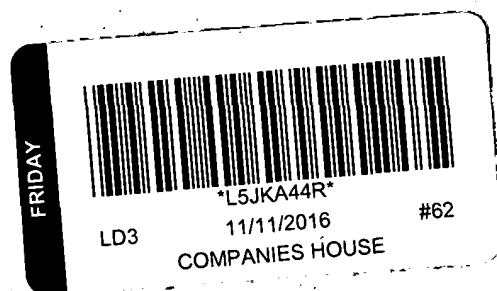

BLUSTON SECURITIES LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016



BLUSTON SECURITIES LTD

COMPANY INFORMATION

Directors	M D Paisner CBE R Glatter Alternate Director: H M Paisner (appointed 17 August 2016)
Company secretary	M D Paisner CBE
Registered number	00650310
Registered office	25 Moorgate London EC2R 6AY
Independent auditor	Nexia Smith & Williamson 25 Moorgate London EC2R 6AY

BLUSTON SECURITIES LTD

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Consolidated statement of comprehensive income	5
Consolidated balance sheet	6
Company balance sheet	7
Consolidated statement of changes in equity	8 - 9
Company statement of changes in equity	10 - 11
Notes to the financial statements	12 - 36

BLUSTON SECURITIES LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the financial statements for the year ended 31 March 2016.

Results and dividends

The profit for the year, after taxation, amounted to £14,227,012 (2015 - £3,704,602).

During the year the directors declared and paid dividends of £1,000,000 (2015: £800,000) in the year.

Principal activities

The principal activity of the Group continues to be property investment and management. The consolidated financial statements present the results of the Company and its wholly owned subsidiary, Bluston Securities (Bordon) Limited.

Review of the business

Turnover from rental income and service charges has decreased by 11% from £2,590,226 to £2,282,255 in the year due to significant rent reviews on several properties in the previous period; £384,990 of the turnover last year related to backdated rent reviews relating to prior periods. The significant majority of the property portfolio continues to be let and a lack of voids coupled with excellent debtor recoverability continues to be pleasing in the current climate.

The property portfolio was professionally valued by the Newton Perkins Property Consultants as at 31 March 2010 which led to an increase in the carrying value of the properties of £22,810,651. The accounting standards do not require professional valuations to be undertaken annually and the directors do not consider doing so to be of sufficient value to shareholders to warrant a full valuation being performed. The directors therefore requested Newton Perkins to value the property portfolio based on the movement in the market value in the year on the information available to them. This has led to an increase of £15,230,003 on the value of the properties, primarily relating to the properties held at the Royal Arcade in London. It should be noted that while deferred tax on this gain was not previously recognised in the balance sheet under old UK GAAP, under FRS 102 the recognition of this timing difference is required. The impact of the deferred tax is recognised in profit or loss but then transferred to the revaluation reserve.

Overall the directors were satisfied with the performance of the Group during the year.

Directors

The directors who served during the year were:

M D Paisner CBE
R Glatter

Alternate Director's

On 17 August 2016 H M Paisner was appointed as an alternate director.

BLUSTON SECURITIES LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 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 the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Auditor

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

This report was approved by the board on 4th November 2016 and signed on its behalf.

R Glatter
Director



BLUSTON SECURITIES LTD

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BLUSTON SECURITIES LTD

We have audited the financial statements of Bluston Securities Ltd for the year ended 31 March 2016, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Balance sheets, the Consolidated and Company Statement of changes in equity and the related notes 1 to 26. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' responsibilities statement on page 2, 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 Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the parent Company's affairs as at 31 March 2016 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

BLUSTON SECURITIES LTD

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BLUSTON SECURITIES LTD
(CONTINUED)**

Matters on which we are required to report by exception

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

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

Nexia Smith & Williamson

Jacqueline Oakes (Senior statutory auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditor & Registered Auditor

25 Moorgate

London

EC2R 6AY

Date: *8 November 2016*

BLUSTON SECURITIES LTD

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Turnover	4	2,282,255	2,590,226
Cost of sales		(640,586)	(1,051,485)
Gross profit		1,641,669	1,538,741
Administrative expenses		(235,823)	(222,396)
Fair value movements on investment property	15	15,230,003	3,329,275
Fair value movements on fixed asset investments	14	(13,564)	30,390
Operating profit	5	16,622,285	4,676,010
Income from fixed assets investments	8	22,424	14,175
(Loss) on disposal of investments		-	(441)
Interest receivable and similar income	9	50,385	70,514
Profit before taxation		16,695,094	4,760,258
Tax on profit	10	(2,468,082)	(1,055,656)
Profit for the year		14,227,012	3,704,602
Total comprehensive income for the year attributable to owners of the Company		14,227,012	3,704,602

BLUSTON SECURITIES LTD
REGISTERED NUMBER: 00650310

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	13		1,999		2,665
Investments	14		1,645,599		1,661,594
Investment property	15		54,200,001		38,969,998
			<u>55,847,599</u>		<u>40,634,257</u>
Current assets					
Debtors: amounts falling due within one year	16	992,818		898,176	
Cash at bank and in hand	17	6,864,030		7,113,634	
			<u>7,856,848</u>	<u>8,011,810</u>	
Creditors: amounts falling due within one year	18	(608,154)		(957,456)	
Net current assets			<u>7,248,694</u>		<u>7,054,354</u>
Total assets less current liabilities			<u>63,096,293</u>		<u>47,688,611</u>
Provisions for liabilities					
Deferred taxation	20	(7,434,401)		(5,253,731)	
			<u>(7,434,401)</u>		<u>(5,253,731)</u>
Net assets			<u>55,661,892</u>		<u>42,434,880</u>
Capital and reserves					
Called up share capital	21		401,850		401,850
Revaluation reserve	22		41,401,517		28,352,184
Non-distributable reserve	22		12,832,279		12,832,279
Profit and loss account	22		1,026,246		848,567
Equity attributable to owners of the parent Company			<u>55,661,892</u>		<u>42,434,880</u>
			<u>55,661,892</u>		<u>42,434,880</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

R Glatter
Director

M D Paisner CBE
Director

4th Nov 2016

BLUSTON SECURITIES LTD
REGISTERED NUMBER: 00650310

COMPANY BALANCE SHEET
AS AT 31 MARCH 2016

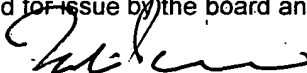
	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	13		1,999		2,665
Investments	14		1,645,601		1,661,596
Investment property	15		50,730,001		35,549,998
			<u>52,377,601</u>		<u>37,214,259</u>
Current assets					
Debtors: amounts falling due within one year	16	3,673,812		3,717,366	
Cash at bank and in hand	17	6,844,025		7,093,629	
			<u>10,517,837</u>	<u>10,810,995</u>	
Creditors: amounts falling due within one year	18	(525,782)		(835,494)	
			<u>9,992,055</u>		<u>9,975,501</u>
Net current assets					
			<u>9,992,055</u>		<u>9,975,501</u>
Total assets less current liabilities			<u>62,369,656</u>		<u>47,189,760</u>
Provisions for liabilities					
Deferred taxation	20	(7,434,401)		(5,253,731)	
			<u>(7,434,401)</u>	<u>(5,253,731)</u>	
Net assets excluding pension asset			<u>54,935,255</u>		<u>41,936,029</u>
Net assets			<u>54,935,255</u>		<u>41,936,029</u>
Capital and reserves					
Called up share capital	21		401,850		401,850
Revaluation reserve	22		41,503,044		28,503,711
Non-distributable reserve	22		12,832,279		12,832,279
Profit and loss account	22		198,082		198,189
Equity attributable to owners of the parent Company			<u>54,935,255</u>		<u>41,936,029</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

R Glatter
Director



M D Paisner CBE
Director



4th Nov 2016

BLUSTON SECURITIES LTD

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital	Investment property revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2015	401,850	28,352,184	12,832,279	848,567	42,434,880
Comprehensive income for the year					
Profit for the year	-	-	-	14,227,012	14,227,012
Other comprehensive income for the year					
	-	-	-	-	-
Total comprehensive income for the year	-	-	-	14,227,012	14,227,012
Dividends: Equity capital	-	-	-	(1,000,000)	(1,000,000)
Transfer to/from profit and loss account	-	13,049,333	-	(13,049,333)	-
At 31 March 2016	401,850	41,401,517	12,832,279	1,026,246	55,661,892

The transfer to the revaluation reserve represents the revaluation uplift less the related deferred tax.

BLUSTON SECURITIES LTD

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

	Called up share capital	Investment property revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2014	401,850	25,789,460	12,832,279	506,689	39,530,278
Comprehensive income for the year					
Profit for the year	-	-	-	3,704,602	3,704,602
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,704,602	3,704,602
Dividends: Equity capital	-	-	-	(800,000)	(800,000)
Transfer to/from profit and loss account	-	2,562,724	-	(2,562,724)	-
At 31 March 2015	401,850	28,352,184	12,832,279	848,567	42,434,880

The transfer to the revaluation reserve represents the revaluation uplift less the related deferred tax.

BLUSTON SECURITIES LTD

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital	Revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2015	401,850	28,503,711	12,832,279	198,189	41,936,029
Comprehensive income for the year					
Profit for the year	-	-	-	13,999,226	13,999,226
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	13,999,226	13,999,226
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(1,000,000)	(1,000,000)
Transfer to/from profit and loss account	-	12,999,333	-	(12,999,333)	-
At 31 March 2016	401,850	41,503,044	12,832,279	198,082	54,935,255

The transfer to the revaluation reserve represents the revaluation uplift less the related deferred tax.

BLUSTON SECURITIES LTD

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

	Called up share capital	Revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2014	401,850	25,282,806	12,832,279	4,689	38,521,624
Comprehensive income for the year					
Profit for the year	-	-	-	4,214,405	4,214,405
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	4,214,405	4,214,405
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(800,000)	(800,000)
Transfer to/from profit and loss account	-	3,220,905	-	(3,220,905)	-
At 31 March 2015	401,850	28,503,711	12,832,279	198,189	41,936,029

The transfer to the revaluation reserve represents the revaluation uplift less the related deferred tax.

BLUSTON SECURITIES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. General information

Bluston Securities Limited is a private limited company incorporated in England and Wales. The address of the registered office is 25 Moorgate, London EC2R 6AY.

The nature of the Company's operations and its principal activities since incorporation has been property investment and management.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of Investment property and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 26.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Company's accounting policies (see note 3).

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

2.2 Transition exemptions

In preparing the financial statements of the Group, the following transition exemptions in FRS 102 have been adopted:

- Lease incentives

Further details are given in the accounting policies below:

2.3 Disclosure exemptions

The Parent Company meets the definition of a qualifying entity as set out in FRS 102. Accordingly in preparing the separate financial statements of the Parent Company, the following disclosure exemptions in FRS 102 have been adopted:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented, as the reconciliations for the Group and the Parent Company would be identical;
- Disclosures in respect of the Parent Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- No disclosures have been provided for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the totals for the Group as a whole.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)

2.4 Cash flow exemption

In preparing the separate financial statements of the Group and Parent Company, the following disclosure exemptions in FRS 102 have been adopted:

- In accordance with 7.1B of FRS 102 as a small entity, the requirements of Section 7 to prepare a statement of cash flows have not been applied.

2.5 Basis of consolidation

The Group financial statements consolidate the results, assets and liabilities of Bluston Securities Limited and its subsidiary undertaking up to 31 March 2016 using the purchase method of accounting. The results of businesses acquired are included from the date of acquisition.

The Company has taken advantage of the exemption provided under section 408 of the Companies Act 2006 not to publish its individual statement of comprehensive income and related notes.

2.6 Revenue

Revenue represents the amounts receivable for rental income, service charges, goods and services, net of VAT.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rental income and service charges are recognised on the basis of the amount receivable for the year. Where there is a material rent free period on the lease incentive, and the amount is considered to be recoverable, the income is spread evenly over the lease term. The lease term represents the non-cancellable period for which the lessee has contract to lease the asset together with any further terms for the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonable certain that the lessee will exercise the option.

Rents received in advance are shown as deferred income in the balance sheet.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures & fittings	- 25% reducing balance
---------------------	------------------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

2.8 Investment property

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

Investments properties are remeasured to fair value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted shares, whose fair value can be reliably determined, are remeasured to fair value at each reporting date. Gains and losses on remeasurement are recognised in the profit or loss for the period. Where fair value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to fair value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price, including transaction costs. Except for those financial assets and liabilities classified as at fair value through profit or loss,

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.11 Financial instruments (continued)

where they are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction in which case they are measured at the present value of future payments, discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the criteria set out within section 11 of FRS 102 for basic financial instruments are subsequently measured at amortised cost using the effective interest method.

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the conditions are measured at undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.15 Current and deferred taxation

Current tax, including UK corporation tax and foreign 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 reporting 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 reporting date. Timing differences are differences between the Group'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 periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are 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 using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: (a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and (b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.16 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

Non-financial assets comprise tangible fixed assets.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets

Financial assets comprise trade and other debtors.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

BLUSTON SECURITIES LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.16 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

Non-financial assets comprise tangible fixed assets.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets

Financial assets comprise trade and other debtors.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

BLUSTON SECURITIES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carry value of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgements

Financial instruments classification

The classification of financial instruments as "basic" or "other" requires judgement as to whether all the applicable conditions for classification as basic are met. This includes consideration of the form of the instrument and its return.

Lease incentives

Where there is a material rent free period on the lease incentive, and the amount is considered to be recoverable, the income is spread evenly over the lease term. The lease term represents the non-cancellable period for which the lessee has contract to lease the asset together with any further terms for the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonable certain that the lessee will exercise the option. Judgement is therefore required for each specific lease in order to determine whether the non-cancellable period is considered to be up to the end of the lease term, or up to the break date.

Key sources of estimation uncertainty

Investment property

The valuation of the property held is a central component of the business. In estimating the fair value, management periodically engage third party qualified valuers to perform the valuation. At observation dates where a third party value has not been sought, the Directors will provide their own fair value estimates having regard to their knowledge of up to date relevant market information which will include speaking informally to third parties from within the industry.

The investment properties held are principally valued using the residual value method of valuation. Under this methodology the Directors use the yield methodology valuation technique which uses market rental values capitalised with market capitalisation rates. The resulting valuations cross checked against initial yields and fair market value from recent market transactions. A change in estimated rental values or yield will change the valuation. The interrelationship between all of these inputs is determined by market conditions.

Details of the amounts in respect to investment properties are disclosed in note 15.

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

4. Turnover

	2016 £	2015 £
Rental income and service charge	2,063,494	2,361,504
Recovered expenses	218,761	228,722
	<u>2,282,255</u>	<u>2,590,226</u>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	666	888
Fees payable to the Group's auditor and its associates for the audit of the Company's annual financial statements	20,350	20,000

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	92,000	71,000
Social security costs	10,457	8,562
	<u>102,457</u>	<u>79,562</u>

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

	2016 No.	2015 No.
Office	<u>2</u>	<u>1</u>

7. Directors' remuneration

	2016 £	2015 £
Directors' remuneration	<u>80,000</u>	<u>70,000</u>

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

8. Income from investments

	2016	2015
	£	£
Income from fixed asset investments	22,424	14,175
	22,424	14,175

9. Interest receivable

	2016	2015
	£	£
Other interest receivable	50,385	70,514
	50,385	70,514

10. Taxation

	2016	2015
	£	£
Current tax on profits for the year	289,039	291,409
Adjustments in respect of previous periods	(1,627)	(2,304)
Total current tax	287,412	289,105
Deferred tax		
Origination and reversal of timing differences	2,706,043	766,551
Effect of tax rate change on opening balance	(525,373)	
Total deferred tax	2,180,670	766,551
Taxation on profit on ordinary activities	2,468,082	1,055,656

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2015 - the same as) the standard rate of corporation tax in the UK of 20% (2015 - 21%) as set out below:

	2016 £	2015 £
Profit on ordinary activities before tax	16,695,094	4,760,258
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	3,339,019	999,654
Effects of:		
Adjustments to tax charge in respect of prior periods	(1,627)	(2,304)
Change in tax rates	(829,280)	(33,293)
Indexation	(29,286)	70,391
Other differences leading to an (decrease)/increase in taxation	(12,044)	27,116
Expenses not deductible for tax purposes	3,198	8,443
Non-taxable income	(1,898)	(14,351)
Total tax charge for the year	2,468,082	1,055,656

Factors that may affect future tax charges

On 8 July 2015 the government announced its intention to propose to Parliament a reduction in the corporation tax rate to 19% for the tax years 2017 to 2020 and 18% for the tax year 2020.

Finance (No.2) Bill 2015 provides that the rate of corporation tax for the 2017 Financial Year (commencing 1 April 2017) will be 19% and that the rate from 1 April 2020 would be 18%. This bill became substantively enacted on 26 October 2015.

11. Dividends

	2016 £	2015 £
Dividends paid on ordinary shares	1,000,000	800,000
	1,000,000	800,000

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

12. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent Company for the year was £13,999,226 (2015 - £4,214,405).

13. Tangible fixed assets**Group**

	Fixtures & fittings £
Cost or valuation	
At 1 April 2015	35,491
At 31 March 2016	35,491
Depreciation	
At 1 April 2015	32,826
Charge for the year	666
At 31 March 2016	33,492
Net book value	
At 31 March 2016	1,999
At 31 March 2015	2,665

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

Company**Fixtures &
fittings
£****Cost or valuation**

At 1 April 2015 35,491

At 31 March 2016 35,491

Depreciation

At 1 April 2015 32,826

Charge for the year 666

At 31 March 2016 33,492

At 31 March 2016 1,999

At 31 March 2015 2,665

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

14. Fixed asset investments**Group**

	Listed investments £
Cost or valuation	
At 1 April 2015	1,661,594
Additions	464,694
Disposals	(467,125)
Revaluations	(13,564)
At 31 March 2016	<u>1,645,599</u>
Net book value	
At 31 March 2016	<u><u>1,645,599</u></u>
At 31 March 2015	<u><u>1,661,594</u></u>

Listed investments represent investments in non-puttable ordinary shares. The fair value of listed investments was determined with reference to the quoted market price at the reporting date. The cost of the shares on acquisition was £1,630,238 (2014: £1,632,667)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Bluston Securities (Bordon) Limited	England and Wales	Ordinary	100 %	Property investment and management

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

14. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2015	2	1,661,594	1,661,596
Additions	-	464,694	464,694
Disposals	-	(467,125)	(467,125)
Revaluations	-	(13,564)	(13,564)
At 31 March 2016	2	1,645,599	1,645,601
Net book value			
At 31 March 2016	2	1,645,599	1,645,601
At 31 March 2015	2	1,661,594	1,661,596

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

15. Investment property

Group

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2015	12,969,998	26,000,000	38,969,998
Surplus on revaluation	1,230,003	14,000,000	15,230,003
At 31 March 2016	14,200,001	40,000,000	54,200,001

The 2016 valuations were made by the Newton Perkins, on an open market for existing use basis based on the market growth in capital values since the previous full valuations undertaken. The underlying capital growth and yield assumptions used in the valuation were independently reviewed by the Directors and were considered to be appropriate.

Company

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2015	9,549,998	26,000,000	35,549,998
Surplus on revaluation	1,180,003	14,000,000	15,180,003
At 31 March 2016	10,730,001	40,000,000	50,730,001

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

16. Debtors

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Trade debtors	792,733	878,109	648,547	771,211
Amounts owed by group undertakings	-	-	2,780,656	2,928,030
Other debtors	-	-	47,313	-
Prepayments and accrued income	200,085	20,067	197,296	18,125
	<u>992,818</u>	<u>898,176</u>	<u>3,673,812</u>	<u>3,717,366</u>

17. Cash and cash equivalents

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Cash at bank and in hand	6,864,030	7,113,634	6,844,025	7,093,629
	<u>6,864,030</u>	<u>7,113,634</u>	<u>6,844,025</u>	<u>7,093,629</u>

18. Creditors: Amounts falling due within one year

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Trade creditors	570	-	-	-
Corporation tax	5,756	144,267	-	95,650
Taxation and social security	56,107	69,466	45,157	58,930
Other creditors	47,861	31,806	47,861	31,806
Accruals and deferred income	497,860	711,917	432,764	649,108
	<u>608,154</u>	<u>957,456</u>	<u>525,782</u>	<u>835,494</u>

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

16. Debtors

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Trade debtors	792,733	878,109	648,547	771,211
Amounts owed by group undertakings	-	-	2,780,656	2,928,030
Other debtors	-	-	47,313	-
Prepayments and accrued income	200,085	20,067	197,296	18,125
	992,818	898,176	3,673,812	3,717,366

17. Cash and cash equivalents

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Cash at bank and in hand	6,864,030	7,113,634	6,844,025	7,093,629
	6,864,030	7,113,634	6,844,025	7,093,629

18. Creditors: Amounts falling due within one year

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Trade creditors	570	-	-	-
Corporation tax	5,756	144,267	-	95,650
Taxation and social security	56,107	69,466	45,157	58,930
Other creditors	47,861	31,806	47,861	31,806
Accruals and deferred income	497,860	711,917	432,764	649,108
	608,154	957,456	525,782	835,494

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

19. Financial instruments

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Financial assets				
Financial assets measured at fair value through profit or loss	6,864,030	7,113,634	6,844,025	7,093,629
Financial assets measured at undiscounted cost	978,749	787,109	3,615,219	1,069,241
	7,842,779	7,900,743	10,459,244	8,162,870
Financial liabilities				
Financial liabilities measured at undiscounted cost	(481,195)	(680,914)	(480,625)	(680,914)
	(481,195)	(680,914)	(480,625)	(680,914)

Financial assets measured at undiscounted cost comprise trade debtors, intercompany balances and accrued income.

Financial Liabilities measured at undiscounted cost comprise trade creditors, other creditors and accruals.

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

20. Deferred taxation

Group

	2016 £
At beginning of year	(5,253,731)
Charged to the profit or loss	(2,180,670)
At end of year	(7,434,401)

Company

	2016 £
At beginning of year	(5,253,731)
Charged to the profit or loss	(2,180,670)
At end of year	(7,434,401)

The provision for deferred taxation is made up as follows:

	Group 2016 £	Company 2016 £
Capital gains and losses	(7,434,401)	(7,434,401)
	(7,434,401)	(7,434,401)

21. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
1,607,400 Ordinary shares of £0.25 each	401,850	401,850

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

22. Reserves**Revaluation reserve**

This reserve relates to the cumulative unrealised gains/(deficits) recognised on the Company's Investment Properties net of any associated deferred tax movements.

Non-distributable reserve

Under the Company's Memorandum of Association, any surplus arising net of tax from the disposal of its investment properties are not available for distribution, and therefore are transferred to a separate non-distributable reserve. The reserve represents the cumulative surplus in respect of disposals previously made.

Profit & loss account

This reserve relates to the cumulative profits and losses earned by the Company less amounts distributed to shareholders.

23. Amounts receivable under operating leases

At 31 March 2016 the Group and the Company had future minimum amounts receivable under non-cancellable operating leases as follows:

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Not later than 1 year	2,052,753	2,052,753	1,817,753	1,817,753
Later than 1 year and not later than 5 years	6,756,621	6,756,621	5,816,621	5,816,621
Later than 5 years	9,580,803	11,633,557	8,203,118	10,020,872
	<u>18,390,177</u>	<u>20,442,931</u>	<u>15,837,492</u>	<u>17,655,246</u>

24. Related party transactions

M D Paisner is a partner of Berwin Leighton Paisner. During the year Berwin Leighton Paisner charged the Company £126,705 (2015: £81,229) in relation to property transactions, debt recovery and general legal advice. There was £18,300 (2015: £12,000) outstanding at the year end.

During the year R G Consultancy charged the Company £15,000 (2015: £12,000) in relation to rent and service charges.

The total remuneration for key management personnel for the period totalled £89,921 (2014: £78,562).

The Company has used the exemption under FRS 102 Section 33 "Related Party Disclosures" to not disclose the transactions with its wholly owned subsidiary undertaking, Bluston Securities (Bordon) Limited.

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

25. Controlling party

The ultimate controlling part is the Bluston Charitable Trust by virtue of its majority shareholding in Bluston Securities Limited.

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

26. First time adoption of FRS 102

These financial statements are the Group and Company's first financial statements that comply with FRS 102. The date of transition to FRS 102 was 1 April 2014.

The transition to FRS 102 has resulted in a small number of changes in accounting policies compared to those used previously. The following tables describe the differences between the amounts presented previously under UK GAAP and as restated to comply with FRS 102:

- in the statement of comprehensive income and balance sheet for the year ended 31 March 2015 (ie comparative information); and
- in the opening balance sheet (ie at 1 April 2014, the date of transition).

BLUSTON SECURITIES LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

26. First time adoption of FRS 102 (continued)

Group

		As previously stated 1 April 2014 £	Effect of transition 1 April 2014 £	FRS 102 (as restated) 1 April 2014 £	As previously stated 31 March 2015 £	Effect of transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Note							
Fixed assets	2	36,273,674	(1,463)	36,272,211	40,605,330	28,927	40,634,257
Current assets		10,158,765	-	10,158,765	8,011,810	-	8,011,810
Creditors: amounts falling due within one year		(2,413,517)	-	(2,413,517)	(957,456)	-	(957,456)
Current assets less current liabilities		7,745,248	-	7,745,248	7,054,354	-	7,054,354
Total assets less current liabilities		44,018,922	(1,463)	44,017,459	47,659,684	28,927	47,688,611
Provisions for liabilities	1	-	(4,487,180)	(4,487,180)	-	(5,253,731)	(5,253,731)
Net assets		44,018,922	(4,488,643)	39,530,279	47,659,684	(5,224,804)	42,434,880
Capital and reserves		44,018,922	(4,488,643)	39,530,279	47,659,684	(5,224,804)	42,434,880

BLUSTON SECURITIES LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

26. First time adoption of FRS 102 (continued)

	Note	As previously stated 31 March 2015 £	Effect of transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Turnover		2,590,226	-	2,590,226
Cost of sales		(1,051,485)	-	(1,051,485)
		<u>1,538,741</u>	<u>-</u>	<u>1,538,741</u>
Administrative expenses		(222,396)	-	(222,396)
Fair value movements	1,2	-	3,359,665	3,359,665
		<u>1,316,345</u>	<u>3,359,665</u>	<u>4,676,010</u>
Operating profit		1,316,345	3,359,665	4,676,010
Income from investments		14,175	-	14,175
Loss on disposal of investments		(441)	-	(441)
Interest receivable and similar income		70,514	-	70,514
Taxation	1	(289,105)	(766,551)	(1,055,656)
		<u>1,111,488</u>	<u>2,593,114</u>	<u>3,704,602</u>
Profit on ordinary activities after taxation and for the financial year		<u>1,111,488</u>	<u>2,593,114</u>	<u>3,704,602</u>

Explanation of changes to previously reported profit and equity:

- 1 Valuation changes in respect of investment properties and freehold property under previous GAAP were recorded in the reserves. They are now recorded through profit or loss for the year. Deferred tax is recognised on the gain which previously was not reported.
- 2 Valuation changes in respect of listed investments under the alternative accounting rules were previously not recorded are now recorded in profit or loss.

BLUSTON SECURITIES LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

26. First time adoption of FRS 102 (continued)

Company

	Note	As previously stated 1 April 2014 £	Effect of transition 1 April 2014 £	FRS 102 (as restated) 1 April 2014 £	As previously stated 31 March 2015 £	Effect of transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Fixed assets	2	32,177,396	(1,463)	32,175,933	37,185,332	28,927	37,214,259
Current assets		13,159,340	-	13,159,340	10,810,995	-	10,810,995
Creditors: amounts falling due within one year		(2,344,568)	-	(2,344,568)	(835,494)	-	(835,494)
Current assets less current liabilities		10,814,772	-	10,814,772	9,975,501	-	9,975,501
Total assets less current liabilities		42,992,168	(1,463)	42,990,705	47,160,833	28,927	47,189,760
Provisions for liabilities	1	-	(4,469,081)	(4,469,081)	-	(5,253,731)	(5,253,731)
Net assets		42,992,168	(4,470,544)	38,521,624	47,160,833	(5,224,804)	41,936,029
Capital and reserves		42,992,168	(4,470,544)	38,521,624	47,160,833	(5,224,804)	41,936,029

BLUSTON SECURITIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

26. First time adoption of FRS 102 (continued)

Company	Note	As previously stated 31 March 2015 £	Effect of transition 31 March 2015 £	FRS 102 (as restated) 31 March 2015 £
Turnover		2,357,596	-	2,357,596
Cost of sales		(1,033,776)	-	(1,033,776)
		<u>1,323,820</u>	<u>-</u>	<u>1,323,820</u>
Administrative expenses		(204,496)	-	(204,496)
Fair value movements	1,2	-	4,035,945	4,035,945
		<u>1,119,324</u>	<u>4,035,945</u>	<u>5,155,269</u>
Operating profit		1,119,324	4,035,945	5,155,269
Income from investments		14,175	-	14,175
Loss on disposal of investments		(441)	-	(441)
Interest receivable and similar income		70,500	-	70,500
Taxation		(240,448)	(784,650)	(1,025,098)
		<u>963,110</u>	<u>3,251,295</u>	<u>4,214,405</u>
Profit on ordinary activities after taxation and for the financial year		963,110	3,251,295	4,214,405

Explanation of changes to previously reported profit and equity:

- 1 Valuation changes in respect of investment properties and freehold property under previous GAAP were recorded in the reserves. They are now recorded through profit or loss for the year. Deferred tax is recognised on the gain which previously was not reported.
- 2 Valuation changes in respect of listed investments under the alternative accounting rules were previously not recorded are now recorded in profit or loss.