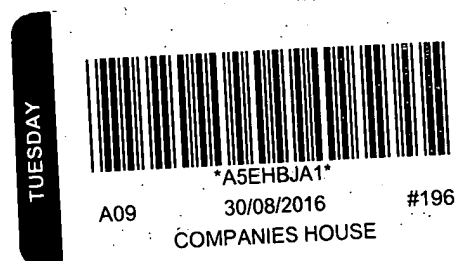


REGISTERED NUMBER: 08000629 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 30 November 2015
for
VSM Estates (Uxbridge) Limited**



**Contents of the Financial Statements
for the Year Ended 30 November 2015**

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VSM Estates (Uxbridge) Limited
Company Information
for the Year Ended 30 November 2015

DIRECTORS:

D W Bowler
W A Oliver
R J Hudson

REGISTERED OFFICE:

Park Point
17 High Street
Longbridge
West Midlands
B31 2UQ

REGISTERED NUMBER:

08000629 (England and Wales)

AUDITORS:

Deloitte LLP
Chartered Accountants
& Statutory Auditor
4 Brindley Place
Birmingham
West Midlands
B1 2HZ

**Report of the Directors
for the Year Ended 30 November 2015**

The directors present the annual report with the audited financial statements of the company for the year ended 30 November 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property investment and development.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 December 2014 to the date of this report.

D W Bowler
W A Oliver

Other changes in directors holding office are as follows:

M E Dunn - resigned 31 May 2015
A Taylor - appointed 31 May 2015 - resigned 26 October 2015
R J Hudson - appointed 26 October 2015

GOING CONCERN

The Company has satisfactory financial resources. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully. After making enquiries the directors have a reasonable expectation that the Company has adequate resources to continue in 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.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all steps necessary to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

VSM Estates (Uxbridge) Limited (Registered number: 08000629)

**Report of the Directors
for the Year Ended 30 November 2015**

AUDITORS

Deloitte LLP, our appointed Auditors from the date of incorporation, have conducted the audit for the period ended 30 November 2015 and have expressed a willingness to remain in office. Arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

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

30 August 2016

**Report of the Independent Auditors to the Members of
VSM Estates (Uxbridge) Limited**

We have audited the financial statements of VSM Estates (Uxbridge) Limited for the year ended 30 November 2015 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 17. 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 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 set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2015 and of its loss 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

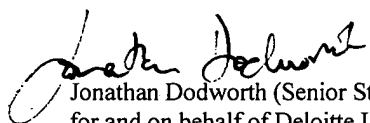
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
VSM Estates (Uxbridge) Limited**

Matters on which we are required to report by exception

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

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



Jonathan Dodworth (Senior Statutory Auditor)
for and on behalf of Deloitte LLP

Chartered Accountants
& Statutory Auditor
4 Brindley Place
Birmingham
West Midlands
B1 2HZ

30 August 2016

VSM Estates (Uxbridge) Limited (Registered number: 08000629)

**Profit and Loss Account
for the Year Ended 30 November 2015**

	Notes	2015 £	2014 £
TURNOVER		-	-
Cost of sales		(369,731)	-
GROSS LOSS		(369,731)	-
Administrative expenses		(41,603)	(31,604)
OPERATING LOSS	2	(411,334)	(31,604)
Interest receivable and similar income	3	777,514	1,436,222
Interest payable and similar charges	4	(7,201,682)	(7,393,439)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(6,835,502)	(5,988,821)
Tax on loss on ordinary activities	5	-	1,038,532
LOSS FOR THE FINANCIAL YEAR		(6,835,502)	(4,950,289)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current year or previous year.

The notes form part of these financial statements

VSM Estates (Uxbridge) Limited (Registered number: 08000629)

**Balance Sheet
30 November 2015**

	Notes	2015 £	2014 £
FIXED ASSETS			
Investments	6	8	8
CURRENT ASSETS			
Debtors	7	47,538,665	47,383,388
Debtors: amounts falling due after more than one year	7	6,703,432	11,474,237
Cash at bank		4,339,309	279,691
		<u>58,581,406</u>	<u>59,137,316</u>
CREDITORS			
Amounts falling due within one year	8	(52,074,169)	(46,100,577)
NET CURRENT ASSETS		<u>6,507,237</u>	<u>13,036,739</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,507,245	13,036,747
CREDITORS			
Amounts falling due after more than one year	9	(26,250,000)	(25,944,000)
PROVISIONS FOR LIABILITIES	12	(217,980)	(217,980)
NET LIABILITIES		<u>(19,960,735)</u>	<u>(13,125,233)</u>
CAPITAL AND RESERVES			
Called up share capital	13	2	2
Profit and loss account	14	(19,960,737)	(13,125,235)
SHAREHOLDERS' FUNDS	17	<u>(19,960,735)</u>	<u>(13,125,233)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Board of Directors on 30 August 2016 and were signed on its behalf by:



R J Hudson - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 30 November 2015**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention in accordance with applicable United Kingdom company law and accounting standards.

The accounting policies have been applied consistently throughout the year. 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 directors' report.

Preparation of consolidated financial statements

The financial statements contain information about VSM Estates (Uxbridge) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, VSM Estates Uxbridge (Group) Limited, a company registered in England and Wales.

Cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely 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 in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Fixed asset investments

Fixed asset investments are shown at cost less provision for impairment. Impairment is measured by comparing the carrying value of the asset with its recoverable amount.

Derivative financial instruments

The company uses derivative financial instruments to reduce exposure to interest rate movement. The company does not hold or issue derivative financial instruments for speculative purposes.

For an interest rate swap to be treated as a hedge the instrument must be related to actual assets or liabilities or a probable commitment and must change the nature of the interest rate by converting a fixed rate to a variable rate or vice versa. Interest differentials under these swaps are recognised by adjusting net interest payable over the periods of the contracts.

VSM Estates (Uxbridge) Limited (Registered number: 08000629)

**Notes to the Financial Statements - continued
for the Year Ended 30 November 2015**

2. OPERATING LOSS

Auditors' remuneration was borne by its joint ultimate parent company, St. Modwen Properties PLC. The fee payable for audit of the financial statements was £21,450 (2014: £21,450).

None of the directors received any remuneration during the period. The remuneration of the directors is paid by other group undertakings for the period and no part of their remuneration is specifically attributable to their services to this company.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015 £	2014 £
Other	-	5
Discount unwind on deferred assets	777,514	1,436,217
	<u>777,514</u>	<u>1,436,222</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank loan interest	1,025,402	1,371,590
Derivatives	171,866	216,421
Interest on shareholder loans	5,226,900	2,569,211
Discount unwind on deferred liabilities	777,514	1,436,217
Loan notes	-	1,800,000
	<u>7,201,682</u>	<u>7,393,439</u>

5. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2015 £	2014 £
Current tax:		
UK corporation tax	-	(1,038,532)
Tax on loss on ordinary activities	-	(1,038,532)

UK corporation tax has been charged at 20.33% (2014 - 21.67%).

Notes to the Financial Statements - continued
for the Year Ended 30 November 2015

5. TAXATION - continued

Factors affecting the tax credit

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

	2015 £	2014 £
Loss on ordinary activities before tax	<u>(6,835,502)</u>	<u>(5,988,821)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.330% (2014 - 21.667%)	(1,389,658)	(1,297,598)
Effects of:		
Adjustments to tax charge in respect of previous periods	-	(1,038,532)
Tax losses not recognised	<u>1,389,658</u>	<u>1,297,598</u>
Current tax credit	<u>-</u>	<u>(1,038,532)</u>

The Finance Act 2013 was substantively enacted on 17th July 2013 and included provisions which reduced the main rate of corporation tax from 21% to 20% from 1st April 2015. Current tax has therefore been provided at 20.33%. The Finance (No. 2) Act 2015 included provisions which reduced the main rate of corporation tax to 19% from 1st April 2017 and 18% from 1st April 2020.

6. FIXED ASSET INVESTMENTS

	Investments in subsidiaries £
COST	
At 1 December 2014 and 30 November 2015	<u>8</u>
NET BOOK VALUE	
At 30 November 2015	<u>8</u>
At 30 November 2014	<u>8</u>

The investment in subsidiaries relates to a 100% shareholding in the ordinary share capital of the following companies, each of which is registered in England and Wales:

Name of company	Nature of business
VSM (Uxbridge 1) Limited	Property Investment
VSM (Uxbridge 2) Limited	Property Investment
VSM (Uxbridge 3) Limited	Property Investment
VSM (Uxbridge 4) Limited	Property Investment
VSM (Uxbridge 5) Limited	Property Investment
VSM (Uxbridge 6) Limited	Property Investment
VSM (Uxbridge 7) Limited	Property Investment
VSM (Uxbridge 8) Limited	Property Investment

VSM Estates (Uxbridge) Limited (Registered number: 08000629)

**Notes to the Financial Statements - continued
for the Year Ended 30 November 2015**

7. DEBTORS

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	16,009	-
Amounts owed by ultimate parent	7,176,001	12,859,681
Amounts owed by immediate parent	2	2
Amounts owed by subsidiary undertakings	40,049,762	33,815,235
Other debtors	-	27
Corporation tax	-	366,000
Other tax and social security	-	342,443
Prepayments and accrued income	296,891	-
	<u>47,538,665</u>	<u>47,383,388</u>
 Amounts falling due after more than one year:		
Amount owed by ultimate parent	<u>6,703,432</u>	<u>11,474,237</u>
 Aggregate amounts	<u>54,242,097</u>	<u>58,857,625</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Bank loans and overdrafts (see note 10)	3,750,000	-
Other loans (see note 10)	-	12,000,000
Trade creditors	1,671,895	587,715
Amounts owed to ultimate parent	44,682,940	31,484,667
Other tax and social security	147,778	-
Other creditors	1,597,412	1,591,771
Accruals and deferred income	224,144	436,424
	<u>52,074,169</u>	<u>46,100,577</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015 £	2014 £
Bank loans (see note 10)	<u>26,250,000</u>	<u>25,944,000</u>

10. LOANS

An analysis of the maturity of loans is given below:

	2015 £	2014 £
Amounts falling due within one year or on demand:		
Bank loans	3,750,000	-
Loan Notes	-	12,000,000
	<u>3,750,000</u>	<u>12,000,000</u>

Notes to the Financial Statements - continued
for the Year Ended 30 November 2015

10. LOANS - continued

	2015 £	2014 £
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>3,750,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>22,500,000</u>	<u>25,944,000</u>

The bank loan, on which interest is payable at 3.25% above LIBOR, is secured on the properties owned by the subsidiary companies and is repayable in 2017.

The loan notes, on which interest is payable at 15%, are held by the ultimate joint parents, St Modwen Properties PLC and Vinci Investments Ltd. These were converted into shareholder loans at maturity in December 2014.

11. FINANCIAL INSTRUMENTS

The Company has derivatives which are not included at fair value in the financial statements:

	Principal 2015 £	Fair Value 2015 £	Principal 2014 £	Fair Value 2014 £
Interest rate swap	16,250,000	154,815	16,250,000	244,933

The interest rate swap is used by the Company to manage its exposure to interest rate movements on its bank borrowings. The fair values are based on market values of equivalent instruments at the balance sheet date.

The interest rate swap has fixed interest payments at a rate of 1.63% and floating interest receipts at LIBOR.

12. PROVISIONS FOR LIABILITIES

	2015 £	2014 £
Other provisions	<u>217,980</u>	<u>217,980</u>
		Loan exit fees £
Balance at 1 December 2014		<u>217,980</u>
Balance at 30 November 2015		<u>217,980</u>

Provision for liability and charges relates to exit fees payable in respect of bank loans following a refinancing in December 2014.

VSM Estates (Uxbridge) Limited (Registered number: 08000629)

**Notes to the Financial Statements - continued
for the Year Ended 30 November 2015**

13. CALLED UP SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and nil paid equity		
1 'A' Ordinary share of £1	1	1
1 'B' Ordinary share of £1	1	1
	<u>2</u>	<u>2</u>

14. RESERVES

	Profit and loss account £
At 1 December 2014	(13,125,235)
Deficit for the year	<u>(6,835,502)</u>
At 30 November 2015	<u><u>(19,960,737)</u></u>

15. ULTIMATE PARENT COMPANY

The company is ultimately jointly owned by St. Modwen Properties PLC and Vinci Investments Limited, both companies registered in England and Wales.

The smallest and largest group in which the company is included within the group financial statements is that of VSM Estates Uxbridge (Group) Limited, copies of which are available from its registered office at Park Point, 17 High Street, Longbridge, Birmingham, B31 2UQ.

Notes to the Financial Statements - continued
for the Year Ended 30 November 2015

16. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

The company's ultimate shareholders, both of whom own 50% of the ordinary share capital are St. Modwen Properties PLC and Vinci Investments Limited, both registered in England and Wales.

The following balances were included in the balance sheet at 30 November 2015:

Amounts owed to related companies:

- £1,592,759 (2014: £1,592,759) to VSM Estates Limited; and
- £712 (2014: £712) to SMP Sarl I (a subsidiary of St Modwen Properties PLC).

Amounts owed to shareholders:

- £nil (2014: £6,000,000) loan notes to St Modwen Properties PLC;
- £nil (2014: £6,000,000) loan notes to Vinci Investments Limited;
- £nil (2014: £2,352,329) interest on loan notes to St Modwen Properties PLC;
- £nil (2014: £2,352,329) interest on loan notes to Vinci Investments Limited;
- £17,423,000 (2014: £11,423,000) shareholder loans to St Modwen Properties PLC;
- £17,423,000 (2014: £11,423,000) shareholder loans to Vinci Investments Limited;
- £4,916,917 (2014: £1,951,139) interest on shareholder loans to St Modwen Properties PLC;
- £4,920,023 (2014: £1,954,244) interest on shareholder loans to Vinci Investments Limited; and

Amounts owed from shareholders:

- £13,879,432 (2014: £24,333,918) payment for land sale from St Modwen Properties PLC;
- £2 (2014: £2) unpaid share capital from St Modwen Properties PLC; and
- £2 (2014: £2) unpaid share capital from Vinci Investments Limited.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Loss for the financial year	(6,835,502)	(4,950,289)
Net reduction of shareholders' funds	(6,835,502)	(4,950,289)
Opening shareholders' funds	(13,125,233)	(8,174,944)
Closing shareholders' funds	<u>(19,960,735)</u>	<u>(13,125,233)</u>