

Ashes Properties Limited

**Directors' report and financial
statements**

Registered number 05728936

31 December 2014

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Directors and advisors

Directors

G Smith
M R Davis

Company Secretary

A Murdoch

Registered Office

Pen Hill Estate
Park Spring Road
Barnsley
S72 7EZ

Independent auditors

KPMG LLP
Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW

Solicitors

Walker Morris
Kings Court
12 King Street
Leeds
LS1 2HL

Bankers

Lloyds TSB Bank PLC
6-7 Park Row
Leeds
LS1 1NX

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2014.

Principal activity

The company is a property holding company.

Review of business and future developments

The directors consider the year end financial position of the company to be satisfactory.

Results and dividends

The company's profit/(loss) for the year is £5,706,000 (2013: £(185,000)). The directors have paid a dividend of £4,424,000 (2013: £Nil). The amount after dividend of £1,282,000 has been added to reserves.

During the year, the land and buildings held by Ashes Properties Limited, and occupied by The Symphony Group plc were disposed of by way of a sale and leaseback agreement. Net proceeds were £29,000,000, giving a profit on disposal of £5,331,000. The net proceeds were used to pay off intercompany loans and pay a dividend.

Directors

The directors of the company at 31 December 2014 are listed on page 1.

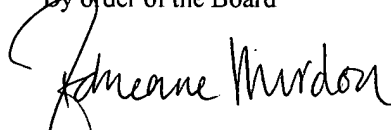
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditor

Pursuant to section 489 of the Companies Act 2006, the auditor will be deemed to be reappointed as independent auditor and KPMG LLP will therefore continue in office.

By order of the Board



A Murdoch
Company Secretary

Pen Hill Estate
Park Spring Road
Barnsley
S72 7EZ
20 April 2015

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditor's report to the members of Ashes Properties Limited

We have audited the financial statements of Ashes Properties Limited for the year ended 31 December 2014 as set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 the opinion we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of directors' responsibilities set out on page 3 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 web-site 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 December 2014 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 by the Companies Act 2006

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

Independent auditor's report to the members of Ashes Properties Limited

(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in not preparing a strategic report.



David Morritt (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 The Embankment

Neville Street

Leeds

LS1 4DW

20 April 2015

Profit and loss account
for the year ended 31 December 2014

	<i>Note</i>	2014 £'000	2013 £'000
Turnover	<i>1</i>	429	515
Costs and overheads	<i>2</i>	(429)	(515)
		<hr/>	<hr/>
Operating profit		-	-
Exceptional profit on disposal of fixed assets	<i>3</i>	5,331	-
Profit on ordinary activities before taxation		5,331	-
Tax on profit on ordinary activities	<i>4</i>	375	(185)
		<hr/>	<hr/>
Profit / (loss) for the financial year	<i>9</i>	5,706	(185)
		<hr/>	<hr/>

All items dealt with in arriving at operating profit above relate to continuing operations.

There were no gains or losses in the period other than those included in the above profit and loss account.

There is no difference between the profit on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents.

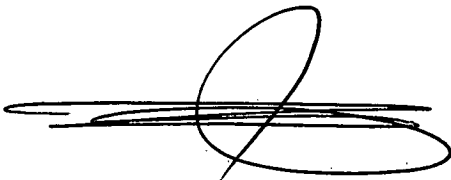
The notes on pages 8 to 12 form part of these financial statements.

Balance sheet
as at 31 December 2014

	<i>Note</i>	2014 £'000	2013 £'000
Fixed assets			
Tangible assets	5	-	23,599
Cash		104	-
Net current liabilities			
Creditors - amounts falling due within one year	6	(1,006)	(24,705)
Provision for liabilities and charges	7	45	(1,033)
Net liabilities		(857)	(2,139)
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account	9	(857)	(2,139)
Total shareholders' deficit	10	(857)	(2,139)

The notes on pages 8 to 12 form part of these financial statements.

The financial statements on pages 6 to 12 were approved by the board of directors on 20 April 2015 and were signed on its behalf by:



G Smith
Director

Ashes Properties Limited
Registered number: 5728936

Notes

(forming part of these financial statements)

1 Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below and have been applied consistently throughout the year.

Going concern

These financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends on finance from the ultimate parent company who have confirmed to the directors that they will continue to provide financial support. As a result, the directors consider it appropriate for the financial statements to be prepared on the going concern basis.

Turnover

Turnover represents recharges to fellow group companies.

Fixed assets and depreciation

Fixed assets are stated at cost. The cost or valuation, less residual value, is depreciated by equal annual instalments over the estimated useful lives of the assets which are:

Buildings - 50 years

No depreciation is provided on freehold land.

Assets under the course of construction are not subject to depreciation.

Cash flow statement and related party disclosures

The company is a wholly owned subsidiary of Symphony Holdings Limited and is included in the consolidated financial statements of Symphony Holdings Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Symphony Holdings Limited group.

Taxation

The charge for taxation is based on the profit/(loss) for the year and takes into account deferred taxation.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes

(forming part of the financial statements)

2 Profit and loss account

The profit/(loss) for the year is £5,706,000 (2013: £(185,000)). Costs and overheads relate to depreciation of £429,000 (2013: £515,000). The emoluments of directors of the company amounted to £nil (2013: £nil). The company has no employees. The auditor's remuneration has been borne by another group company.

3 Exceptional profit on disposal of fixed assets

Land and buildings held were disposed of in the year by way of sale and leaseback:

	£'000
Sale proceeds	29,700
Net Book Value of disposal	(24,169)
Legal and selling fees	(200)
	<hr/>
Exceptional profit on disposal of fixed assets	5,331
	<hr/>

4 Tax on profit on ordinary activities

	2014 £'000	2013 £'000
UK corporation tax at 21.49% (2013: 23.25%)	703	282
Adjustment relating to prior year	-	-
	<hr/>	<hr/>
Total current tax	703	282
Deferred taxation	(1,078)	(97)
	<hr/>	<hr/>
Tax on profit on ordinary activities	375	185
	<hr/>	<hr/>

The tax assessed for the year is the standard rate applying in the UK of 21.49% (2013: 23.25%). The differences are explained below:

	2014 £'000	2013 £'000
Profit on ordinary activities	5,331	-
	<hr/>	<hr/>
Profit on ordinary activities at the UK tax rate of 21.49% (2013: 23.25%)	1,145	-
Explained by:		
Fixed asset differences	(2,265)	
Expenses not deductible for tax purposes	-	81
Accelerated capital allowances	1,159	(59)
Chargeable gains	608	
Transfer pricing adjustments	199	283
Group relief claimed	(143)	(23)
	<hr/>	<hr/>
Current tax charge for the year	703	282
	<hr/>	<hr/>

Notes (continued)

5 Tangible assets

	Land £'000	Buildings £'000	Total £'000
Cost			
As at 31 December 2013	767	25,753	26,520
Additions	150	850	1,000
Disposals	(917)	(26,603)	(27,520)
At 31 December 2014	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation			
At 31 December 2013	-	2,921	2,921
Charge for the year	-	429	429
On disposal	-	(3,350)	(3,350)
At 31 December 2014	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 December 2014	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2013	<u>767</u>	<u>22,832</u>	<u>23,599</u>

6 Creditors - amounts falling due within one year

	2014 £'000	2013 £'000
Vat	103	-
Corporation tax	703	238
Amounts due to group undertakings	200	24,467
	<u>1,006</u>	<u>24,705</u>

Amounts due to group undertakings are unsecured, interest free and have no fixed date of repayment.

Notes (continued)

7 Provision for liabilities and charges

	2014 £'000
Provision for deferred tax	
At 1 January	1,033
Transfer from profit and loss account	(1,078)
	<hr/>
At 31 December	(45)
	<hr/>

The amounts provided for deferred taxation and the amounts not provided are set out below:

	Provided £'000	2014 Unprovided £'000	Provided £'000	2013 Unprovided £'000
Difference between accumulated depreciation and capital allowances	(45)	-	1,033	-
	<hr/>	<hr/>	<hr/>	<hr/>

8 Called up share capital

	2014 £'000	2013 £'000
Authorised		
1,000 ordinary shares of £1 each	1	1
	<hr/>	<hr/>
Allotted, called up and fully paid		
1 (2013: 2) ordinary share of £1 each	-	-
	<hr/>	<hr/>

9 Reserves

	Profit and loss account £'000
At 31 December 2013	(2,139)
Profit for the year	5,706
Dividends paid	(4,424)
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At 31 December 2014	(857)
	<hr/>

Notes *(continued)*

10 Reconciliation of movement on shareholders' deficit

	2014 £'000	2013 £'000
At beginning of year	(2,139)	(1,954)
Profit (Loss) for the financial year	5,706	(185)
Dividends paid	(4,424)	-
	<hr/>	<hr/>
At end of year	(857)	(2,139)
	<hr/>	<hr/>

11 Ultimate controlling party

Throughout the year ended 31 December 2014, the directors consider that the ultimate controlling party is Mr D S Gregory. The immediate parent company is Symphony Holdings Limited, a company registered in England and Wales.

Copies of the accounts of Symphony Holdings Limited can be obtained on application to The Secretary, Symphony Holdings Limited, Pen Hill Estate, Park Spring Road, Barnsley, S72 7EZ.