REGISTERED NUMBER: 05535356 (England and Wales)

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

FOR

SUSD ASSET MANAGEMENT (HOLDINGS) LIMITED

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2014

DIRECTORS:	M I Laurie P A F Harris I G Robinson
SECRETARY:	C W Lawes
REGISTERED OFFICE:	21 Marina Court Castle Street Hull HU1 1TJ
REGISTERED NUMBER:	05535356 (England and Wales)
AUDITORS:	BDO LLP 55 Baker Street London W1U 7EU
SOLICITORS:	Brabners Chaffe Street LLP 55 King Street Manchester M2 4LQ

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2014.

PRINCIPAL ACTIVITIES
The Group's principal activities are property development and investment, development management and the provision of architectural and design services.

REVIEW OF BUSINESS
The Group's results for the year to 31 March 2014 show a substantial increase in turnover and profitability compared to the year to 31 March 2013. Turnover has increased from £2,463,070 to £6,855,982. The 2014 operating profit is £1,115,088, compared to last year's operating loss of £154,283, with a Group profit for the year of £1,102,275 compared to the 2013 loss for the year of £191,438.

The Group's results for the year reflect the successful completion of a number of the Group's developments, leading to sales of ten properties.

Development activity has continued on all the Group's properties, and since the period end, there have been four further sales.

During the period, the Outer Prime London Limited Partnership was set up, and two properties were acquired. It is intended that these properties will be held as investments.

SUSD Limited has continued to provide commercial and project management services to subsidiaries and their developments, and is also undertaking a number of projects for a variety of third party clients.

The funds raised from property realisations have been used to repay borrowings, and to finance new projects alongside commercial borrowings.

At the period end, the Group's inventory of development properties had a carrying value of £2,482,073, and investment properties amounted to £1,438,951. The related borrowings were £2,104,997.

Cash held at the period end increased to £550,197 from £73,182 at 31 March 2013.

One of the Group's key metrics is net assets, and this has increased from £2,164,483 at 31 March 2013 to £3,281,758 at 31 March 2014.

During the period, the Company undertook a share consolidation, a capital reduction and a share subdivision. The capital reduction has reduced the amount treated as paid up on share capital, eliminated the share premium account and other reserve, with these reductions offset against the accumulated deficit on retained earnings.

The overall outlook for the Group remains positive, albeit tempered by the ongoing challenges in the London property markets, and concerns over accessibility and cost of finance, from the perspective of both developers and ultimate purchasers.

The Group is now involved in an increasing level and scale of schemes and developments. Current projects include a £60m luxury hotel development in central London, and a £20m development of a private members club in the city.

With this growing scale and track record the Group is reviewing further opportunities which reflect the Group's skills, networking and professional service capabilities, and with increasing market recognition leading to further new business developments.

Principal risks and uncertainties are shown below.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2013 to the date of this report.

P A F Harris
I G Robinson

DIRECTORS - continued

Other changes in directors holding office are as follows:

M I Laurie was appointed as a director after 31 March 2014 but prior to the date of this report.

S A Banks-Cooper - appointed 20 December 2013 S A Banks-Cooper , Sir W H W Wells and A S Wilson ceased to be directors after 31 March 2014 but prior to the date of this report.

A S Wilson sadly passed away on 15 May 2014. The board wish to express their appreciation of his services to the company. He will be greatly missed.

PRINCIPAL RISKS AND UNCERTAINTIES

All businesses face degrees of risk from normal commercial operations. The specific operational risks to which the Directors consider the Group is subject are set out below:

Funding

In order to be able to undertake development projects, the Group needs access to funding. There is no guarantee that such funding will be available, or that the terms and rates applicable to funding will facilitate acceptable returns.

Any delays in the development process, whether due to regulatory, construction or other factors will potentially delay repayments and increase the cost of any debt funding, reducing the return to the Group.
Cost overruns could result in the need to extend funding facilities, and the required extensions may not be available.

Property sales are also often dependant on the availability to purchasers of mortgage lending or similar credit funding, and there is no guarantee that such facilities will be available.

Property development

There are a number of risks associated with property development projects, including:

- The Group needs to identify and incept property development opportunities, which are suitable by reference to a broad range of factors including cost, the level of resources available to the Group, the levels of funding required, the complexity and timing of the development, planning and regulatory matters, and the attractiveness to the market;
- There is no guarantee that the Group will be able to source suitable developments within acceptable timescales and costs;
- Counterparties, including other participants in a development, contractors and marketing agents, may fail to meet their obligations, leading to delay and expense;
- On site work must be carefully monitored and controlled to prevent defects, time delays and cost overruns;
- Costs in respect of a development may exceed estimates due to unforeseen factors, which could mean that expenses exceed the funding available for a development project. In addition, it may not be possible to increase the price to compensate for the increase in costs, which could reduce the return to the Group, or even render the completion of the project unviable.

Market conditions

The Group's developments are primarily, but not exclusively, in the London residential property markets. The values that are ultimately realised are dependent on general economic and market conditions, as well as more localised supply and demand factors. This may mean that completed development properties do not sell at the anticipated valuation or within the expected timescale.

Regulation

The Group's ability to profit from developments can depend on national and local regulatory factors. These include both national and regional requirements to obtain the necessary planning permissions, building and related regulations. Changes to particular requirements, and/or to the process, could add to the length of time and amount of resources required to establish and obtain regulatory and planning approvals. Government policies on taxation, such as stamp duty and VAT, also influence returns that affect the costs of a development, and the realisable value when completed.

PRINCIPAL RISKS AND UNCERTAINTIES - continued

Key personnel
The Group employs only a small number of personnel, and is therefore heavily reliant on their services for the delivery of development projects. The loss of the services of any key personnel could delay or disrupt development projects and damage the business. Equally the ability to attract new employees with the appropriate expertise and skills cannot be guaranteed. The Group may experience difficulties in recruiting appropriate employees and the failure to do so may have a detrimental effect upon the trading performance of the Group.

Details on the financial risks faced by the Group are set out in note 3 to the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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 the group and of the profit or loss of the group 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;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the Directors at the date of this report is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

AUDITORS
Under section 487(2) of the Companies Act 2006, BDO 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, whichever is the earlier.

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

ON BEHALF OF THE BOARD:

CWLawes.

C W Lawes - Secretary

Date: 27 November 2014

We have audited the financial statements of SUSD Asset Management (Holdings) Limited for the year ended 31 March 2014 which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities, 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 the applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC'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 group's and the parent company's affairs as at 31 March 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 Report of the Directors 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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; or
- the directors were not entitled to prepare the financial statements and the directors report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Geraint Jones (Senior Statutory Auditor)
for and on behalf of BDO LLP
55 Baker Street
London
W1U 7EU

Date: 27 November 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	31.3.14 £	31.3.13 £
CONTINUING OPERATIONS			
Revenue	2,5	6,855,982	2,463,070
Cost of sales		(4,933,880)	(2,152,698)
GROSS PROFIT		1,922,102	310,372
Administrative expenses		(807,017)	(464,655)
OPERATING PROFIT/(LOSS)		1,115,085	(154,283)
Sale of subsidiary – additional consideration	8	114,388	66,431
Finance costs	7	(89,013)	(104,974)
Finance income	7	-	1,388
PROFIT/(LOSS) BEFORE INCOME TAX	8	1,140,460	(191,438)
Income tax	9	(38,185)	-
PROFIT/(LOSS) FOR THE YEAR		1,102,275	(191,438)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,102,275	(191,438)
Profit/(loss) attributable to:			
Owners of the parent		717,037	(675)
Non-controlling interests		385,238	(190,763)
		1,102,275	(191,438)
Total comprehensive income attributable to:			
Owners of the parent		717,037	(675)
Non-controlling interests		385,238	(190,763)
		1,102,275	(191,438)

The notes on pages 14 to 30 form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 MARCH 2014

	Notes	31.3.14 £	31.3.13 £
ASSETS			
NON-CURRENT ASSETS			
Goodwill	11	598,753	598,753
Property, plant and equipment	12	44,664	3,808
Investment property	13	1,438,951	-
		2,082,368	602,561
CURRENT ASSETS			
Inventories	15	2,482,073	4,155,998
Trade and other receivables	16	716,357	142,667
Investments	17	399	399
Cash and cash equivalents	18	550,197	73,182
		3,749,026	4,372,246
TOTAL ASSETS		5,831,394	4,974,807
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	20	2,137,250	3,720,000
Share premium	21	-	9,704,549
Other reserves	21	-	158,342
Retained earnings	21	1,059,486	(11,118,192)
		3,196,736	2,464,699
Non-controlling interests	19	85,022	(300,216)
TOTAL EQUITY		3,281,758	2,164,483
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	23	-	2,128,021
CURRENT LIABILITIES			
Trade and other payables	22	444,639	362,207
Financial liabilities - borrowings			
Interest bearing loans and borrowings	23	2,104,997	320,096
		2,549,636	682,303
TOTAL LIABILITIES		2,549,636	2,810,324
TOTAL EQUITY AND LIABILITIES		5,831,394	4,974,807

The financial statements were approved and authorised for issue by the Board of Directors on 27 November 2014 and were signed on its behalf by:

P A F Harris - Director

The notes on pages 14 to 30 form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION
31 MARCH 2014

	Notes	31.3.14 £	31.3.13 £
ASSETS			
NON-CURRENT ASSETS			
Investments	14	270,001	270,000
		270,001	270,000
CURRENT ASSETS			
Trade and other receivables	16	2,953,797	2,514,607
Investments	17	399	399
Cash and cash equivalents	18	44,579	76,405
		2,998,775	2,591,411
TOTAL ASSETS		3,268,776	2,861,411
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	20	2,137,250	3,720,000
Share premium	21	-	9,704,549
Other reserves	21	-	158,342
Retained earnings	21	626,820	(11,080,013)
TOTAL EQUITY		2,764,070	2,502,878
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	22	139,364	56,437
Financial liabilities - borrowings			
Interest bearing loans and borrowings	23	365,342	302,096
		504,706	358,533
TOTAL LIABILITIES		504,706	358,533
TOTAL EQUITY AND LIABILITIES		3,268,776	2,861,411

The financial statements were approved and authorised for issue by the Board of Directors on 27 November 2014 and were signed on its behalf by:

P A F Harris - Director

The notes on pages 14 to 30 form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2012	3,705,000	(11,117,517)	9,704,549
Changes in equity			
Issue of share capital	15,000	-	-
Total comprehensive income	-	(675)	-
Balance at 31 March 2013	3,720,000	(11,118,192)	9,704,549
Changes in equity			
Issue of share capital	15,000	-	-
Total comprehensive income	-	717,037	-
Capital reduction	(1,597,750)	11,460,641	(9,704,549)
Balance at 31 March 2014	2,137,250	1,059,486	-

	Other reserves £	Total £	Non-controlling interests £	Total equity £
Balance at 1 April 2012	158,342	2,450,374	(109,453)	2,340,921
Changes in equity				
Issue of share capital	-	15,000	-	15,000
Total comprehensive income	-	(675)	(190,763)	(191,438)
Balance at 31 March 2013	158,342	2,464,699	(300,216)	2,164,483
Changes in equity				
Issue of share capital	-	15,000	-	15,000
Total comprehensive income	-	717,037	385,238	1,102,275
Capital reduction	(158,342)	-	-	-
Balance at 31 March 2014	-	3,196,736	85,022	3,281,758

The notes on pages 14 to 30 form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	Called up share capital £	Retained earnings £	Share premium £	Other reserves £	Total equity £
Balance at 1 April 2012	3,705,000	(11,264,666)	9,704,549	158,342	2,303,225
Changes in equity					
Issue of share capital	15,000	-	-	-	15,000
Total comprehensive income	-	184,653	-	-	184,653
Balance at 31 March 2013	3,720,000	(11,080,013)	9,704,549	158,342	2,502,878
Changes in equity					
Issue of share capital	15,000	-	-	-	15,000
Total comprehensive income	-	246,192	-	-	246,192
Capital reduction	(1,597,750)	11,460,641	(9,704,549)	(158,342)	-
Balance at 31 March 2014	2,137,250	626,820	-	-	2,764,070

The notes on pages 14 to 30 form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	31.3.14 £	31.3.13 £
Cash flows from operating activities			
Cash generated from operations	1	2,293,671	(133,984)
Interest paid		(64,096)	(68,575)
Finance costs paid		(68,886)	-
Taxation		-	7,376
Net cash from operating activities		2,160,689	(195,183)
Cash flows from investing activities			
Purchase of property plant and equipment		(62,266)	-
Purchase of investment property		(1,438,951)	-
Disposal of subsidiaries		114,388	71,261
Additions to financial assets		-	(399)
Interest received		-	1,388
Net cash from investing activities		(1,386,829)	72,250
Cash flows from financing activities			
New loans		1,739,655	735,061
Loan repayments		(1,140,500)	(2,055,351)
Issue of deep discount bond		350,000	-
Redemption of deep discount bond		(1,276,000)	-
Proceeds from share issues		30,000	-
Net cash from financing activities		(296,845)	(1,320,290)
Increase/(decrease) in cash and cash equivalents		477,015	(1,443,223)
Cash and cash equivalents at beginning of year	2	73,182	1,516,405
Cash and cash equivalents at end of year	2	550,197	73,182

The notes on pages 14 to 30 form part of these financial statements

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	31.3.14 £	31.3.13 £
Cash flows from operating activities			
Cash generated from operations	1	(125,633)	(105,281)
Interest paid		(19,727)	-
Taxation		-	7,376
Net cash from operating activities		(145,360)	(97,905)
Cash flows from investing activities			
Purchase of subsidiaries		(1)	-
Purchase of financial assets		-	(399)
Disposal of subsidiaries		114,388	71,261
Interest received		-	224,575
Net cash from investing activities		114,387	295,437
Cash flows from financing activities			
Issue of deep discount bond		350,000	300,000
Repayment of deep discount bond		(300,000)	-
Proceeds from share issues		30,000	-
Balances with Group companies		(80,853)	(1,908,711)
Net cash from financing activities		(853)	(1,608,711)
Decrease in cash and cash equivalents		(31,826)	(1,411,179)
Cash and cash equivalents at beginning of year	2	76,405	1,487,584
Cash and cash equivalents at end of year	2	44,579	76,405

The notes on pages 14 to 30 form part of these financial statements

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

Group

	31.3.14	31.3.13
	£	£
Profit/(loss) before income tax	1,140,460	(191,438)
Depreciation charges	21,411	1,270
Disposal of subsidiaries	(114,388)	(66,431)
Finance costs	89,013	104,974
Finance income	-	(1,388)
	1,136,496	(153,013)
Decrease/(increase) in inventories	1,701,620	(69,886)
Increase in trade and other receivables	(586,916)	(35,020)
Increase in trade and other payables	42,471	123,935
Cash generated from operations	2,293,671	(133,984)

Company

	31.3.14	31.3.13
	£	£
Profit before income tax	246,192	184,653
Disposal of subsidiaries	(114,388)	(66,431)
Finance costs	32,973	2,096
Finance income	(98,943)	(224,575)
	65,834	(104,257)
Increase in trade and other receivables	(274,394)	(1,033)
Increase in trade and other payables	82,927	9
Cash generated from operations	(125,633)	(105,281)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the statements of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts:

	Group		Company	
Year ended 31 March 2014				
	31.3.14	1.4.13	31.3.14	1.4.13
	£	£	£	£
Cash and cash equivalents	550,197	73,182	44,579	76,405
Year ended 31 March 2013				
	31.3.13	1.4.12	31.3.13	1.4.12
	£	£	£	£
Cash and cash equivalents	73,182	1,516,405	76,405	1,487,584

1. GENERAL INFORMATION

SUSD Asset Management (Holdings) Limited is a company incorporated in England and Wales. The address of the registered office is disclosed on page 1 of these financial statements. The principal activities of the Group are described in the Directors report, and details of the principal subsidiaries are included in note 13.

The registered number of the company is 05535356.

The functional and presentational currency of the Group is £ sterling.

2. ACCOUNTING POLICIES

Basis of preparation
These consolidated financial statements and the parent company financial statements have been prepared in accordance with International Financial Reporting Standards, Statements of the Standing Interpretations Committee and Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS for accounting periods commencing on or after 1 April 2013. The financial statements have been prepared on the historical cost basis as modified by the revaluation of financial assets at fair value through profit and loss.

The principal accounting policies are set out below.

Standards, interpretations and amendments to published standards effective in 2013

For the purposes of the preparation of the accounts, the Group has applied all standards and interpretations that will be effective for the accounting periods commencing on or after 1 April 2013.

The following standards and interpretations have been adopted during the current year, with no material impact on reported amounts or accounting policies:

- IAS 1 (Amendment) - Presentation of Items of Other Comprehensive Income (effective for accounting periods beginning from 1 July 2012)
- IFRS 13 - Fair Value Measurement (effective for accounting periods beginning from 1 January 2013)
- IAS 19 (Revised) - Employee Benefits (effective for accounting periods beginning from 1 January 2013)
- IFRS 7 (Amendment)- Disclosures - Offsetting Financial Assets and Financial Liabilities(effective for accounting periods beginning from 1 January 2013)
- Amendments to IFRS 1 - Government Loans (effective for accounting periods beginning from 1 January 2013)
- Annual Improvements to IFRSs 2009-2011 Cycle (effective for accounting periods beginning from 1 January 2013)
- IFRIC Interpretation 20 - Stripping Costs in the Production Phase of a Surface Mine (effective for accounting periods beginning from 1 January 2013)

Standards, interpretations and amendments to published standards that are not yet effective

The following new standards, amendments and interpretations that have been issued by the IASB and IFRIC are mandatory for the Group's accounting periods beginning on or after 1 April 2013 or later periods, and which the Group has not adopted early:

- IFRS 10 - Consolidated Financial Statements (effective for accounting periods beginning from 1 January 2014)
- IFRS 11 - Joint Arrangements (effective for accounting periods beginning from 1 January 2014)
- IFRS 12 - Disclosure of Interests in Other Entities (effective for accounting periods beginning from 1 January 2014)
- IAS 27 (Revised) - Separate Financial Statements (effective for accounting periods beginning from 1 January 2014)
- IAS 28 (Revised) - Investments in Associates and Joint Ventures (effective for accounting periods beginning from 1 January 2014)

The mandatory effective date for the EU endorsed versions of IFRS 10, 11 and 12, and the amendments to IAS 27 and IAS 28 has been delayed until accounting periods beginning on or after 1 January 2014.

- IFRS 9 - Financial Instruments (effective for accounting periods beginning to be confirmed)
- IAS 32 (Amendment) - Offsetting Financial Assets and Financial Liabilities (effective for accounting periods beginning from 1 January 2014)

continued...

2. **ACCOUNTING POLICIES - continued**

- IFRS 7 and IFRS 9 (Amendment) - Mandatory Effective Date and Transition Disclosures (effective for accounting periods beginning from 1 January 2015)
- Annual Improvements to IFRSs 2011-2013 Cycle (effective for accounting periods beginning from 1 July 2014)
- IAS 36 (Amendment) - Recoverable amount disclosures for non-financial assets (effective for accounting periods beginning from 1 January 2014)
- IAS 39 (Amendment) - Novation of derivatives and continuation of hedge accounting (effective for accounting periods beginning from 1 January 2014)
- IFRIC 21 - Levies (effective for accounting periods from 1 January 2014)
- IAS 19 (Amendment) - Defined benefit plans: employee contributions (effective for accounting periods from 1 July 2014)
- IFRS 14 - Regulatory deferral accounts (effective for accounting periods beginning from 1 January 2016)
- IFRS 11 (Amendment) - Accounting for acquisitions of interests in joint operations (effective for accounting periods beginning from 1 January 2016)
- IAS 16 and IAS 38 (Amendment) - Classification of acceptable methods of depreciation and amortisation (effective for accounting periods beginning from 1 January 2016)
- IFRS 15 - Revenue from contracts with customers (effective for accounting periods beginning from 1 January 2017)

Management does not believe that these will have a material effect on the Group's financial reporting in the period of initial application.

Basis of consolidation
Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the purchase method of accounting to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of the minority interest. The excess of the cost of acquisition over the fair value of the Group's share of identifiable assets is recorded as goodwill.

Transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed (where necessary) to ensure consistency with the policies adopted by the Group.

The Group has taken advantage of IFRS 1 and has chosen not to restate acquisitions undertaken prior to the date of transition to IFRS.

Revenue recognition
Revenue comprises sales of trading properties, fees and rental income. It is recognised to the extent that it is probable that economic benefits will flow to the Group and that the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, net of discounts and excluding Value Added Tax (VAT) and other duties.

Sales of assets, such as trading properties, development sites and completed developments which have previously been held in inventories, are regarded as sold upon the transfer of the risks and rewards of ownership to the purchaser. This occurs on an exchange of unconditional contracts, on satisfaction of any and all conditions on a conditional contract or on completion of the contract on a conditional sale where those conditions are satisfied at completion.

Rental income is recognised on a straight line basis over the period to which the income relates.

Revenue derived from contracts for services is recognised to reflect the accrual of the right to consideration as contract activity progresses, by reference to the value of the work performed, subject to any uncertainties as to amounts recoverable.

continued...

2. **ACCOUNTING POLICIES - continued**

Goodwill
Goodwill on acquisition is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the separately identifiable assets, liabilities and contingent liabilities of a subsidiary at the date of acquisition. In accordance with IFRS 3 Business Combinations, goodwill is not amortised but reviewed annually for impairment and is stated at cost less any provision for impairment of value. Any impairment is recognised immediately in the statement of comprehensive income and is not subsequently reversed. On acquisition, any goodwill acquired is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash generating units that are expected to benefit from the business combination in which the goodwill arose. Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Impairment of non-financial assets
Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill and assets assessed as having indefinite useful economic lives are reviewed for impairment at least annually, and more often where events or changes in circumstances indicate that the carrying value may not be fully recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that have suffered an impairment are reviewed for possible reversal at the end of each reporting period.

Property, plant and equipment
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	-	25% on reducing balance
Motor vehicles	-	25% on cost
Computer equipment	-	Straight line over 1 year

Investment property
Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially, and subsequently carried, at cost, including related transaction costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment property has not been subject to a periodic depreciation charge as residual values are considered to be not lower than cost.

Financial assets
The Group classifies its financial assets at fair value through the profit or loss account. Management determines the classification of its financial assets at initial recognition or on the date of transition to IFRS.

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

The value of financial assets reflects shares issued by listed and non-listed companies and any adjustment to the fair value of those assets impacts the profitability and performance of the Group as a whole and reflects on the business performance during the year. Any adjustments to the fair value are recognised in the statement of comprehensive income for the period.

Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.

continued...

2. **ACCOUNTING POLICIES - continued**

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within 'other gains and losses' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of other income when the Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, making maximum use of market inputs and relying as little as possible on entity specific inputs.

Inventories
Trading properties and developments held for sale are inventory and are included in the statement of financial position at the lower of cost and net realisable value. Cost includes all costs directly associated with the acquisition and development of a specific site. Net realisable value is the estimated selling price less estimated costs to completion and the estimated costs of making the sale.

The specific borrowing costs associated with expenditure on properties under development are capitalised. The interest is capitalised at the rates charged on the financing for the development. Interest is capitalised from the commencement of the development until completion of the work.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is charged or credited to the statement of comprehensive income, except where it relates to items charged or credited directly to equity, in which case the tax is also dealt with in equity.

Current tax is the expected tax payable on the taxable profits for the period, using tax rates enacted or substantially enacted by the end of the reporting period, and any adjustments in respect of prior years.

Deferred tax represents the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax liabilities are generally recognised on all temporary timing differences, except where the difference arises from the initial recognition of goodwill arising on a business combination.

Deferred tax assets are recognised only to the extent that the Directors consider it more probable than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply to the period in which the timing differences are expected to reverse, based on tax rates and laws which have been enacted or substantially enacted by the end of the reporting period. Deferred tax is measured on a non-discounted basis.

Trade receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Indicators that a trade receivable is impaired include significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Trade and other payables
Trade payables and other payables are classified as 'Trade and other payables'. These are measured at amortised cost and the interest expense is recognised by applying the appropriate interest rate of the contractual arrangement.

continued...

2. ACCOUNTING POLICIES - continued

Borrowings
Interest-bearing borrowings are recognised initially at fair value, net of any transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method with any differences between the proceeds, net of transaction cost, and the redemption value being recognised over the period of borrowings. Borrowings are classified as current unless the Group has an unconditional right to defer payment of the borrowings for a period of at least twelve months from the end of the accounting period.

Share capital
Ordinary shares are classed as equity. Incremental costs directly attributable to the issues of new ordinary shares or options are shown in equity as a deduction from the proceeds.

3. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies
The Group and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group and of the Company's operations whilst managing its financial risks, including interest rate risk, market risk, credit risk, liquidity risk, price risk and cash flow risk.

Interest rate risk
The Group's interest rate risk arises primarily from its borrowings. Borrowings at variable rate expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk.
Interest rate exposure also arises from the Group's and the Company's cash deposits. The Group and the Company monitor the interest rates, although prevailing interest rates are low. The Group's cash balances at the year end were held with a number of different UK banks in both current and deposit accounts.

Credit risk
The Group's and the Company's exposure to credit risk arises mainly from receivables and cash holdings. Receivables are monitored on an ongoing basis via management reporting procedures and action is taken to recover debts when due. There was no overdue unimpaired debt at the year end. The maximum potential exposure is the carrying amount as set out in note 16. The Group's cash holdings are all held with major financial institutions whose financial status is regularly reviewed. The Group's exposure to credit risk here is the remote possibility of default of the deposit taker, with a maximum exposure equal to the carrying value of these holdings as set out in note 16.

Liquidity and cash flow risks
The Group maintains a certain level of cash and cash convertible investments to meet working capital requirements on a day to day basis. Borrowing facilities and cash flow requirements are regularly reviewed to ensure sufficient funds are available.

Market risk
The Group is exposed to market risk, primarily related to development profits. The Group actively monitors these exposures.

Capital risk management
The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to raise further capital if required.

continued...

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires the use of certain estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually reviewed and are based on historical experience and other factors, including expectations of future events which are believed to be reasonable under the circumstances.

The management of the Group has used its judgement and knowledge of the business to determine the fair value of:

Useful lives of intangible assets, and property and equipment
The Group's management has used its judgement and knowledge of the business in determining the apportionment between goodwill and an appropriate fair value for intangible assets acquired in relation to its acquisitions of new businesses and in estimating an appropriate useful life for any intangible assets. Generally, the life of these intangible assets is estimated as between 5 and 10 years.

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates in forecasting the operating performances, revenues and costs of each cash generating unit, together with suitable future projected growth and discount rates.

An impairment review of the goodwill as set out in note 11 has been undertaken, with the recoverable amounts assessed on a value in use basis. Value in use is established by discounting future cash flows attributable to the cash generating units expected to benefit from the business combinations in which the goodwill and other intangible assets arose.

Pre tax projections are based on financial budgets covering a one year period. Cash flows beyond the first year are extrapolated for the following two years based on anticipated property development activities, and operating margins based on past performance and the expectation of market developments. Beyond this point, the cash flows have been projected using a constant long term growth rate of 2.25% in perpetuity. A discount rate of 16.5% has been applied.

Inventories
Inventories comprise developments and trading properties held for sale, and are carried at the lower of cost and net realisable value. A number of judgements and estimates are required in the assessment of net realisable value, primarily of costs and time required to complete developments, the costs of making the sale and the prospective sale value.

Fair value of financial assets held at fair value through profit and loss account
The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date. For listed entities, market mid-prices have been used for valuations. For investments that are not traded in active markets, the Group has used recent arms length transactions where these are available. Where these are not available, the Group has used other data, including net assets and reported results as a basis for valuation, taking into account factors such as market conditions and the absence of liquidity.

5. SEGMENTAL REPORTING

The Group has only one segment, Property Development, which is shown in the consolidated statement of comprehensive income.

The Group operates in one geographic area, the United Kingdom.

6. EMPLOYEES AND DIRECTORS

	31.3.14	31.3.13
	£	£
Wages and salaries	394,733	231,494
Social security costs	44,676	25,767
	439,409	257,261

continued...

6. **EMPLOYEES AND DIRECTORS - continued**

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

	31.3.14	31.3.13
Administrative	6	4
Managerial	4	2
	10	6

Included above are emoluments for qualifying services of the highest paid Director of £133,750 (2013: £85,000). In the opinion of the Directors there were no other key management personnel.

	31.3.14	31.3.13
	£	£
Directors' remuneration	178,750	130,000

7. **NET FINANCE COSTS**

	31.3.14	31.3.13
	£	£
Finance income:		
Interest receivable	-	1,388
Finance costs:		
Bank interest	565	-
Interest payable on loans	35,836	53,792
Discount on Deep Discount Bond	52,612	51,182
	89,013	104,974
Net finance costs	89,013	103,586

8. **PROFIT/(LOSS) BEFORE INCOME TAX**

The profit before income tax (2013 - loss before income tax) is stated after charging/(crediting):

	31.3.14	31.3.13
	£	£
Cost of inventories recognised as expense	4,431,833	2,053,252
Depreciation - owned assets	21,410	1,270
Sale of subsidiary - additional consideration receivable	(114,388)	(66,431)
Auditors remuneration - as auditor of parent	5,000	8,000
Auditors remuneration - as auditor for subsidiary undertakings	11,000	8,000

Following the disposal of a subsidiary in May 2010, the total consideration reflected in the Group's financial statements to 31 March 2011 included estimates of deferred elements receivable based on certain performance criteria. The actual deferred consideration for the current and previous periods has exceeded those estimates, with the excess shown as additional consideration receivable.

continued...

9. INCOME TAX

Analysis of tax expense

	31.3.14	31.3.13
	£	£
Current tax:		
Tax	39,959	-
Deferred tax	(1,774)	-
Total tax expense in consolidated statement of comprehensive income	38,185	-

Factors affecting the tax expense

The tax assessed for the year is lower (2013 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.14	31.3.13
	£	£
Profit/(loss) on ordinary activities before income tax	1,140,460	(191,438)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 24%)	262,306	(45,945)
Effects of:		
Movement in tax losses	(141,418)	21,142
Expenses and provisions not deductible for tax purposes	(83,093)	24,731
Depreciation in excess of capital allowances	390	72
Tax expense	38,185	-

Factors affecting the tax charge

At 31 March 2014, the Group and Company had respectively tax losses of approximately £1.1m and £1.0m (2013: Group: £2.7m, Company: £2.3m) available, subject to the agreement of the tax authorities, to offset future taxable profits.

10. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £246,192 (2013 - £184,653).

11. GOODWILL

Group

	£
COST	
At 1 April 2013 and 31 March 2014	598,753
NET BOOK VALUE	
At 31 March 2014	598,753

continued...

11. GOODWILL - continued

Group

	£
COST	
At 1 April 2012	
and 31 March 2013	598,753
NET BOOK VALUE	
At 31 March 2013	598,753

Goodwill arose on the acquisition of SUSD Limited in 2010. Details of the basis of impairment testing are included in note 4.

12. PROPERTY, PLANT AND EQUIPMENT

Group

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2013	22,197	-	-	22,197
Additions	-	34,760	27,506	62,266
At 31 March 2014	22,197	34,760	27,506	84,463
DEPRECIATION				
At 1 April 2013	18,389	-	-	18,389
Charge for year	1,265	1,448	18,697	21,410
At 31 March 2014	19,654	1,448	18,697	39,799
NET BOOK VALUE				
At 31 March 2014	2,543	33,312	8,809	44,664

	Plant and machinery £
COST	
At 1 April 2012	
and 31 March 2013	22,197
DEPRECIATION	
At 1 April 2012	17,119
Charge for year	1,270
At 31 March 2013	18,389
NET BOOK VALUE	
At 31 March 2013	3,808

continued...

13. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
Additions	1,438,951
At 31 March 2014	1,438,951
NET BOOK VALUE	
At 31 March 2014	1,438,951

The investment properties were acquired during the period and are measured at initial cost and subsequent expenditure capitalised in accordance with the Group's accounting policies.

The fair value of the investment properties has been assessed using valuation techniques classified as level 3, which applies to financial instruments whose valuation incorporates significant inputs for the asset or liability that are not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on observable inputs of a similar nature, historical observations on the level of the input or analytical techniques.

For investment properties the significant unobservable inputs used in the valuation at 31 March 2014 are the estimated *rental value (ERV) of the properties and the market capitalisation rate (yield). The ERV has been determined by reference* to rents currently achieved on existing leases and the rents being asked by landlords advertising properties of a similar specification in that geographical region. The market capitalisation rate has been determined by reference to actual market transactions for properties in that region, with adjustments made to reflect the particular characteristics of that property. A decrease in the ERV or an increase in the market capitalisation rate will decrease the fair value of the investment property. Conversely an increase in the ERV or decrease in the market capitalisation rate will increase the fair value.

In the opinion of the Directors the carrying value of investment properties approximates to their fair values.

14. INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 April 2013	270,000
Additions	1
At 31 March 2014	270,001
NET BOOK VALUE	
At 31 March 2014	270,001

	Shares in group undertakings £
COST	
At 1 April 2012 and 31 March 2013	270,000
NET BOOK VALUE	
At 31 March 2013	270,000

continued...

14. **INVESTMENTS - continued**

Company

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiaries

SUSD Limited
Nature of business: Property Development

Class of shares:	% holding
Ordinary A	55.00

SUSD House Limited
Nature of business: Property Development

Class of shares:	% holding
Ordinary	55.00

Harlesden 112 Limited
Nature of business: Property Development

Class of shares:	% holding
Ordinary	55.00

Upper Clapton Road Limited
Nature of business: Property Development

Class of shares:	% holding
Ordinary	55.00

SUSD Hereford Road Limited
Nature of business: Property development

Class of shares:	% holding
Ordinary	55.00

SUSD Notting Hill Limited
Nature of business: Property Development

Class of shares:	% holding
Ordinary	55.00

SUSD Hampton Court Limited
Nature of business: Property Development

Class of shares:	% holding
Ordinary	55.00

Outer Prime London Limited Partnership
Nature of business: Property Investment

Class of shares:	% holding
Equity in partnership	100.00

SUSD House Limited, Harlesden 112 Limited, Upper Clapton Road Limited, SUSD Notting Hill Limited, SUSD Hampton Court Limited and SUSD Hereford Road Limited are wholly owned subsidiaries of SUSD Limited. The Group's interest is 55% through its interest in the Ordinary Share Capital of SUSD Limited.

During the period, the Group established the Outer Prime London Limited Partnership.

continued...

15. INVENTORIES

	Group	
	31.3.14	31.3.13
	£	£
Stocks	2,482,073	4,155,998

As at 31 March 2014, developments and trading properties held for resale of £2,305,675 (2013: £4,155,998) are shown at the lower of cost and net realisable value and include capitalised borrowing costs of £44,235 (2013: £41,263).

During the period, the Group sold trading properties with book values of £4,608,231 (2013: £2,053,252).

As at 31 March 2014, *the directors have assessed that the net realisable value of the Group's developments and trading* properties exceeds their carrying value.

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31.3.14	31.3.13	31.3.14	31.3.13
	£	£	£	£
Current:				
Trade debtors	48,936	6,080	-	-
Amounts owed by group undertakings	-	-	2,671,848	2,492,052
Other debtors	441,440	99,165	1,255	18,420
Prepayments and accrued income	225,981	37,422	280,694	4,135
	716,357	142,667	2,953,797	2,514,607

During the year, bad debts amounting to £1,650 were written off (2013: £nil). At the year end, no provision for doubtful debts was considered necessary.

The directors consider that the carrying amount of trade and other receivables approximates to their fair value.

17. INVESTMENTS

	Group		Company	
	31.3.14	31.3.13	31.3.14	31.3.13
	£	£	£	£
Unlisted investments	399	399	399	399

Financial assets are held at fair value through profit and loss, and are classified under the IFRS 13 fair value measurement hierarchy as Level 1 based on quoted market prices. This applies to financial instruments whose valuations are determined by reference to unadjusted quoted prices for identical assets and liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions on an arm's length basis. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

18. CASH AND CASH EQUIVALENTS

	Group		Company	
	31.3.14	31.3.13	31.3.14	31.3.13
	£	£	£	£
Bank accounts	550,197	73,182	44,579	76,405

Cash and cash equivalents comprise cash held by the Group and short term bank deposits with an original maturity of three months or less. The Directors consider that the carrying value of these assets approximates to their fair values.

continued...

19. NON-CONTROLLING INTERESTS

	31.3.14
	£
At 1 April 2013	300,216
Non controlling interest share of comprehensive income	(385,238)
At 31 March 2014	(85,022)

	31.3.13
	£
At 1 April 2012	109,453
Non controlling interest share of comprehensive income	190,763
At 31 March 2013	300,216

The non controlling interest represents 45% of SUSD Limited which is not controlled by the Group.

20. CALLED UP SHARE CAPITAL

	31.03.14		31.03.13	
Allotted and issued	No.	£	No.	£
Ordinary shares of £15,000	-	-	248	3,720,000
Ordinary shares of £10	213,725	2,137,250	-	-
	213,725	2,137,250	248	3,720,000

All fully paid ordinary shares carry one vote and a right to dividends.

The movements in the year are summarised below:

	31.3.14		31.3.13	
Ordinary shares of £15,000	No.	£	No.	£
At 1 April 2013	248	3,720,000	247	3,705,000
Issued during the period	1	15,000	1	15,000
At 3 May 2013	249	3,735,000	248	3,720,000

On 26 April 2013, 1 Ordinary Share of £15,000 was allotted for cash at par.

On 3 May 2013, shareholders passed a written resolution to consolidate 249 Ordinary Shares of £15,000 each into 83 Ordinary Shares of £45,000 each.

On 2 July 2013, shareholders passed a written resolution to reduce the nominal value of each share from £45,000 to £25,750 per share.

	31.03.14	
	No.	£
Ordinary Shares of £45,000 each	83	3,735,000
Capital reduction	-	(1,597,750)
Ordinary Shares of £25,750 each	83	2,137,250

On 2 July 2013, shareholders passed a written resolution to subdivide the 83 Ordinary Shares of £25,750 each into 213,725 Ordinary Shares of £10 each.

continued...

20. CALLED UP SHARE CAPITAL - continued

The movements in the company's share capital in the previous year are summarised below:

	31.3.13		31.3.12	
Ordinary shares of £15,000	No.	£	No.	£
At 1 April	247	3,705,000	247	3,705,000
Issued during the period	1	15,000	-	-
At 31 March	248	3,720,000	247	3,705,000

On 6 December 2012, 1 Ordinary Share of £15,000 was allotted for cash at par.

21. RESERVES

Group

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 April 2013	(11,118,192)	9,704,549	158,342	(1,255,301)
Profit for the year	717,037	-	-	717,037
Capital reduction	11,460,641	(9,704,549)	(158,342)	1,597,750
At 31 March 2014	1,059,486	-	-	1,059,486

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 April 2012	(11,117,517)	9,704,549	158,342	(1,254,626)
Deficit for the year	(675)	-	-	(675)
At 31 March 2013	(11,118,192)	9,704,549	158,342	(1,255,301)

Company

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 April 2013	(11,080,013)	9,704,549	158,342	(1,217,122)
Profit for the year	246,192	-	-	246,192
Capital reduction	11,460,641	(9,704,549)	(158,342)	1,597,750
At 31 March 2014	626,820	-	-	626,820

continued...

21. RESERVES - continued

	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 April 2012	(11,264,666)	9,704,549	158,342	(1,401,775)
Profit for the year	184,653	-	-	184,653
At 31 March 2013	(11,080,013)	9,704,549	158,342	(1,217,122)

The other reserve arose on the recognition as an expense of the fair value of the share options granted by the Company, in earlier periods. In accordance with IFRS 2, this expense was recognised as a charge against profits for the period and included in staff costs, with the corresponding credit to the other reserve.

During the period ended 31 March 2014, a capital reduction was undertaken. Consequently, the other reserve was transferred to the profit and loss account.

22. TRADE AND OTHER PAYABLES

	Group		Company	
	31.3.14 £	31.3.13 £	31.3.14 £	31.3.13 £
Current:				
Trade creditors	62,537	228,892	7,284	30,464
Social security and other taxes	76,296	32,600	2,351	2,643
Other creditors	3,187	4,093	-	-
Accruals and deferred income	302,619	96,622	129,729	23,330
	444,639	362,207	139,364	56,437

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

23. FINANCIAL LIABILITIES - BORROWINGS

	Group		Company	
	31.3.14 £	31.3.13 £	31.3.14 £	31.3.13 £
Current:				
Bank loans	1,002,655	18,000	-	-
Other loans	1,102,342	302,096	365,342	302,096
	2,104,997	320,096	365,342	302,096
Non-current:				
Bank loans - 1-2 years	-	1,122,500	-	-
Other loans - 1-2 years	-	1,005,521	-	-
	-	2,128,021	-	-

continued...

23. FINANCIAL LIABILITIES - BORROWINGS - continued

Terms and debt repayment schedule

Group

	1 year or less £
Bank loans	1,002,655
Other loans	1,102,342
	2,104,997

Company

	1 year or less £
Other loans	365,342

At 31 March 2014, other loans comprised a deep discount bond issued to finance developments, and a loan for the purchase of investment properties. The principal and accrued discount due under the bond amounts to £365,342 and is due for redemption on 22 October 2015. The bond is unsecured and carries an effective discount rates of 10% per annum.

The investment property loan amounts to £737,000. There are no formal terms of repayment for this loan, and no interest is chargeable.

At 31 March 2014, bank loans comprised two loans in respect of development properties, and which amounted to £300,000 and £702,665 respectively. The loans are secured on the development properties to which they relate, bear interest at 6% and 4.5% respectively, and are repayable as properties are sold.

24. DEFERRED TAX

No deferred tax liabilities have arisen in the Group or the Company in the current or the previous period, and no deferred tax amounts were provided in the previous period in either the Group or the Company.

Deferred tax assets arise from depreciation in excess of capital allowances, and from the availability of losses to offset future taxable profits.

During the period, the Group has recognised a deferred tax asset, amounting to £1,774, with a corresponding credit in the profit and loss account.

The components of the deferred tax asset are set out below:

Group	31.03.14 £	31.03.13 £
Deferred tax asset		
Depreciation in excess of capital allowances	1,774	-
	1,774	-

At 31 March 2014, the Group and Company had respectively tax losses of approximately £1.1m and £1.0m (2013: Group: £2.7m, Company: £2.3m) available, subject to the agreement of the tax authorities, to offset future taxable profits. No deferred tax asset has been recognised in respect of these losses due to uncertainties as to the extent and timing of their future recovery.

continued...

25. RELATED PARTY DISCLOSURES

Group

The Group's ultimate controlling party, Lord Ashcroft KCMG PC, is also the ultimate controlling party of Strand Associates Limited.

During the period, the Group received an interest free loan of £737,000 from Strand Associates Limited to finance the purchase of investment properties. There are no formal terms for the repayment of this loan, which carries no interest.

Mr P A F Harris, a director of the Company, has provided personal guarantees in respect of some elements of bank facilities granted to subsidiary companies.

Mr S A Banks-Cooper, who was a director of the company from 20 Dec 2013 until 7 May 2014, was also a director of GHG London Realty Limited until 30 April 2014.

SUSD Limited, a subsidiary of the company, has been engaged, on normal commercial terms, to provide development management services to GHG London Realty Limited in respect of a luxury hotel development in central London.

During the period 20 December 2013 to 31 March 2014, SUSD Limited charged GHG London Realty Limited £34,290 in respect of these services. At 31 March 2014, there were no amounts owed to SUSD Limited by GHG London Realty.

Company

During the period, the Company issued a deep discount bond to Mayfair Limited, as nominee for Lord Ashcroft KCMG PC. The amount received in cash was £350,000, and the bond is redeemable by 31 October 2015. The interest rate implicit in the bond is 10%. At 31 March 2014, the amount outstanding under the bond was £365,342.

During the year, the Company and its subsidiaries have incurred administrative expenses which relate wholly or partly to other members of the Group. In addition, the Company and subsidiaries have made payments to settle trading liabilities of other Group members, and corporation tax liabilities through group relief arrangements. The Company has also provided working capital finance to SUSD Limited. These amounts have been settled through intercompany accounts, which bear interest at commercial rates.

At the year end, the amount owed to the Company by SUSD Limited was £2,671,847 (2013: £2,492,052).

The Company has included within accrued income an amount of £278,309 in respect of charges to SUSD Notting Hill Limited.

Mr I G Robinson, a director of the Company, is also a director of Anne Street Partners Limited. During the year, the Company was charged £10,000 (2013: £7,500) by Anne Street Partners Limited in respect of the services of Mr I G Robinson, and £80,000 (2013: £nil) in respect of administrative support and related services. At 31 March 2014, £82,500 was outstanding to Anne Street Partners Limited (2013: £nil).

26. ULTIMATE CONTROLLING PARTY

Lord Ashcroft KCMG PC is the Company's ultimate controlling party.