

REDGLADE ASSOCIATES LIMITED

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016**



REDGLADE ASSOCIATES LIMITED

COMPANY INFORMATION

Directors	Ewan Lloyd-Baker (appointed 2 September 2005) Russell Jukes (appointed 15 June 2016)
Registered number	05303263
Registered office	1 Kimpton Road Luton Bedfordshire LU1 3LD
Independent auditor	Grant Thornton UK LLP Chartered Accountants Grant Thornton House 202 Silbury Boulevard Central Milton Keynes MK9 1LW
Bankers	National Westminster Bank PLC 1st Floor Silbury House 300 Silbury Boulevard Central Milton Keynes Milton Keynes MK9 2AZ
Solicitors	Mishcon de Reya Africa House 70 Kingsway London WC2B 6AH

REDGLADE ASSOCIATES LIMITED

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REDGLADE ASSOCIATES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

The Directors present their report and the financial statements for the year ended 31 March 2016.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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; 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.

Principal activities

The primary business activity of the Company is holding property for rental income.

Results and dividends

The profit for the year, after taxation, amounted to £93,995 (2015: £90,089).

The Directors have not recommended a dividend for the year (2015: £nil).

Director

The Director who served during the year was:

Ewan Lloyd-Baker (appointed 2 September 2005)

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Future developments

The Company intends to continue holding property for rental income.

REDGLADE ASSOCIATES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

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 that Director is aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 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 6 October 2016 and signed on its behalf.



Ewan Lloyd-Baker
Director

REDGLADE ASSOCIATES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REDGLADE ASSOCIATES LIMITED

We have audited the financial statements of Redglade Associates Limited for the year ended 31 March 2016 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes. 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), including FRS 101 'Reduced Disclosure Framework'.

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 set out on page 1, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

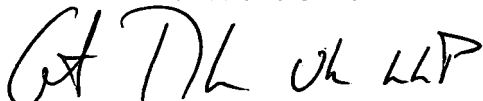
OPINION ON OTHER MATTER PRESCRIBED IN THE COMPANIES ACT 2006

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.

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;
- 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.



Paul Naylor

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor and Chartered Accountants
Milton Keynes

7 October 2016

REDGLADE ASSOCIATES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Turnover	4	124,624	122,684
Gross profit		<u>124,624</u>	<u>122,684</u>
Administrative expenses		(7,411)	(7,207)
Operating profit	5	117,213	115,477
Interest payable	7	(23,218)	(25,388)
Profit before tax		<u>93,995</u>	<u>90,089</u>
Tax on profit	8	-	-
Profit for the year		<u><u>93,995</u></u>	<u><u>90,089</u></u>

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

The notes on pages 8 to 17 form part of these financial statements.

REDGLADE ASSOCIATES LIMITED
REGISTERED NUMBER: 05303263

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
Investment properties	9		1,056,949		1,064,271
			<u>1,056,949</u>		<u>1,064,271</u>
Current assets					
Cash at bank and in hand	10	35,253		28,437	
		<u>35,253</u>		<u>28,437</u>	
Creditors: amounts falling due within one year	11	(158,057)		(215,266)	
Net current liabilities			<u>(122,804)</u>		<u>(186,829)</u>
Total assets less current liabilities			<u>934,145</u>		<u>877,442</u>
Creditors: amounts falling due after more than one year	12		(275,260)		(312,552)
			<u>658,885</u>		<u>564,890</u>
Net assets			<u><u>658,885</u></u>		<u><u>564,890</u></u>
Capital and reserves					
Called up share capital	15		1		1
Profit and loss account	16		658,884		564,889
			<u>658,885</u>		<u>564,890</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 6 October 2016.

Ewan Lloyd-Baker
Director



REDGLADE ASSOCIATES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2015	1	564,889	564,890
Profit for the year	-	93,995	93,995
At 31 March 2016	<u>1</u>	<u>658,884</u>	<u>658,885</u>

REDGLADE ASSOCIATES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2014	1	474,800	474,801
Profit for the year	-	90,089	90,089
At 31 March 2015	<u>1</u>	<u>564,889</u>	<u>564,890</u>

REDGLADE ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. General information

Redglade Associates Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is 1 Kimpton Road, Luton, Bedfordshire, LU1 3LD. The Company's operations and principal activities can be found in the Strategic Report on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 101 is given in note 18.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

First time application of FRS 100 and FRS 101

In the current year the Company has adopted FRS 100 and FRS 101. In previous years the financial statements were prepared in accordance with applicable UK accounting standards.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Consequently the principal accounting policies are unchanged from the prior year. The change in basis of preparation has enabled the Company to take advantage of some of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP.

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 Revenue

Revenue represents income recognised on operating lease rentals. Rental income is recognised on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.4 Investment property

Investment properties under the cost model are stated at historic cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure directly attributable to bringing the asset to the condition necessary for it to be capable of operating in a manner intended by management.

Land is not depreciated. Depreciation on buildings is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is provided on the following basis:

Freehold buildings - 4% (over 25 years).

The property is held to earn rental income, so on this basis falls under the scope of IAS40 Investment Property. Previously the asset was held as a tangible fixed asset under the cost model. Cost model treatment for investment property and tangible fixed assets are consistent.

As an investment property, we are initially required to recognise at cost, and subsequently have a choice of treatment using the cost model or fair value model. Management have elected to use the cost model in order to match a portion of the cost of the building with the related revenue.

REDGLADE ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)**2.6 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Income Statement. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of Financial Position.

2.7 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

REDGLADE ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)

2.9 Borrowing costs

All borrowing costs are recognised in the Income Statement at the effective interest rate.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recoverability and life of investment property

The most significant judgement relates to the recoverability and depreciable life of the investment property.

4. Turnover

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

	2016 £	2015 £
Rental income from operating leases	124,624	122,684
	<u>124,624</u>	<u>122,684</u>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of investment property	7,322	6,996
	<u>-</u>	<u>-</u>

During the year, no Director received any emoluments (2015: £NIL).

The auditor remuneration has been borne by a fellow group undertaking.

REDGLADE ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

6. Employees

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

7. Interest payable

	2016 £	2015 £
Bank interest payable	16,294	18,465
Loans from group undertakings	6,924	6,923
	<u>23,218</u>	<u>25,388</u>

8. Taxation

	2016 £	2015 £
Total current tax	-	-
Deferred tax	-	-
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

REDGLADE ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 20% (2015: 21%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>93,995</u>	<u>90,089</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 21%)	18,799	18,919
Effects of:		
Group relief	(18,799)	(18,919)
Total tax charge for the year	<u>-</u>	<u>-</u>

9. Investment property

	Freehold property £
Cost or valuation	
At 1 April 2015	1,122,000
At 31 March 2016	<u>1,122,000</u>
Depreciation	
At 1 April 2015	57,729
Charge owned for the period	7,322
At 31 March 2016	<u>65,051</u>
Net book value	
At 31 March 2016	<u>1,056,949</u>
At 31 March 2015	<u>1,064,271</u>

REDGLADE ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

9. Investment property (continued)

10. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	35,253	28,437
	<u>35,253</u>	<u>28,437</u>

11. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank loans	37,292	37,291
Amounts owed to group undertakings	100,000	153,830
Accruals and deferred income	20,765	24,145
	<u>158,057</u>	<u>215,266</u>

Secured loans

Bank loans are secured by a fixed and floating charge over the assets of the Company.

12. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	275,260	312,552
	<u>275,260</u>	<u>312,552</u>

Secured loans

Bank loans are secured by a fixed and floating charge over the assets of the Company.

REDGLADE ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

13. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	35,253	28,437
	<u>35,253</u>	<u>28,437</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(412,552)	(507,048)
	<u>(412,552)</u>	<u>(507,048)</u>
Financial assets measured at fair value through profit or loss comprises of cash.		
Financial Liabilities measured at amortised cost comprise of bank loans and amounts owed to group undertakings.		

14. Operating leases

At the balance sheet date, the Company had contracted with tenants for the following future minimum lease payments:

	2016 £	2015 £
Within one year	125	125
In the second to fifth year inclusive	498	498
After 5 years	1,454	1,578
	<u>2,077</u>	<u>2,201</u>

Redglade Associates Limited has a single lease which is contracted with another fellow subsidiary within HTG. The lease agreement runs to 13 November 2032 and rent is increased annually at the preceeding years inflation rate.

15. Share capital

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

REDGLADE ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

16. Reserves

Profit and loss account

Includes all current and prior period retained profits and losses

17. Controlling party

The Company is a wholly owned subsidiary of Southbank UK Limited for which consolidated accounts are not prepared. The ultimate parent company is Hayward Tyler Group plc ("HTG") which is registered in the Isle of Man. HTG prepares consolidated financial statements for the group, of which the Company is a member. Copies of the consolidated financial statements can be obtained from the HTG website www.htg.global.

18. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.