares of £1 each	50	50
50 Ordinary 'B' shares of £1 each	50	50
	<u>100</u>	<u>100</u>

12 Statement of movements on profit and loss account

**Profit and
loss
account
£**

Balance at 1 January 2011	(347,433)
Loss for the year	(78,135)
	<u>(425,568)</u>
Balance at 31 December 2011	<u>(425,568)</u>

13 Reconciliation of movements in shareholders' funds	2011	2010
	£	£
Loss for the financial year	(78,135)	(365,406)
Opening shareholders' funds	(347,333)	18,073
	<u>(425,468)</u>	<u>(347,333)</u>
Closing shareholders' funds	<u>(425,468)</u>	<u>(347,333)</u>

14 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2011	2010
	Number	Number
Administration	<u>4</u>	<u>4</u>

GREGORY PROJECTS (HALIFAX) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

15 Control

The company's immediate parent undertaking at the balance sheet date was Gregory Property Holdings Limited, a company incorporated in England. The company's ultimate parent undertaking at the balance sheet date was Gregory Property Group Limited.

The ultimate controlling party is G Barry Gregory, director, together with family members, by virtue of their shareholding.

Gregory Property Group Limited prepare group financial statements and copies may be obtained from the Registrar of Companies, Companies House, Cardiff.

16 Post balance sheet events

The company has entered into a Joint Venture Agreement with Marshall Construction (West Yorkshire) Limited, Gregory Property Holdings Limited and Commercial Development Projects Limited. The object of the joint venture being the interim management, financing and sale of the Broad Street Plaza development.

Under the terms of the Joint Venture Agreement the Joint Venture Partners entered into a debenture, incorporating (inter alia) a legal charge over the Broad Street Plaza development, in favour of Marshall Construction (West Yorkshire) Limited and Commercial Development Projects Limited.

17 Related party relationships and transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.