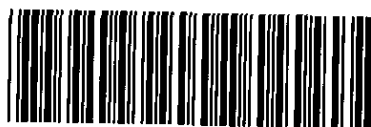


**Report of the Directors and
Unaudited Financial Statements for the Year Ended 30 November 2016
for
St. Modwen Developments (Weston) Limited**

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for the Year Ended 30 November 2016**

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St. Modwen Developments (Weston) Limited

**Company Information
for the Year Ended 30 November 2016**

DIRECTORS:

R Joseland
R J Hudson

REGISTERED OFFICE:

Park Point
17 High Street
Longbridge
Birmingham
B31 2UQ

REGISTERED NUMBER:

05411348 (England and Wales)

**Report of the Directors
for the Year Ended 30 November 2016**

The directors present their report with the financial statements of the company for the year ended 30 November 2016.

PRINCIPAL ACTIVITY

The principal activity of the company is that of the long term re-development of the Hutton Moor Industrial site in Weston Super Mare.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 December 2015 to the date of this report.

R Joseland
R J Hudson

Other changes in directors holding office are as follows:

W A Oliver - resigned 30 November 2016

None of the directors had any interest in the shares of the company.

GOING CONCERN

The financial position of the Company is set out in the Balance Sheet and the accompanying notes to the financial statements.

The Company has satisfactory financial resources. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, 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. In doing so, the directors have considered the latest guidelines from the Financial Reporting Council regarding the preparation of accounts on a going concern basis.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
R J Hudson - Director

Date: 12th May 2017.....

**Statement of Comprehensive Income
for the Year Ended 30 November 2016**

| | Notes | 2016 £ | 2015 £ |
|---|-------|-------------------------|------------------------|
| TURNOVER | | - | - |
| Cost of sales | | <u>(32,666)</u> | <u>(35,153)</u> |
| GROSS LOSS | | (32,666) | (35,153) |
| Loss on revaluation of investment property | | <u>(283,875)</u> | <u>(17,110)</u> |
| OPERATING LOSS and LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | 3 | (316,541) | (52,263) |
| Tax on loss on ordinary activities | 4 | <u>59,650</u> | <u>11,392</u> |
| LOSS FOR THE FINANCIAL YEAR | | (256,891) | (40,871) |
| OTHER COMPREHENSIVE INCOME | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE LOSS FOR THE YEAR | | <u>(256,891)</u> | <u>(40,871)</u> |

The notes form part of these financial statements

Balance Sheet
30 November 2016

| | Notes | 2016 £ | 2015 £ |
|--|-------|--------------------|--------------------|
| FIXED ASSETS | | | |
| Investment property | 5 | 1,750,000 | 2,000,000 |
| CURRENT ASSETS | | | |
| Debtors | 6 | 58,189 | 14,226 |
| CREDITORS | | | |
| Amounts falling due within one year | 7 | (1,202,413) | (1,136,006) |
| NET CURRENT LIABILITIES | | (1,144,224) | (1,121,780) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 605,776 | 878,220 |
| PROVISIONS FOR LIABILITIES | 8 | - | (15,553) |
| NET ASSETS | | 605,776 | 862,667 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 9 | 1 | 1 |
| Fair value Reserve | 10 | (148,080) | 66,306 |
| Retained earnings | 10 | 753,855 | 796,360 |
| SHAREHOLDERS' FUNDS | | 605,776 | 862,667 |

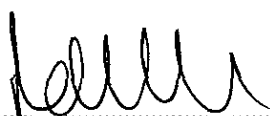
The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 30 November 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved and authorised for issue by the Board of Directors on 12th May 2017 and were signed on its behalf by:



R J Hudson - Director

The notes form part of these financial statements

**Statement of Changes in Equity
for the Year Ended 30 November 2016**

| | Called up share capital £ | Retained earnings £ | Fair value Reserve £ | Total equity £ |
|------------------------------------|--|------------------------------------|---|-------------------------------|
| Balance at 1 December 2014 | 1 | 824,362 | 79,175 | 903,538 |
| Changes in equity | | | | |
| Total comprehensive loss | - | (28,002) | (12,869) | (40,871) |
| Balance at 30 November 2015 | 1 | 796,360 | 66,306 | 862,667 |
| Changes in equity | | | | |
| Total comprehensive loss | - | (42,505) | (214,386) | (256,891) |
| Balance at 30 November 2016 | 1 | 753,855 | (148,080) | 605,776 |

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 30 November 2016**

1. ACCOUNTING POLICIES

Basis of preparation

The company is incorporated in the United Kingdom under the Companies Act 2006. The company's financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council incorporating the Amendments to FRS 101 issued in July 2015 other than those relating to legal changes.

The financial statements have been prepared on the historical cost basis except for the revaluation of investment properties.

The company meets the definition of qualifying entity under FRS 100 'Application of Financial Reporting Requirements' as issued by the Financial Reporting Council. Accordingly, in the year ended 30th November 2016, the company has undergone a transition from reporting under old UK GAAP to FRS 101.

The company has taken advantage of the disclosure exemptions included within paragraph 8 of FRS 101. Where required, equivalent disclosures are given in the consolidated financial statements of St. Modwen Properties PLC.

Investment property

Investment properties are carried at fair value following initial recognition at the present value of the consideration payable. To establish fair value, investment properties are independently valued on the basis of market value. Any surplus or deficit arising is recognised in the profit and loss account for the year. Investment properties are not depreciated.

Financial instruments

Trade and other debtors

Trade and other debtors are recognised and carried at the lower of their original invoiced value or recoverable amount. Provision is made when there is evidence that the company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash and cash equivalents

Cash and cash equivalents comprises cash balances and short-term deposits with banks with initial maturity less than three months.

Trade and other creditors

Trade and other creditors are recorded at amortised cost. Where payment is on deferred terms the liability is initially recorded by discounting the nominal amount payable to net present value. The discount to nominal value is amortised over the period of the deferred arrangement and charged to finance costs.

Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date. Full payment is made for transfer pricing adjustments and group relief surrendered between group undertakings.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, using the rates of tax expected to apply based on legislation enacted or substantively enacted at the balance sheet date.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws substantively enacted at the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 30 November 2016

2. EMPLOYEES AND DIRECTORS

The company has no employees (2015: nil) and is managed by its ultimate parent company, St Modwen Properties PLC.

| | 2016 £ | 2015 £ |
|-------------------------|-----------|-----------|
| Directors' remuneration | - | - |

3. LOSS BEFORE TAXATION

None of the directors received any remuneration during the year (2015 : £nil). The remuneration of the directors is paid by other group undertakings for both the current financial year and the prior financial year and no part of their remuneration is specifically attributable to their services to this company.

The company has no losses other than those recognised in the Statement of Comprehensive Income in the current year and previous year.

4. TAXATION

Analysis of tax income

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| Current tax: | | |
| Tax | 9,839 | (7,151) |
| Deferred tax | (69,489) | (4,241) |
| Total tax income in statement of comprehensive income | (59,650) | (11,392) |

Factors affecting the tax expense

The tax assessed for the year is higher (2015 - lower) than the standard rate of corporation tax in the UK. The difference is explained below:

| | 2016 £ | 2015 £ |
|--|-----------|-----------|
| Loss on ordinary activities before income tax | (316,541) | (52,263) |
| Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.330%) | (63,308) | (10,625) |
| Effects of: | | |
| Impact of current year revaluations and indexation | (12,714) | 227 |
| Change in rate used for provision of deferred tax | - | (990) |
| Adjustments in respect of previous years | - | (4) |
| Appropriations to investment property | 16,372 | - |
| Tax income | (59,650) | (11,392) |

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Legislation substantively enacted at 30 November 2016 included provisions which reduced the main rate of corporation tax from 20% to 19% from 1 April 2017 and 17% from 1 April 2020. Current tax has therefore been provided at 20% and deferred tax at rates from 17% to 20%.

Notes to the Financial Statements - continued
for the Year Ended 30 November 2016

5. INVESTMENT PROPERTY

| | Total £ |
|-----------------------|------------|
| FAIR VALUE | |
| At 1 December 2015 | 2,000,000 |
| Additions | 33,875 |
| Revaluations | (283,875) |
| | <hr/> |
| At 30 November 2016 | 1,750,000 |
| | <hr/> |
| NET BOOK VALUE | |
| At 30 November 2016 | 1,750,000 |
| | <hr/> |
| At 30 November 2015 | 2,000,000 |
| | <hr/> |

6. DEBTORS

| | 2016 £ | 2015 £ |
|-------------------------------|-----------|-----------|
| Other debtors | 447 | 14,132 |
| Other tax and social security | 3,806 | 94 |
| Deferred tax asset | 53,936 | - |
| | <hr/> | <hr/> |
| | 58,189 | 14,226 |
| | <hr/> | <hr/> |

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2016 £ | 2015 £ |
|-------------------------------------|-----------|-----------|
| Trade creditors | 21,772 | 6,651 |
| Amounts owed to parent undertakings | 1,170,802 | 1,129,355 |
| Corporation tax | 9,839 | - |
| | <hr/> | <hr/> |
| | 1,202,413 | 1,136,006 |
| | <hr/> | <hr/> |

8. PROVISIONS FOR LIABILITIES

| | 2015 £ |
|---|-------------------------------|
| Deferred tax | 15,553 |
| | <hr/> |
| | Deferred tax £ |
| Balance at 1 December 2015 | 15,553 |
| Credit to Statement of Comprehensive Income during year | (69,489) |
| | <hr/> |
| Balance at 30 November 2016 | (53,936) |
| | <hr/> |

Notes to the Financial Statements - continued
for the Year Ended 30 November 2016

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2016 £ | 2015 £ |
|---------|----------|----------------|-----------|-----------|
| 1 | Ordinary | £1 | <u>1</u> | <u>1</u> |

10. RESERVES

| | Retained Earnings £ | Fair Value Reserve £ | Totals £ |
|----------------------------|------------------------|-------------------------|-----------------------|
| At 01 December 2015 | 796,360 | 66,306 | 862,666 |
| Total comprehensive loss | (28,002) | (12,869) | (40,871) |
| At 30 November 2016 | <u>753,855</u> | <u>(148,080)</u> | <u>605,775</u> |

11. ULTIMATE PARENT COMPANY

The immediate and ultimate parent company is St. Modwen Properties PLC, a company registered in England and Wales. Copies of the Group report and financial statements of St. Modwen Properties PLC are available from the Registered Office at Park Point, 17 High Street, Longbridge, Birmingham, B31 2UQ. This is the smallest and largest group into which this company is consolidated.

12. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose related party transactions with wholly owned subsidiaries within the group.

13. CRITICAL JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

In the application of the company's accounting policies outlined above, the directors are required to make judgements relating to the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Going concern

The directors have prepared the financial statements on a going concern basis for the reasons set out in the paragraph headed "Going concern" in the report of the directors.

Valuation of investment properties

The company adopts the valuation performed by its independent valuers as the fair value of its investment properties, following review by management. The valuation is performed according to RICS rules, using appropriate levels of professional judgement for the prevailing market conditions. Professional judgement is applied in determining such things as an appropriate yield for a given property, estimated rental values and the appropriateness of remediation expenditure and costs to complete.

**Notes to the Financial Statements - continued
for the Year Ended 30 November 2016**

14. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies outlined above, the directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Taxation

As a property company, tax and its treatment is often an integral part of transactions. The outcome of tax treatments are recognised by the company to the extent the outcome is reasonably certain. The tax currently payable is based on the taxable result for the year. The taxable result may differ from the result as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that will not be taxable or deductible. In particular, as a property company, the effective tax rate for the year may reflect the benefit of certain investment gains not being taxable because of indexation, capital allowances, land remediation and other reliefs on certain property expenditure or the utilisation of capital tax losses brought forward.

15. TRANSITION TO FRS 101

As disclosed in the accounting policies note, the company has adopted FRS 101 for the first time in the current year.

Under UK GAAP, the revaluation of investment properties was taken to the revaluation reserve and deferred tax on property revaluations was not recognised. Under FRS 101, such revaluations are debited or credited to the profit and loss account and included within retained earnings together with their associated deferred tax, therefore the impact of these current year and cumulative revaluations is transferred from the revaluation reserve to the profit and loss account and retained earnings respectively.

Under FRS 101, any cumulative retained earnings that have been derived from revaluations of investment properties (including associated deferred tax) are considered to represent unrealised reserves. As a result, these have been transferred from retained earnings to a separate fair value reserve to better distinguish those retained earnings that are realised.

Reconciliation of Equity
1 December 2014
(Date of Transition to FRS 101)

| | Notes | UK GAAP £ | Effect of transition to FRS 101 £ | FRS 101 £ |
|--|-------|-----------------|--|--------------|
| FIXED ASSETS | | | | |
| Investment property | | - | 2,000,000 | 2,000,000 |
| CURRENT ASSETS | | | | |
| Stocks | | 1,901,031 | (1,901,031) | - |
| Debtors | | 574 | - | 574 |
| | | 1,901,605 | (1,901,031) | 574 |
| CREDITORS | | | | |
| Amounts falling due within one year | | (1,077,242) | - | (1,077,242) |
| NET CURRENT ASSETS/(LIABILITIES) | | 824,363 | (1,901,031) | (1,076,668) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 824,363 | 98,969 | 923,332 |
| ACCRUALS AND DEFERRED INCOME | | - | (19,794) | (19,794) |
| NET ASSETS | | 824,363 | 79,175 | 903,538 |
| CAPITAL AND RESERVES | | | | |
| Called up share capital | | 1 | - | 1 |
| Fair value Reserve | | - | 79,175 | 79,175 |
| Retained earnings | | 824,362 | - | 824,362 |
| SHAREHOLDERS' FUNDS | | 824,363 | 79,175 | 903,538 |

Reconciliation of Equity - continued
30 November 2015

| | Notes | UK GAAP £ | Effect of transition to FRS 101 £ | FRS 101 £ |
|--|-------|-----------------|--|--------------|
| FIXED ASSETS | | | | |
| Investment property | | - | 2,000,000 | 2,000,000 |
| CURRENT ASSETS | | | | |
| Stocks | | 1,918,141 | (1,918,141) | - |
| Debtors | | 14,226 | - | 14,226 |
| | | 1,932,367 | (1,918,141) | 14,226 |
| CREDITORS | | | | |
| Amounts falling due within one year | | (1,136,007) | 1 | (1,136,006) |
| NET CURRENT ASSETS/(LIABILITIES) | | 796,360 | (1,918,140) | (1,121,780) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 796,360 | 81,860 | 878,220 |
| PROVISIONS FOR LIABILITIES | | - | (15,553) | (15,553) |
| NET ASSETS | | 796,360 | 66,307 | 862,667 |
| CAPITAL AND RESERVES | | | | |
| Called up share capital | | 1 | - | 1 |
| Fair value Reserve | | - | 66,306 | 66,306 |
| Retained earnings | | 796,359 | 1 | 796,360 |
| SHAREHOLDERS' FUNDS | | 796,360 | 66,307 | 862,667 |

**Reconciliation of Loss
for the Year Ended 30 November 2015**

| | UK GAAP £ | Effect of transition to FRS 101 £ | FRS 101 £ |
|--|--------------------------|--|----------------------|
| TURNOVER | - | - | - |
| Cost of sales | (35,154) | 1 | (35,153) |
| GROSS LOSS | (35,154) | 1 | (35,153) |
| Loss on revaluation of investment property | - | (17,110) | (17,110) |
| OPERATING LOSS | (35,154) | (17,109) | (52,263) |
| and | | | |
| LOSS ON ORDINARY ACTIVITIES | | | |
| BEFORE TAXATION | (35,154) | (17,109) | (52,263) |
| Tax on loss on ordinary activities | 7,151 | 4,241 | 11,392 |
| LOSS FOR THE FINANCIAL YEAR | (28,003) | (12,868) | (40,871) |