

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND AUDITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
FOR
HIGHGROVE OSPREY PLC**

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HIGHGROVE OSPREY PLC

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HIGHGROVE OSPREY PLC

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2015**

DIRECTORS:

S T Whittley
AFS Commodities Limited (previously Highgrove Dragon Limited,
appointed 20 March 2015, dissolved 6 March 2018)
M J Kerridge (resigned 11 February 2015)
J P O'Connell (appointed 11 February 2015; resigned 20 March 2015)
A D J Farmiloe (resigned 1 August 2014)

SECRETARY:

S T Whittley

REGISTERED OFFICE:

150 Aldersgate Street
London
EC1A 4AB

REGISTERED NUMBER:

08293224 (England and Wales)

AUDITORS:

Moore Stephens LLP
Chartered Accountants and Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

HIGHGROVE OSPREY PLC

COMPANY INFORMATION FOR THE YEAR ENDED 31 MARCH 2015

The directors present their strategic report for the year ended 31 March 2015. The loss for the year amounted to £3,034,503 (2014: £677,027). Given the lack of trading activities both in the year and subsequently it is the intention of the Director to recover the related party debt by means of successful trading within that entity, and to inject sufficient capital, from any profit generated by the related party, to repay the bond-holders, including accrued interest, then to have the company wound-up. These financial statements are therefore prepared on a break-up basis.

Due to the lack of trading activity there are no key performance indicators relevant to the result for the year.

Principal Risks and Uncertainties

The principal risk is the non recovery of the debt due from Highgrove Securities LLP. This company is under common control to Highgrove Osprey Plc, but has not yet generated trading revenues out of which to repay Highgrove Osprey Plc. Whilst Highgrove Securities LLP has investment opportunities, none has been realised from which the debt can be reimbursed. There is therefore an inherent uncertainty over the recoverability of the related party debt and the debt has been provided for in full taking into account balances which were repaid in the following year.

ON BEHALF OF THE BOARD:



S T Whittle – Director

Date: 22 March 2016

HIGHGROVE OSPREY PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2015

The director presents his report with the financial statements of the company for the year ended 31 March 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of developing and delivering financial structuring activities on behalf of associated companies. Highgrove Osprey PLC is a niche private investment business specialising in creating financial solutions to meet funding requirements for specific investment and development opportunities. No such structures were delivered during the year or subsequently.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2015.

EVENTS SINCE THE END OF THE PERIOD

No trading revenues have been generated to the date of issue of these financial statements.

DIRECTORS

The director and related movements are set out on page 1.

INFORMATION INCLUDED IN THE STRATEGIC REPORT

The company's director has chosen to disclose information regarding the future developments and risk exposure of the company within their Strategic Report on page 2 of these financial statements.

The business review and financial objectives and risks are located in the strategic report.

RESULTS FOR THE PERIOD

The results for the period are shown on page 6 onwards.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The director is responsible for preparing the Report of the Directors, the strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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. He is 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.

HIGHGROVE OSPREY PLC

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2015**

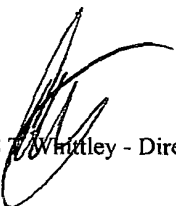
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Moore Stephens LLP will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



S. J. Whitley - Director

22nd November 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIGHGROVE OSPREY PLC

Disclaimer of opinion

We were engaged to audit the financial statements of Highgrove Osprey plc (the 'company') for the year ended 31 March 2015 which comprise the Profit and Loss account, the Balance Sheet, the Cash Flow statement and notes to the financial statements, including a summary of significant accounting policies. 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).

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. Additionally we refer, in the basis of disclaimer of opinion section, to a matter which would have required a modification of opinion in the absence of the matter which causes our disclaimer of opinion.

Basis for disclaimer of opinion

Management were unable to provide sufficient appropriate audit evidence in order to enable us to complete our testing, undertaken on a sample basis, on administrative expenses. We were unable to confirm or verify these expenses. As a result of these matters, we were unable to determine whether any adjustments were required to the profit and loss account. This matter gives rise to the disclaimer of opinion.

Additionally, with respect to redeemable bonds having a carrying value of £3,756,500 at 31 March 2015, the audit evidence available to use was limited because we were unable to get a third party confirmation of the value of the funds raised. We were unable to obtain sufficient evidence by alternative audit procedures. This matter would have given rise to a modification of opinion in the absence of the matter which has caused our disclaimer of opinion.

Opinions on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion whether, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Arising from the limitation on our work referred to above:

- we have not been able to determine if adequate accounting records have been kept; and
- we have not received all the information and explanations that we require for the purpose of our audit.

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:

- returns adequate for our audit have not been received from branches not visited by us; and
- the financial statements are not in agreement with the accounting records and returns; and
- certain disclosures of directors remuneration specified by law are not made.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIGHGROVE OSPREY PLC

Responsibilities of directors

As explained more fully in the directors' responsibilities Statement 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, and for such internal control as the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

Use of our report

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 for the opinions we have formed.



Paul Clark, *Senior Statutory Auditor*
For and on behalf of Moore Stephens LLP, Statutory Auditor
150 Aldersgate Street
London EC1A 4AB

Date: 27th March 2018

**PROFIT & LOSS ACCOUNT
AS AT 31 MARCH 2015**

	<u>Note</u>	<u>2015</u> £	<u>2014</u> <u>As restated</u> £
TURNOVER		-	1,795,638
Administrative expenses		(409,997)	(2,229,517)
Exceptional item	3	<u>(2,321,493)</u>	<u>-</u>
OPERATING LOSS	3	(2,731,490)	(433,879)
Interest payable and similar charges	4	<u>(303,013)</u>	<u>(243,148)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,034,503)	(677,027)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(3,034,503)</u>	<u>(677,027)</u>

The notes on pages 11 to 16 form part of these financial statements

HIGHGROVE OSPREY PLC (REGISTERED NUMBER: 08293224)

**BALANCE SHEET
AS AT 31 MARCH 2015**

	<u>Note</u>	<u>2015</u> £	<u>2014</u> <u>As restated</u> £
FIXED ASSETS			
Fixed Asset Investments	6	-	2
CURRENT ASSETS			
Debtors - amounts falling due in more than 1 year	7	-	2,457,179
- amounts falling due within 1 year	7	333,305	-
Cash at bank		5,236	98,625
		<u>338,541</u>	<u>2,555,804</u>
CREDITORS			
Amounts falling due within one year	8	<u>(4,000,071)</u>	<u>(3,182,833)</u>
NET CURRENT LIABILITIES		<u>(3,661,530)</u>	<u>(627,029)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(3,661,530)</u>	<u>(627,027)</u>
CAPITAL AND RESERVES			
Called up share capital	10	50,000	50,000
Profit and loss account	12	<u>(3,711,530)</u>	<u>(677,027)</u>
SHAREHOLDERS' FUNDS	12	<u>(3,661,530)</u>	<u>(627,027)</u>

The financial statements were approved and authorised for issue by the director on 26 March 2015 and were signed by:

 S T Whittle - Director

The notes on pages 11 to 16 form part of these financial statements

HIGHGROVE OSPREY PLC

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015		2014	
		£	£	£	£
					As restated
Net cash outflow from operating activities	1		(563,614)		(405,649)
Returns on investments and servicing of finance	2		(170,366)		(186,226)
Financing	2		<u>640,591</u>		<u>690,500</u>
(Decrease)/increase in cash in the period			<u>(93,389)</u>		<u>98,625</u>
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/increase in cash in the period			(93,389)		98,625
Cash inflow from increase in debt			(640,591)		(690,500)
Non-cash issue of debt			-		(2,437,909)
Share capital			<u>-</u>		<u>12,500</u>
Movement in net debt in the period			(733,980)		(3,017,284)
Net debt at 1 April			<u>(3,017,284)</u>		<u>-</u>
Net debt at 31 March			<u>(3,751,264)</u>		<u>(3,017,284)</u>

The notes on pages 11 to 16 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	<u>2015</u> £	<u>2014</u> £ As restated
Operating loss	(2,731,490)	(433,879)
Exceptional loss	2,321,493	-
Loss on disposal of investment	2	-
(Increase)/decrease in debtors	(197,619)	88,230
Increase in creditors	44,000	10,000
	<u>(563,614)</u>	<u>(336,649)</u>
Net cash (outflow) from operating activities	<u>(563,614)</u>	<u>(336,649)</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	<u>2015</u> £	<u>2014</u> £
Returns on investments and servicing of finance		
Interest paid	(170,366)	(186,224)
Purchase of investment	-	2
	<u>(170,366)</u>	<u>(186,226)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(170,366)</u>	<u>(186,226)</u>

	<u>2015</u> £	<u>2014</u> £
Financing		
Share issue	-	12,500
Receipts from the issuing of bonds	1,085,000	1,063,000
Repayments of amounts borrowed from bonds	(444,409)	(385,000)
	<u>640,591</u>	<u>690,500</u>
Net cash inflow from financing	<u>640,591</u>	<u>690,500</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At <u>31.03.14</u> £	Cashflow £	At <u>31.3.15</u> £
Net cash:			
Cash at bank	98,625	(93,389)	5,236
	98,625	(93,389)	5,236
Debt:			
Bond debts falling due within one year	(3,115,909)	(640,591)	(3,756,500)
Total	<u>(3,017,284)</u>	<u>(733,980)</u>	<u>(3,751,264)</u>

The notes on pages 11 to 16 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are also set out in the Strategic Review.

As it is the intention of the director to wind the company up when the bonds have been repaid, the Financial Statements have been prepared on a break-up basis. These accounts exclude any provision for future interest and professional fees as it is uncertain how long the company will continue in existence.

Turnover

Turnover comprises costs recharged to Highgrove Securities LLP.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs which are written off over the period to the date of redemption (364 days). Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Profit and Loss Account over the period of the borrowings on an effective interest basis. Coupon is due quarterly with capital redeemed annually unless there is agreement to roll the debt forward for a further 364 days.

Corporation tax

Tax on the profit or loss for the year comprises current and deferred taxation. Tax is recognised in the Profit and Loss Account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. ACCOUNTING POLICIES (CONTINUED)

Corporation tax (continued)

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. All currency differences are taken to the profit or loss account.

Use of accounting estimates

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates may differ from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed as follows:

Accrual estimates at the period-end have been based on work completed or goods received but not invoiced.

The key judgement relates to the recoverability of the amount due from an associated undertaking, Highgrove Securities LLP, this entity having been subject to a fraud in a prior period. Recovery of this debt is dependent on the debtor being able to generate profits from investment, which are presently prospective and not formally contracted for. This debtor has been impaired to its estimated recoverable amount, as shown in note 3.

Liquid resources

The liquid resources of the entity are considered by the directors to be those funds held within cash at bank. Liquid resources are accounted for on an accruals basis.

2. STAFF COSTS

There were no staff costs for the period ended 31 March 2015 (2014: Nil).

The average monthly number of employees for the period are as follows:

	<u>2015</u> £	<u>2014</u> £
Directors	<u>1</u>	<u>1</u>

3. OPERATING LOSS

The operating loss is stated after charging:

	<u>2015</u> £	<u>2014</u> £
Auditors' remuneration	20,000	10,000
Commission payable on issue of bonds	<u>162,690</u>	<u>572,191</u>

Exceptional loss – write off of investments and related party balances:

	<u>2015</u> £	<u>2014</u> £
The write-off relates to the amounts due from:		
Highgrove Securities LLP	2,218,922	-
Highgrove Yachts Limited	1,992	-
Other investments	<u>100,579</u>	-
	<u>2,321,493</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

4. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2015</u> £	<u>2014</u> £
Interest on redeemable bonds	<u>303,013</u>	<u>243,148</u>

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the period ended 31 March 2015.

The tax charge on the losses on ordinary activities for the year was as follows:

	<u>2015</u> £	<u>2014</u> £
Current tax:		
UK corporation tax	-	-
Deferred tax	<u>-</u>	<u>-</u>
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting the tax charge

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

	<u>2015</u> £	<u>2014</u> £
Loss on ordinary activities before tax	<u>(3,034,503)</u>	<u>(677,027)</u>
	<u>2015</u> £	<u>2014</u> £
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20%	606,900	135,405
Unutilised tax losses	<u>(606,900)</u>	<u>(135,405)</u>
Current tax charge	<u>-</u>	<u>-</u>

No deferred tax asset has been recognised due to the uncertainty of future revenue streams.

6. FIXED ASSET INVESTMENTS

Shares in Group Undertakings

	<u>2015</u> £	<u>2014</u> £
At 1 April	2	2
Disposals	<u>(2)</u>	<u>-</u>
As at 31 March	<u>-</u>	<u>2</u>

Investments in group undertakings are stated at cost being the nominal value of the relevant number of the company's shares. On 17 January 2013 the company acquired 100% of the ordinary share capital of Highgrove Yachts Limited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

6. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings are as follows:

Name	Shareholding	Nature of Business	Place of Registration	Capital and reserves at 31.03.2014	Capital and reserves at 31.03.2015
Highgrove Yachts Limited	100%	Dormant	England and Wales	£2	£2

Highgrove Yachts Limited was struck off without having traded, on 19th January 2016.

During the year the company incurred costs of £100,579 in respect of aborted investments.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2015</u> £	<u>2014</u> £
Unpaid share capital	37,500	-
Amounts due from associated undertakings (note 11)	243,780	-
Directors loan account	52,025	-
	<u>333,305</u>	<u>-</u>

DEBTORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	<u>2015</u> £	<u>2014</u> £
Unpaid share capital	-	37,500
Amounts due from associated undertakings	-	2,417,687
Amounts due from subsidiary undertakings	-	1,992
	<u>-</u>	<u>2,457,179</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2015</u> £	<u>2014</u> £
Redeemable bonds (note 9)	3,756,500	3,115,909
Accrued interest payable	189,571	56,924
Amounts due to related party (note 11)	9,000	-
Other accruals	45,000	10,000
	<u>4,000,071</u>	<u>3,182,833</u>

9. LOANS

An analysis of the maturity of loans is given below:
Amounts falling due within one year or on demand:

	<u>2015</u> £	<u>2014</u> £
Redeemable bonds at 1 April	3,115,909	-
Subscription	1,085,000	3,500,909
Redemption	(444,409)	(385,000)
	<u>3,756,500</u>	<u>3,115,909</u>
Redeemable Bonds at 31 March		

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

9. LOANS (continued)

Bondholders subscribed for bonds at an 8.25% interest rate redeemable 364 days after issue. Bonds can be redeemed in whole at an earlier date by the holders at their principal amount including accrued interest at the option of the issuer at any time in the event of certain events described within the terms and conditions of the bond holder agreement.

During the period under review the company incurred issuance costs of £162,690 (2014: £572,191) payable in the form of commissions. There were no premiums or discounts applied on these financial liabilities.

The notes constitute direct, unconditional and unsecured obligations of the Issuer and shall at all times rank pari passu, without preference to the amount themselves, with all other present and future unsecured and unsubordinated obligations of the Issuer, but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

The conditions contain a negative pledge provision pursuant to which the Issuer may not create, assume or permit to subsist any security over their present or future undertaking, assets or revenues to secure any debt without securing the Notes equally and rateably within, subject to certain exceptions.

No security has been issued by the company and the bonds are unpaid as of the date of approval of these financial statements.

The bank guarantee expired on 29 September 2014 and was not replaced.

At the balance sheet date the fair value of the redeemable bonds, which are measured at amortised cost, are considered by the director to be equal to their cost.

10. CALLED UP SHARE CAPITAL

Allotted, Issued, called up and fully paid			
Number:	Class:	Nominal Value:	£
12,500	Ordinary	£1.00	<u>12,500</u>
Allotted, issued and unpaid:			
Number:	Class:	Nominal Value:	£
37,500	Ordinary	£1.00	<u>37,500</u>
Total			<u>50,000</u>

All shares rank equally and have equal voting rights. The holders of Ordinary shares in the company are entitled to receive dividends when declared.

11. RELATED PARTY DISCLOSURES

During the year the following transactions subsisted between related parties as follows:

Highgrove Securities LLP

Mr S Whitley is a designated member of the LLP. During the period the company delivered services to Highgrove Securities LLP amounting to £Nil (2014: £1,795,638).

Highgrove Securities LLP is an internal advisory business to the company and the company procured such services amounting to £Nil (2014: £1,500,000) in the year. At 31 March 2015, amounts due from Highgrove Securities LLP amounted to £243,780 (2014: £2,417,687) after provision for irrecoverable debts of £2,218,922.

The balance of £243,780 was repaid subsequent to the year end.

HIGHGROVE OSPREY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

11. RELATED PARTY DISCLOSURES (continued)

Hawkshill Property Holdings Limited

At the year end the company owed Hawkshill Property Holdings Plc, which is under common control, £9,000 (2014: £Nil).

Highgrove Yachts Limited

At 31 March 2015, amounts due from Highgrove Yachts Ltd amounted to £Nil (2014: £1,992) the balance of £1,992 being provided for due to the subsequent strike-off of the company.

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Ordinary Share Capital £	Profit and Loss Reserve £	Total £
Shareholders' funds at 1 April 2014 as previously reported	50,000	(521,105)	(471,105)
Prior year adjustment	-	(155,922)	(155,922)
Shareholder fund at 1 April 2014 as restated	50,000	(677,027)	(627,027)
Deficit for the period	-	(3,034,503)	(3,034,503)
Shareholders' funds at 31 March 2015	50,000	(3,711,530)	(3,661,530)

The prior year adjustment arose from a misallocation of bond receipts and relates costs in the prior period.

13. ULTIMATE CONTROLLING PARTY

As at the signing date, the immediate and ultimate controlling party is Mr S T Whitley who holds 100% of the share capital.