

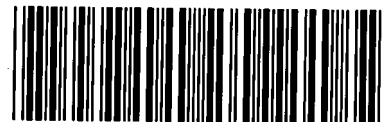
ST FRANCIS GROUP 2 LIMITED

Report of the Directors and

Consolidated Financial Statements

for the Period 21 February 2017 to 31 March 2018

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ST FRANCIS GROUP 2 LIMITED

Contents of the Consolidated Financial Statements for the Period 21 February 2017 to 31 March 2018

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Consolidated Income Statement	7
Consolidated Other Comprehensive Income	8
Consolidated Balance Sheet	9
Company Balance Sheet	10
Consolidated Statement of Changes in Equity	11
Company Statement of Changes in Equity	12
Notes to the Consolidated Financial Statements	13

ST FRANCIS GROUP 2 LIMITED

Company Information
for the Period 21 February 2017 to 31 March 2018

DIRECTORS:

B E Baker
R J Braid

REGISTERED OFFICE:

The Mill
One High Street
Henley In Arden
B95 5AA

REGISTERED NUMBER:

10631485 (England and Wales)

BANKERS:

Allied Irish Bank GB
Birmingham City Office
61 Temple Row
Birmingham
B2 5LT

AUDITORS:

PricewaterhouseCoopers LLP

ST FRANCIS GROUP 2 LIMITED

Strategic Report for the Period 31 March 2017 to 31 March 2018

The directors present their strategic report for the period 31 March 2017 to 31 March 2018.

REVIEW OF BUSINESS

The key performance indicators that the Directors utilise to measure the performance of the business are the level of profits achieved in the period, together with the extent to which projects have been progressed resulting in value being added, albeit unrealised until disposal.

The Directors are satisfied with the level of realised profits generated by the property development businesses acquired during the period. There have been significant steps forward in bringing a number of projects towards realisation, resulting in significant added value, albeit unrealised at the period end. It is anticipated that this added value will be realised in future accounting periods.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company faces a number of risks and uncertainties that may have an impact on its operation or future performance.

It is important for the Board to effectively manage risks and opportunities in seeking to achieve the Company's objectives. The Directors have overall responsibility for risk management and internal control systems.

The risks and uncertainties described below represent those which the directors consider to be the most significant in achieving the Company's objectives.

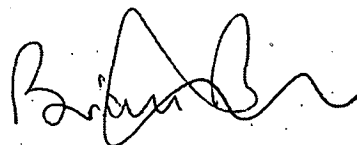
Adverse economic and business conditions

Uncertainty over the impact of Brexit, and UK economic conditions generally, could adversely affect timing and/or value of development site realisations. Efforts have been made to offset this risk by entering into contracts to dispose of projects where possible, fixing price and limiting post exchange conditions. Significant success has been achieved in doing this.

Environmental, health and safety and planning legislation

The Group is subject to regulatory compliance risk which can arise from a failure to comply with the applicable laws, regulations or codes mainly involving health and safety laws, environmental laws, and planning regulations. The Directors are not aware of any legislative changes, either made or proposed, that will have any significant impact upon the results of the business.

ON BEHALF OF THE BOARD:



.....
B E Baker - Director

Date: 21 November 2018

ST FRANCIS GROUP 2 LIMITED

Report of the Directors for the Period 21 February 2017 to 31 March 2018

The directors present their report with the financial statements of the company and the group for the period 21 February 2017 to 31 March 2018.

INCORPORATION

The group was incorporated on 21 February 2017 and commenced trading on 31 March 2017.

PRINCIPLE ACTIVITIES

The principal activities of the group in the period under review were that of the development and sale of real estate.

FUTURE DEVELOPMENTS

The directors plan to continue running the business with a view for growth.

GOING CONCERN

The directors have considered the period ending 12 months after approving these financial statements.

The holding company is prepared to fully support the company financially, and the loan will not be withdrawn to the detriment of other creditors. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

DIVIDENDS

No dividends will be distributed for the period ended 31 March 2018.

DIRECTORS

The directors who have held office during the period from 21 February 2017 to the date of this report are as follows:

B E Baker - appointed 21 February 2017

R J Braid - appointed 21 February 2017

The Company has maintained directors and officer's liability insurance in respect of itself and the Directors throughout the period.

FINANCIAL RISK MANAGEMENT

The company has exposures to two main areas of risk; liquidity risk and interest rate risk.

Liquidity risk

The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the company has credit facilities available.

Interest rate risk

The company may borrow from its bankers using either overdrafts or term loans whose tenure depends on the nature of the asset and management's view of the future direction of interest rates.

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial 13 month period. Under that law the directors have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 group and company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

ST FRANCIS' GROUP 2 LIMITED

Report of the Directors for the Period 21 February 2017 to 31 March 2018

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

DIRECTORS' CONFIRMATIONS

In the case of each director in office at the date the Directors' Report is approved:

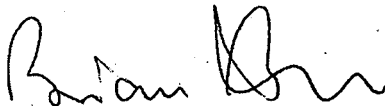
- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and company's auditors are aware of that information.

AUDITORS

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming 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:



.....
B E Baker - Director

Date: 21 November 2018

Independent auditors' report to the members of St Francis Group 2 Limited

Report on the audit of the financial statements

Opinion

In our opinion, St Francis Group 2 Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2018 and of the group's profit and cash flows for the 13 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Group Strategic Report, Report of the Directors and (the "Annual Report"), which comprise: the consolidated and company balance sheet as at 31 March 2018; the consolidated income statement and consolidated statement of comprehensive income, and the consolidated and company statement of changes in equity for the 13 month period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report to the members of St Francis Group 2 Limited (continued)

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the period ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement Of Directors' Responsibilities In Respect Of The Financial Statements set out on page 2 and 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Neil Philpott (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
21 November 2018

ST FRANCIS GROUP 2 LIMITED**Consolidated Income Statement
for the Period 21 February 2017 to 31 March 2018**

	Notes	£
TURNOVER	3	6,777,908
Cost of sales		<u>6,703,437</u>
GROSS PROFIT		74,471
Administrative expenses		<u>(2,243,051)</u>
		2,317,522
Other operating income		<u>88,797</u>
GROUP OPERATING PROFIT	5	2,406,319
Share of operating profit in Joint ventures		395,621
Amortisation of goodwill Joint ventures		693
Interest receivable and similar income	6	<u>900,828</u>
		3,703,461
Interest payable and similar expenses	7	<u>(2,259,406)</u>
PROFIT BEFORE TAXATION		1,444,055
Tax on profit	8	<u>(120,068)</u>
PROFIT FOR THE FINANCIAL PERIOD		<u><u>1,323,987</u></u>
Profit attributable to: Owners of the parent		1,323,987

All results derive from continuing operations. There are no recognised gains or losses for the financial period other than those disclosed above.

The notes on pages 13 to 24 form part of these financial statements

ST FRANCIS GROUP 2 LIMITED

**Consolidated Statement of Comprehensive Income
for the Period 21 February 2017 to 31 March 2018**

	Notes	£
PROFIT FOR THE PERIOD		1,323,987
OTHER COMPREHENSIVE INCOME		<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>1,323,987</u></u>
Total comprehensive income attributable to: Owners of the parent		<u><u>1,323,987</u></u>

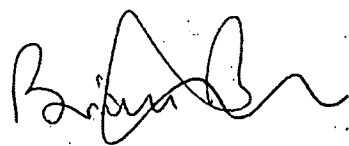
The notes on pages 13 to 24 form part of these financial statements

ST FRANCIS GROUP 2 LIMITED (REGISTERED NUMBER: 10631485)

**Consolidated Balance Sheet
31 March 2018**

	Notes	£	£
FIXED ASSETS			
Intangible assets – goodwill	9		789,546
Intangible assets – negative goodwill	9		(3,081,682)
Investments	10		
Interest in joint venture			
Share of gross assets			8,379,744
Share of gross liabilities			(3,463,500)
Goodwill			<u>(4,519,025)</u>
			(1,894,917)
CURRENT ASSETS			
Stocks		10,878,105	
Debtors	11	10,847,922	
Cash at bank		<u>2,216,797</u>	
		23,942,824	
CREDITORS			
Amounts falling due within one year	12	<u>(20,723,917)</u>	
NET CURRENT ASSETS			<u>3,218,907</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,323,990</u>
CAPITAL AND RESERVES			
Called up share capital	13		1
Retained earnings			<u>1,323,989</u>
SHAREHOLDERS' FUNDS			<u>1,323,990</u>

The financial statements were authorised for issue by the Board of Directors on 21 November 2018 and were signed on its behalf by:



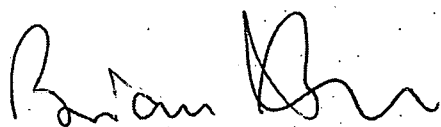
.....
B E Baker - Director

The notes on pages 13 to 24 form part of these financial statements

ST FRANCIS GROUP 2 LIMITED (REGISTERED NUMBER: 10631485)**Company Balance Sheet
31 March 2018**

	Notes	£	£
FIXED ASSETS			
Intangible assets	9		-
Investments	10		<u>4,194,473</u>
			4,194,473
CURRENT ASSETS			
Debtors	11	10,669,504	
Cash at bank		<u>2,079,069</u>	
		12,748,573	
CREDITORS			
Amounts falling due within one year	12	<u>(18,867,364)</u>	
NET CURRENT LIABILITIES			<u>(6,118,791)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(1,924,318)</u>
CAPITAL AND RESERVES			
Called up share capital	13		1
Retained earnings			<u>(1,924,319)</u>
SHAREHOLDERS' FUNDS			<u>(1,924,318)</u>
Company's loss for the financial year			<u>(1,924,319)</u>

The financial statements were authorised for issue by the Board of Directors on 21 November 2018 and were signed on its behalf by:



.....
B E Baker - Director

The notes on pages 13 to 24 form part of these financial statements

ST FRANCIS GROUP 2 LIMITED**Consolidated Statement of Changes in Equity
for the Period 21 February 2017 to 31 March 2018**

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	1	-	1
Total comprehensive income	-	1,323,987	1,323,987
Balance at 31 March 2018	<u>1</u>	<u>1,323,987</u>	<u>1,323,988</u>

The notes on pages 13 to 24 form part of these financial statements

ST FRANCIS GROUP 2 LIMITED**Company Statement of Changes in Equity
for the Period 21 February 2017 to 31 March 2018**

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	1	-	1
Total comprehensive income	-	(1,924,319)	(1,924,319)
Balance at 31 March 2018	<u>1</u>	<u>(1,924,319)</u>	<u>(1,924,318)</u>

The notes on pages 13 to 24 form part of these financial statements

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements for the Period 21 February 2017 to 31 March 2018

1. STATUTORY INFORMATION

St Francis Group 2 Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page. The company operates as a holding company, its subsidiaries undertake development and sale of real estate. The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements comprise the accounts of St Francis Group 2 Limited and its wholly owned subsidiaries made up to 31 March 2018. All subsidiaries were acquired on the 31st March 2017.

Going Concern

The directors have considered the period ending 12 months after approving these financial statements.

The holding company is prepared to fully support the company financially, and the loan will not be withdrawn to the detriment of other creditors. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing these financial statements

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions.

The Company has taken advantage of the following exemptions in its individual financial statements:

- i. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;
- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;
- iii. from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Individual Income Statement

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Joint ventures

Joint Ventures have been accounted for using the gross equity method. The investment has been treated as a fixed asset investment within the individual company accounts. For the basis of consolidation the group share of the joint venture's profit and loss has been included as well as the share of the gross assets and gross liabilities. There was also negative goodwill on acquisition of the joint ventures, this is being amortised over the period of consumption of the underlying monetary assets.

2. ACCOUNTING POLICIES – continued

Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received (including the fair value of any residential properties received in part-exchange), excluding discounts, rebates, VAT and other sales taxes or duty. Where required, revenue is allocated between components in a multi-element transaction based on their respective fair values of the components. The following criteria must also be met before revenue is recognised:

Sale of property

Revenue arising from the sale of property is recognised upon the sale becoming unconditional.

Other operating income: Rental income

Rental income arises from land or property held as stock. This is accounted for on a straight-line basis over the lease term.

Tangible fixed assets

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

Plant and machinery etc - 25% Straight Line

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2017. Negative goodwill is recognised in the profit and loss account over the period of consumption of monetary assets.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Positive Goodwill are being amortised evenly over their estimated useful life of nil years.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Inventories

Inventories principally comprise land and property under development with a view to sale. All inventories are carried at the lower of cost and net realisable value.

Cost comprises land, direct materials and, where applicable, direct labour costs that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less any further costs expected to be incurred to completion and disposal.

Financial instruments

Basic financial instruments are recognised at amortised costs, except for investments in non-convertible preference shares or non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

2. ACCOUNTING POLICIES – continued

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Key sources of estimation uncertainty

In the application of the Group's accounting policies outlined above, the directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and so actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Net realisable value of inventories

The Group has ongoing procedures for assessing the carrying value of inventories and identifying where this is in excess of net realisable value. The estimates and judgements for both revenue and costs were based on information available at, and pertaining to, the balance sheet date, with reference to recent experience on similar properties and site-specific knowledge. Any subsequent adverse changes in market conditions may result in provisions being required.

Goodwill

Goodwill represents the excess of the cost of acquisition over the company's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the time of the hive-up. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in the profit and loss account and is not subsequently reversed. Negative goodwill is recognised in the profit and loss account over the period of consumption.

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements for the Period 21 February 2017 to 31 March 2018

3. TURNOVER

Turnover is derived from sales of land within the United Kingdom.

4. EMPLOYEES AND DIRECTORS

The group and company has no employees. No payments to Directors has been made through the group or company and the Directors are remunerated through other group companies.

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	£
Goodwill amortisation	(2,514,120)
Intangible asset amortisation	197,386
Auditors' remuneration	11,750

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	£
Related parties interest charges	<u>900,828</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	£
Intercompany interest charges	<u>2,259,406</u>

8. TAXATION

Analysis of the tax charge

The tax charge on the loss for the period was as follows:

	£
Current tax:	
UK corporation tax	<u>120,068</u>
Tax on loss	<u>120,068</u>

Reconciliation of total tax charge included in profit and loss

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

	£
Profit before tax	<u>1,444,055</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19%	(274,370)
Effects of:	
Expenses not deductible for tax purposes	163,507
Amortisation	(440,180)
Fair value adjustments	494,883
Group relief	(348,874)
Chargeable Gain	59,650
Loss on sale	(7,988)
Joint Venture Income	<u>(75,300)</u>
Total tax charge	<u>120,068</u>

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements - continued for the Period 21 February 2017 to 31 March 2018

8. TAXATION (CONTINUED)

Factors that may affect future tax charges

The tax rate for the current year is lower than the previous year due to changes in the UK corporation tax rate, which decreased from 20% to 19% from 1 April 2017. Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

9. INTANGIBLE FIXED ASSETS

Group

	Negative Goodwill £	Goodwill £	Totals £
COST			
Additions	<u>(5,595,802)</u>	<u>986,932</u>	<u>(4,608,870)</u>
At 31 March 2018	<u>(5,595,802)</u>	<u>986,932</u>	<u>(4,608,870)</u>
AMORTISATION			
Charge for period	<u>2,514,120</u>	<u>(197,386)</u>	<u>2,316,734</u>
At 31 March 2018	<u>2,514,120</u>	<u>(197,386)</u>	<u>2,316,734</u>
NET BOOK VALUE			
At 31 March 2018	<u>(3,081,682)</u>	<u>789,546</u>	<u>(2,292,136)</u>

10. FIXED ASSET INVESTMENTS

Group

	Interest in joint venture £
COST	
At 21 February 2017	-
Additions	905
Share of profit/(loss)	<u>395,621</u>
At 31 March 2018	<u>396,526</u>
PROVISIONS	
Amortisation	<u>(693)</u>
At 31 March 2018	<u>(693)</u>
NET BOOK VALUE	
At 31 March 2018	<u>397,219</u>
At 21 February 2017	<u>-</u>

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements - continued
for the Period 21 February 2017 to 31 March 2018

10. FIXED ASSET INVESTMENTS (CONTINUED)

Group

Interest in joint venture

	Share of net assets £	Goodwill £
COST		
At 21 February 2017	-	-
Additions	4,520,623	(4,519,718)
Share of profit/(loss)	395,621	-
At 31 March 2018	<u>4,916,244</u>	<u>(4,519,718)</u>
PROVISIONS		
Provision for period	-	(693)
At 31 March 2018	-	(693)
NET BOOK VALUE		
At 31 March 2018	<u>4,916,244</u>	<u>(4,519,025)</u>
At 21 February 2017	-	-

Company

	Shares in group undertakings £	Interest in joint venture £	Totals £
COST			
Additions	4,194,468	5	4,194,473
At 31 March 2018	<u>4,194,468</u>	<u>5</u>	<u>4,194,473</u>
NET BOOK VALUE			
At 31 March 2018	<u>4,194,468</u>	<u>5</u>	<u>4,194,473</u>

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

Subsidiaries

Bidford Properties Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	% holding	
Class of shares:		
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		(7,956)
Loss for the period		<u>(835)</u>

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements - continued
for the Period 21 February 2017 to 31 March 2018

10. FIXED ASSET INVESTMENTS (CONTINUED)

St Francis Properties Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	% holding	
Class of shares:		
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		31,287
Profit for the period		<u>31,286</u>

SFG (Utility Services) Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	% holding	
Class of shares:		
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		(744)
Loss for the period		<u>(750)</u>

Chivenor Cross Management Company (Commercial) Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Dormant

	% holding	
Class of shares:		
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		<u>100</u>

SFG (Talbot Mill) Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	% holding	
Class of shares:		
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		(11,930)
Loss for the period		<u>(837)</u>

ST FRANCIS GROUP 2 LIMITED**Notes to the Consolidated Financial Statements - continued
for the Period 21 February 2017 to 31 March 2018****10. FIXED ASSET INVESTMENTS (CONTINUED)****SFG (Leamore Lane) Limited**

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	%	
Class of shares:	holding	
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		1,544,954
Profit for the period		<u>52,502</u>

SFG (Aldridge) Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	%	
Class of shares:	holding	
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		(60,176)
Profit for the period		<u>5,221</u>

Cayborn Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	%	
Class of shares:	holding	
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		(89,871)
Loss for the period		<u>(783)</u>

SFG (Ardath Road) Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	%	
Class of shares:	holding	
Ordinary	100.00	31.3.18
		£
Aggregate capital and reserves		2,445,385
Profit for the period		<u>2,445,536</u>

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements - continued for the Period 21 February 2017 to 31 March 2018

10. FIXED ASSET INVESTMENTS (CONTINUED)

SFG (Horizon 38) Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	% holding	
Class of shares:		
Ordinary	100.00	31.3.18 £ 17,380
Aggregate capital and reserves		24,824
Profit for the period		

DGH Bolsover Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Land remediation

	% holding	
Class of shares:		
Ordinary	100.00	31.3.18 £ 2,483,051
Aggregate capital and reserves		881,197
Profit for the period		

Joint ventures

Bolsover Land Limited

Registered office: 10 Upper Berkeley Street, London, W1H 7PE

Nature of business: Development and sale of real estate

	% holding	
Class of shares:		
Ordinary A Shares	50.00	
Ordinary B Shares	40.00	31.3.18 £ (7,618,730)
Aggregate capital and reserves		(2,016,379)
Loss for the period		

MSF Filton LLP

Registered office: 10 Upper Berkeley Street, London, W1H 7PE

Nature of business: Development and sale of real estate

	% holding	
Class of shares:		
Ordinary	50.00	31.3.18 £ 11,974,834
Aggregate capital and reserves		696,559
Profit for the period		

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements - continued for the Period 21 February 2017 to 31 March 2018

10. FIXED ASSET INVESTMENTS (CONTINUED)

SFGE Properties Limited

Registered office: The Mill, One High Street, Henley In Arden, Solihull B95 5AA

Nature of business: Development and sale of real estate

Class of shares:	% holding	
Ordinary	50.00	31.3.18 £
Aggregate capital and reserves		87,764
Profit for the period		<u>94,683</u>

11. DEBTORS

	Group £	Company £
Amounts falling due within one year:		
Trade debtors	135,059	-
Amounts owed by group undertakings	10,001	9,613,526
Amounts owed by participating interests	5,647,356	1,054,457
Amounts owed by joint ventures	67,442	-
Other debtors	-	1,521
	<u>5,859,858</u>	<u>10,669,504</u>

No amounts have been provided for within the year. All financial instruments above are measured at amortised cost. Amounts due by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. There are no further related party transactions.

Amounts falling due after more than one

year:

Other debtors	<u>4,988,064</u>	<u>-</u>
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Aggregate amounts	<u>10,847,922</u>	<u>10,669,504</u>
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All financial instruments above are measured at amortised cost. Amounts owed by group undertakings due after more than one year are unsecured, has an interest rate of 20%, while there is no fixed repayment date it has been agreed that the repayment will take place at such a time that the land in Bolsover Land Limited is to be sold – this will not be within 12 months of these financial statements.

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements - continued for the Period 21 February 2017 to 31 March 2018

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group £	Company £
Trade creditors	206,176	-
Amounts owed to group undertakings	18,543,333	18,480,180
Taxation and social security	1,378,811	-
Other creditors	<u>595,597</u>	<u>387,184</u>
	20,723,917	18,867,364

All financial instruments above are measured at amortised cost. Amounts due to group undertakings were issued in the year and are unsecured, and either incur an interest rate of 10.59% or are interest free, have no fixed date of repayment and are repayable on demand. There are no further related party transactions.

13. SHARE CAPITAL

Allotted, issued and fully paid

1 ordinary share of £1 each

14. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption under section 33 of FRS 102, not to disclose related party transactions with wholly owned subsidiaries within the group.

DGH (Bolsover) Limited recharged Bolsover Land Limited, a joint venture, monthly security cost of £nil (2017: £157,500). There have also been management charges received of £nil (2017 £60,000) and interest received on the loan notes of £900,828 (2017 £789,004). At the balance sheet date £4,988,064 (2017: £3,480,820) was due to the company from Bolsover Land Limited.

15. CONTINGENT LIABILITY

The company is party to an unlimited multilateral guarantee with a fellow group companies under the terms of the banking agreement.

16. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Nobel Midco Limited and the smallest group to consolidate these financial statements.

The ultimate controlling party is Nobel Topco Limited. The largest group to consolidate these financial statements is Nobel Midco Limited, copies of which can be obtained from The Mill, One High Street, Henley In Arden, B95 5AA.

17. BUSINESS COMBINATION

Group

On 31 March 2017, the Group acquired control of Bidford Properties Limited, St Francis Properties Limited, St Francis Group (Utility Services) Limited, Chivenor Cross Management Company (Commercial) Limited, St Francis Group (Talbot Mill) Limited, St Francis Group (Leamore Lane) Limited, St Francis Group (Horizon 38) Limited, Cayborn Limited, St Francis Group Aldridge) Limited, St Francis Group (Ardath Road) Limited and DGH (Bolsover) Limited through the purchase of 100% of the share capital for total consideration of £4,675,844. The following table summarises the consideration paid by the Group, the fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

ST FRANCIS GROUP 2 LIMITED

Notes to the Consolidated Financial Statements - continued for the Period 21 February 2017 to 31 March 2018

17. BUSINESS COMBINATION (CONTINUED)

Consideration at 31 March 2017

Cash	4,469,839
Deferred consideration	183,200
Directly attributable costs	22,805
Total consideration	4,675,844

	Note	Book values	Adjustments	Fair value
Property, plant and equipment		-	-	-
Intangible assets		-	-	-
Cash and cash equivalents		21,510	-	21,510
Inventories	A	9,022,772	6,375,967	15,398,689
Trade and other receivables		8,977,312	-	8,977,312
Trade and other payables		(15,112,796)	-	(15,112,796)
Borrowings		-	-	-
Provisions		-	-	-
Contingent liability		-	-	-
Deferred tax assets/(liabilities)		-	-	-
Total identifiable net assets		2,908,748	6,375,967	9,284,715
Non-controlling interest				-
Goodwill				(4,608,872)
Total				4,675,844

a. The uplift in inventory to a third party valuation on acquisition.