REGISTERED NUMBER: 01391421 (England and Wales)

Co. No.

Group Strategic Report,

Report of the Directors and

Consolidated Financial Statements

for the Year Ended 30 June 2016

for

Kexgill Limited

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Kexgill Limited

Company Information
for the Year Ended 30 June 2016

DIRECTORS:	Dr. M.H.S. Lee R. Stott M. Grassam
SECRETARY:	Mr. M. Grassam
REGISTERED OFFICE:	103 Cottingham Road Hull East Yorkshire HU5 2DG
REGISTERED NUMBER:	01391421 (England and Wales)
SENIOR STATUTORY AUDITOR:	Anthony Rowland FCA
AUDITORS:	Norrie Gibson & Co Limited Statutory Auditors, Chartered Accountants, Grosvenor House, 100-102,Beverley Road, Hull. HU3 1YA

Group Strategic Report for the Year Ended 30 June 2016

The directors present their strategic report of the company and the group for the year ended 30 June 2016.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements and are set out on page 6.

During the latter part of the financial year there was re-financing of assets to assist in a major strategic purchase from Hull University. The purchase of 87 Hull University houses subject to a nomination agreement completed in August 2016. Kexgill Tower (formally called Haria) was subject to a further advance from InterBay and assets held with Co-operative Bank re-financed by Hampshire Trust.

A Beverley Building Society loan on various Hull assets was re-financed with the Nationwide Building Society, completion was after the end of our financial year. There were no other outstanding loan renewals required during the financial year.

Following the decision to purchase houses from Hull University adjacent to the campus, properties on the periphery were placed on the market. Sales have been successful confirming book values within the larger Hull portfolio. It is likely more sales will be made over the next 3 years refining our portfolio to be within the newly designated University Quarter. Realignment of our portfolio to complement Hull University's new build halls is required and will continue.

Again, forward letting is at a high point as per last year, coupled with customer satisfaction ratings also validated as excellent following independent Rate Your Landlord surveys. An employee survey was carried out by externally appointed advisers working with Property Week. The benchmarked results encouraging and in fact Kexgill has been ranked as one of the best places to work in the UK. Full ranking to be revealed by The Property Week later in the year.

During the year Estates Gazette Specialist Company of the Year winner, Property Week Private Landlord of the Year RESI Awards finalist and nominated as UK Student Operator of the Year for Property Week Awards result in December 2016.

A new German property manager was appointed in June who has additional offices closer to our portfolio. All outstanding loan re-financing has now been completed along with pre-agreed future loan renewals. There has been considerable savings in interest rates given a far more competitive loan market presently in Germany.

The Group has taken advantage of the exemption available to medium sized companies concerning key performance indicators.

PRINCIPAL RISKS AND UNCERTAINTIES

Durham University is partly relocating from the Queens Campus Stockton. This will create pressures on student occupancy. Measures are been taken to minimise the impact to income in particular HMO's. It should be noted Kexgill have been involved with private lettings in Stockton for some time outside the student market.

Negotiations with British Gas in relation to billing errors resulting from a breakdown in British Gas's systems have now been concluded and all sums were paid in December 2016.

The litigation between Kexgill (Nottingham) Limited and Kexgill (Preston) Limited and Barclays Bank PLC has been resolved.

FUTURE DEVELOPMENTS

Further expansion will be opportunity led and we are currently refining the HMO model to have more appeal to students already in Hall environments.

ON BEHALF OF THE BOARD:

.....

R. Stott - Director

Date: 15/3/17

Report of the Directors for the Year Ended 30 June 2016

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2016.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2015 to the date of this report.

Dr. M.H.S. Lee
R. Stott
M. Grassam

DISCLOSURE IN THE STRATEGIC REPORT

The company has chosen in accordance with s.414C (11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors report. It has done so in respect of financial instruments,research and development and future developments.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group'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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors , Norrie Gibson & Co Limited are deemed to be reappointed under s487 (2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:

.....
Mr. M. Grassam - Secretary

Date: 15-3-2017

Report of the Independent Auditors to the Members of Kexgill Limited

We have audited the financial statements of Kexgill Limited for the year ended 30 June 2016 on pages seven to thirty eight. 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), 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of Kexgill Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.

Anthony Rowland FCA (Senior Statutory Auditor)
for and on behalf of Norrie Gibson & Co Limited
Statutory Auditors,
Chartered Accountants,
Grosvenor House,
100-102,Beverley Road,
Hull.
HU3 1YA

Date: 21/3/17

Consolidated Statement of Comprehensive Income for the Year Ended 30 June 2016

	Notes	2016 £	2016 £	2015 £	2015 £
TURNOVER	3		**10,989,472**		10,145,033
Cost of sales			**(41,782)**		489,973
GROSS PROFIT			**11,031,254**		9,655,060
Administrative expenses			**7,291,157**		7,382,139
			3,740,097		2,272,921
Other operating income			**816,790**		842,816
OPERATING PROFIT	5		**4,556,887**		3,115,737
Income from fixed asset investments		**32,551**		-	
Interest receivable and similar income		**2,908**		2,011	
			35,459		2,011
			4,592,346		3,117,748
Interest payable and similar charges	6		**2,875,506**		2,965,521
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			**1,716,840**		152,227
Tax on profit on ordinary activities	7		**321,842**		36,194
PROFIT FOR THE FINANCIAL YEAR			**1,394,998**		116,033
OTHER COMPREHENSIVE INCOME					
Unrealised surplus on revaluation			**3,503,147**		702,264
Foreign exchange conversion gains			**387,844**		(323,139)
Income tax relating to components of other comprehensive income			**(643,517)**		(80,430)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX			**3,247,474**		298,695
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			**4,642,472**		414,728
Profit attributable to:					
Owners of the parent			**1,393,926**		115,569
Minority interests			**1,072**		464
			1,394,998		116,033
Total comprehensive income attributable to:					
Owners of the parent			**4,641,400**		414,264
Non-controlling interests			**1,072**		464

The notes form part of these financial statements

Consolidated Statement of Comprehensive Income for the Year Ended 30 June 2016

	2016	2015
	£	£
	4,642,472	414,728

The notes form part of these financial statements

Consolidated Balance Sheet
30 June 2016

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Intangible assets	9		**34,464**		37,320
Tangible assets	10		**1,866,544**		1,869,833
Investments	11				
Interest in associate			**300**		300
Other investments			**100,000**		100,000
Investment property	12		**105,215,248**		93,730,555
			107,216,556		95,738,008
CURRENT ASSETS					
Stocks	13	**800,000**		1,678,797	
Debtors	14	**1,099,591**		934,029	
Cash at bank and in hand		**3,132,815**		2,155,834	
		5,032,406		4,768,660	
CREDITORS					
Amounts falling due within one year	15	**11,293,424**		4,253,867	
NET CURRENT (LIABILITIES)/ASSETS			**(6,261,018)**		514,793
MINORITY INTERESTS	20		**(22,559)**		(21,487)
TOTAL ASSETS LESS CURRENT LIABILITIES			**100,932,979**		96,231,314

The notes form part of these financial statements

continued...

Consolidated Balance Sheet - continued
30 June 2016

	Notes	2016 £	2016 £	2015 £	2015 £
CREDITORS					
Amounts falling due after more than one year	16		**59,360,267**		60,049,086
PROVISIONS FOR LIABILITIES	19		**3,457,229**		2,708,145
CAPITAL AND RESERVES					
Called up share capital	21	**11,772**		11,772	
Share premium	22	**1,310,406**		1,310,406	
Revaluation reserve	22	**(47,160)**		(47,160)	
Capital reserves	22	**80,232**		(313,888)	
Foreign exchange reserves	22	**14,061**		60,210	
Other reserves	22	**27,900,740**		25,216,043	
Retained earnings	22	**8,845,432**		7,236,700	
SHAREHOLDERS' FUNDS			**38,115,483**		33,474,083
			100,932,979		96,231,314

The financial statements were approved by the Board of Directors on 15/3/17 and were signed on its behalf by:

.....
R. Stott - Director

The notes form part of these financial statements

Company Balance Sheet
30 June 2016

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		**787,152**		761,364
Investments	11		**2,755,335**		2,341,462
Investment property	12		**21,350,000**		20,170,000
			24,892,487		23,272,826
CURRENT ASSETS					
Debtors	14	**14,640,490**		14,770,773	
Cash at bank and in hand		**2,592,216**		265,833	
		17,232,706		15,036,606	
CREDITORS					
Amounts falling due within one year	15	**2,324,954**		1,807,980	
NET CURRENT ASSETS			**14,907,752**		13,228,626
TOTAL ASSETS LESS CURRENT LIABILITIES			**39,800,239**		36,501,452
CREDITORS					
Amounts falling due after more than one year	16		**25,445,775**		23,610,695
PROVISIONS FOR LIABILITIES	19		**1,576,081**		1,387,856
CAPITAL AND RESERVES					
Called up share capital	21	**11,772**		11,772	
Revaluation reserve	22	**(47,160)**		(47,160)	
Other reserves	22	**10,823,751**		10,101,649	
Retained earnings	22	**1,990,020**		1,436,640	
SHAREHOLDERS' FUNDS			**12,778,383**		11,502,901
			39,800,239		36,501,452

The financial statements were approved by the Board of Directors on 15/3/17 and were signed on its behalf by:

.....

R. Stott - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2016

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Capital reserves £
Balance at 1 July 2014	11,772	7,053,991	1,310,406	-	(18,449)
Changes in equity					
Total comprehensive income	-	182,709	-	(47,160)	(295,439)
Balance at 30 June 2015	11,772	7,236,700	1,310,406	(47,160)	(313,888)
Changes in equity					
Total comprehensive income	-	1,608,732	-	-	394,120
Balance at 30 June 2016	11,772	8,845,432	1,310,406	(47,160)	80,232

	Foreign exchange reserves £	Other reserves £	Total £	Non-controlling interests £	Total equity £
Balance at 1 July 2014	26,955	24,675,144	33,059,819	21,023	33,080,842
Changes in equity					
Total comprehensive income	33,255	540,899	414,264	464	414,728
Balance at 30 June 2015	60,210	25,216,043	33,474,083	21,487	33,495,570
Changes in equity					
Total comprehensive income	(46,149)	2,684,697	4,641,400	1,072	4,642,472
Balance at 30 June 2016	14,061	27,900,740	38,115,483	22,559	38,138,042

The notes form part of these financial statements

Company Statement of Changes in Equity for the Year Ended 30 June 2016

	Called up share capital £	Retained earnings £	Revaluation reserve £	Other reserves £	Total equity £
Balance at 1 July 2014	11,772	1,982,739	-	9,807,375	11,801,886
Changes in equity					
Total comprehensive loss	-	(546,099)	(47,160)	294,274	(298,985)
Balance at 30 June 2015	11,772	1,436,640	(47,160)	10,101,649	11,502,901
Changes in equity					
Total comprehensive income	-	553,380	-	722,102	1,275,482
Balance at 30 June 2016	11,772	1,990,020	(47,160)	10,823,751	12,778,383

The notes form part of these financial statements

Consolidated Cash Flow Statement for the Year Ended 30 June 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	**6,182,385**	5,572,728
Interest paid		**(2,875,506)**	(2,965,437)
Interest paid on late taxes		**-**	(84)
Tax paid		**(1,248)**	(99,919)
Net cash from operating activities		**3,305,631**	2,507,288
Cash flows from investing activities			
Purchase of tangible fixed assets		**(512,416)**	(566,590)
Purchase of investment property		**(6,235,784)**	(1,442,322)
Sale of tangible fixed assets		**11,738**	4,812
Sale of investment property		**684,390**	210,002
Investment property euro increase		**(2,881,313)**	2,244,991
Tangible asset euro increase		**(308)**	377
Interest received		**2,908**	2,011
Dividends received		**32,551**	-
Net cash from investing activities		**(8,898,234)**	453,281
Cash flows from financing activities			
New loans in year		**6,361,523**	9,694,951
Loan repayments in year		**(2,692,547)**	(9,750,096)
Loan exchange rate movements		**2,505,822**	(2,066,130)
Amount introduced by directors		**232,900**	43,080
Amount withdrawn by directors		**(214,124)**	(27,311)
Foreign exchange reserves movements		**387,844**	(321,839)
Net cash from financing activities		**6,581,418**	(2,427,345)
Increase in cash and cash equivalents		**988,815**	533,224
Cash and cash equivalents at beginning of year	2	**2,155,834**	1,622,610
Effect of foreign exchange rate changes		**(11,834)**	-
Cash and cash equivalents at end of year	2	**3,132,815**	2,155,834

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement for the Year Ended 30 June 2016

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	**1,716,840**	152,227
Depreciation charges	**505,173**	518,846
Loss on disposal of fixed assets	**72,363**	99,900
Deficits on exchange rate loans	**(802,197)**	(238,543)
Revaluation reclassification	**380,757**	-
Finance costs	**2,875,506**	2,965,521
Finance income	**(35,459)**	(2,011)
	4,712,983	3,495,940
Decrease in stocks	**878,797**	606,418
(Increase)/decrease in trade and other debtors	**(165,459)**	677,592
Increase in trade and other creditors	**756,064**	792,778
Cash generated from operations	**6,182,385**	5,572,728

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2016

	30.6.16	1.7.15
	£	£
Cash and cash equivalents	**3,132,815**	**2,155,834**

Year ended 30 June 2015

	30.6.15	1.7.14
	£	£
Cash and cash equivalents	2,155,834	1,622,610

The notes form part of these financial statements

1. STATEMENT OF COMPLIANCE

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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Basis of consolidation
The consolidated profit and loss account and balance sheet includes the financial statements of the company and its subsidiary undertakings to 30th June 2016. Intra-group movements are eliminated fully on consolidation . All subsidiaries are included in the consolidated financial statements.

Significant judgements and estimates
No significant judgements have had to be made by management in preparing these financial statements.

Turnover
Turnover is derived from rental income , and it is recognised at the start of each academic term and the tenancy agreements are dated to coincide with the companys year end. By the end of the academic year all arrangements are completed.

Commission income is earned on the management of the tenanted properties and is recognised over the period of which that service is provided.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 2008, is being amortised evenly over its estimated useful life of twenty years.

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

Freehold property	- No depreciation and Not Provided
Leasehold property	- Over the period remaining on the lease and in accordance with the property.
Improvements to property	- Over the period remaining on the lease
Plant & equipment	- 20% on reducing balance
Fixtures & fittings	- 25% on reducing balance and 20% on reducing balance
Motor vehicles	- 25% on cost
Office & computer equipment	- 20% on cost

Investment properties
Investment properties are properties held to earn rentals. Investment properties are initially measured measured at cost, including transaction costs. Subsequently investment properties whose fair value can be measured reliably without undue cost or effort on an on going basis are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in the profit and loss in the period in which they arise.

Freehold property is held for capital appreciation . In the opinion of the directors , the recoverable value of the freehold property is not materially different to the value stated in the accounts as the property is well maintained . On that basis no depreciation is provided on the freehold property .

Stocks
Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

continued...

2. ACCOUNTING POLICIES - continued

Income tax and deferred tax

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years.

A deferred tax asset or liability is recognised for tax recoverable or payable in future periods in respect of transactions and events recognised in the financial statements of current and previous periods.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. Timing differences result from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date apart from certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing differences. Deferred tax relating to investment properties that is measured at fair value is measured using the tax rates and allowances that apply to the sale of the asset.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates 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. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Employee benefits

Short term employee benefits are recognised as an expense in the period in which they are incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk to changes in value.

Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are occured

Provisions

Provisions are recognised when the group has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the group will be required to settle the obligation and the amount of the obligation can be reliably estimated..

Financial Instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties.

Debt instruments like loans and other accounts receivable are payable and measured at present value of the future payments.

continued...

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2016	2015
	£	£
Rent receivable	**10,797,673**	10,021,450
Incidental property income	**191,799**	123,583
	10,989,472	10,145,033

An analysis of turnover by geographical market is given below:

	2016	2015
	£	£
United Kingdom	**9,430,900**	8,362,899
Europe	**1,558,572**	1,782,134
	10,989,472	10,145,033

4. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	**1,628,042**	1,452,950
Social security costs	**100,194**	93,685
Other pension costs	**7,838**	2,756
	1,736,074	1,549,391

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

	2016	2015
Office and administration	**40**	36
General	**45**	50
	85	86

5. OPERATING PROFIT

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

	2016	2015
	£	£
Depreciation - owned assets	**502,317**	515,990
Loss on disposal of fixed assets	**72,363**	99,900
Goodwill amortisation	**2,856**	2,856
Auditors' remuneration	**43,730**	39,639
Auditors' remuneration for non audit work	**11,000**	11,000
Foreign exchange differences	**(814,031)**	(238,543)

continued...

5. OPERATING PROFIT - continued

Directors' remuneration	**207,218**	118,383
Directors' pension contributions to money purchase schemes	**2,623**	2,756

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	**2**	1

GROUP

Remuneration of non-audit work of £11,000 - (2015- £11,000) relates to fees in respect of accountancy services , including the cost of translating the groups two german subsidiaries from Euros into sterling of £5,000 - (2015 - £5,000) , taxation services, payroll services, preparation of the financial statements and other professional services.

COMPANY

Remuneration of non-audit work of £7,000 - (2015- £7,000) relates to fees in respect of accountancy services , including the cost of translating the groups two german subsidiaries from Euros into sterling of £5,000 - (2015 £5,000) , taxation services, payroll services, preparation of the financial statements and other professional services.

Information regarding the highest paid director for the year ended 30 June 2016 is as follows:

	2016
	£
Emoluments etc	**108,352**
Pension contributions to money purchase schemes	**263**

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Bank interest	**-**	64
Bank loan interest	**2,155,272**	2,399,380
Redemption & financing fees	**720,234**	565,993
Interest on tax paid late	**-**	84
	2,875,506	2,965,521

7. TAXATION

Analysis of the tax charge

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

	2016	2015
	£	£
Current tax:		
UK corporation tax	**216,275**	-
Deferred tax	**105,567**	36,194
Tax on profit on ordinary activities	**321,842**	36,194

UK corporation tax has been charged at 20% (2015 - 20%).

continued...

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016	2015
	£	£
Profit on ordinary activities before tax	**1,716,840**	152,227
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	**343,368**	30,445
Effects of:		
Expenses not deductible for tax purposes	**14,473**	19,980
Income not taxable for tax purposes	**(6,510)**	-
Depreciation in excess of capital allowances	**45,707**	57,186
Utilisation of tax losses	**(157,256)**	92,975
Deferred taxation	**105,566**	36,194
Wear & tear allowance (restricted)	**(120,870)**	(160,181)
Chargeable gain	**29,336**	-
Intergroup property gains	**76,151**	-
German profits not subject to tax	**(8,123)**	(40,405)
Total tax charge	**321,842**	36,194

Tax effects relating to effects of other comprehensive income

	2016		
	Gross	**Tax**	**Net**
	£	**£**	**£**
Unrealised surplus on revaluation	**3,503,147**	**(643,517)**	**2,859,630**
Foreign exchange conversion gains	**387,844**	**-**	**387,844**
	3,890,991	**(643,517)**	**3,247,474**

	2015		
	Gross	Tax	Net
	£	£	£
Unrealised surplus on revaluation	702,264	(80,430)	621,834
Foreign exchange reserves movements	(323,139)	-	(323,139)
	379,125	(80,430)	298,695

8. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £378,447 (2015 - £(546,099) loss).

continued...

9. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 July 2015 and 30 June 2016	**57,123**
AMORTISATION	
At 1 July 2015	**19,803**
Amortisation for year	**2,856**
At 30 June 2016	**22,659**
NET BOOK VALUE	
At 30 June 2016	**34,464**
At 30 June 2015	37,320

10. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Leasehold property £	Improvements to property £	Plant & equipment £
COST OR VALUATION				
At 1 July 2015	**295,000**	**135,000**	**33,407**	**487,051**
Additions	**9,000**	**-**	**-**	**27,622**
Disposals	**-**	**-**	**-**	**(3,345)**
Exchange rate movements	**-**	**-**	**-**	**(1,557)**
At 30 June 2016	**304,000**	**135,000**	**33,407**	**509,771**
DEPRECIATION				
At 1 July 2015	**-**	**55,916**	**12,000**	**370,888**
Charge for year	**-**	**12,298**	**3,028**	**25,801**
Eliminated on disposal	**-**	**-**	**-**	**-**
Exchange differences	**-**	**-**	**-**	**(1,866)**
At 30 June 2016	**-**	**68,214**	**15,028**	**394,823**
NET BOOK VALUE				
At 30 June 2016	**304,000**	**66,786**	**18,379**	**114,948**
At 30 June 2015	295,000	79,084	21,407	116,163

continued...

10. TANGIBLE FIXED ASSETS - continued

Group

	Fixtures & fittings £	Motor vehicles £	Office & computer equipment £	Totals £
COST OR VALUATION				
At 1 July 2015	2,874,752	126,864	285,595	4,237,669
Additions	379,021	57,629	39,144	512,416
Disposals	(379,766)	(31,960)	-	(415,071)
Exchange rate movements	-	-	(716)	(2,273)
At 30 June 2016	2,874,007	152,533	324,023	4,332,741
DEPRECIATION				
At 1 July 2015	1,597,378	80,565	251,089	2,367,836
Charge for year	412,595	26,112	22,483	502,317
Eliminated on disposal	(379,021)	(22,353)	-	(401,374)
Exchange differences	-	-	(716)	(2,582)
At 30 June 2016	1,630,952	84,324	272,856	2,466,197
NET BOOK VALUE				
At 30 June 2016	1,243,055	68,209	51,167	1,866,544
At 30 June 2015	1,277,374	46,299	34,506	1,869,833

Included in cost or valuation of land and buildings is freehold land of £9,000 (2015 - £0) which is not depreciated.

Cost or valuation at 30 June 2016 is represented by:

	Freehold property £	Leasehold property £	Improvements to property £	Plant & equipment £
Valuation in 2015	(47,160)	-	-	-
Cost	351,160	135,000	33,407	509,771
	304,000	135,000	33,407	509,771

	Fixtures & fittings £	Motor vehicles £	Office & computer equipment £	Totals £
Valuation in 2015	-	-	-	(47,160)
Cost	2,874,007	152,533	324,023	4,379,901
	2,874,007	152,533	324,023	4,332,741

continued...

10. TANGIBLE FIXED ASSETS - continued

Group

If the freehold property had not been revalued it would have been included at the following historical cost:

	2016	2015
	£	£
Cost	**351,160**	342,160

Mr. R.Stott , who is a director of the group and a chartered surveyor, valued the freehold property externally during the year at market value on 30th June 2016.

In the opinion of the directors, the recoverable value of the freehold properties was as not materially different to the value stated in the accounts as the property is well maintained.

Company

	Freehold property	Plant & equipment	Fixtures & fittings
	£	£	£
COST OR VALUATION			
At 1 July 2015	**295,000**	**64,560**	**937,400**
Additions	**-**	**5,380**	**137,357**
Disposals	**-**	**-**	**(137,357)**
At 30 June 2016	**295,000**	**69,940**	**937,400**
DEPRECIATION			
At 1 July 2015	**-**	**46,823**	**526,578**
Charge for year	**-**	**4,086**	**137,044**
Eliminated on disposal	**-**	**-**	**(137,357)**
At 30 June 2016	**-**	**50,909**	**526,265**
NET BOOK VALUE			
At 30 June 2016	**295,000**	**19,031**	**411,135**
At 30 June 2015	295,000	17,737	410,822

continued...

10. TANGIBLE FIXED ASSETS - continued

Company

	Motor vehicles £	Office & computer equipment £	Totals £
COST OR VALUATION			
At 1 July 2015	**44,210**	**196,019**	**1,537,189**
Additions	**19,400**	**30,860**	**192,997**
Disposals	**(14,720)**	**-**	**(152,077)**
At 30 June 2016	**48,890**	**226,879**	**1,578,109**
DEPRECIATION			
At 1 July 2015	**28,870**	**173,554**	**775,825**
Charge for year	**8,450**	**14,121**	**163,701**
Eliminated on disposal	**(11,212)**	**-**	**(148,569)**
At 30 June 2016	**26,108**	**187,675**	**790,957**
NET BOOK VALUE			
At 30 June 2016	**22,782**	**39,204**	**787,152**
At 30 June 2015	15,340	22,465	761,364

Cost or valuation at 30 June 2016 is represented by:

	Freehold property £	Plant & equipment £	Fixtures & fittings £
Valuation in 2015	**(47,160)**	**-**	**-**
Cost	**342,160**	**69,940**	**937,400**
	295,000	**69,940**	**937,400**

	Motor vehicles £	Office & computer equipment £	Totals £
Valuation in 2015	**-**	**-**	**(47,160)**
Cost	**48,890**	**226,879**	**1,625,269**
	48,890	**226,879**	**1,578,109**

If freehold property had not been revalued it would have been included at the following historical cost:

	2016 £	2015 £
Cost	**342,160**	342,160

continued...

10. TANGIBLE FIXED ASSETS - continued

Company

Mr. R.Stott , who is a director of the company and a chartered surveyor, valued the freehold property during the year at market value on 30th June 2016.

In the opinion of the directors, the recoverable value of the freehold property was not materially different to the value stated in the accounts as the property is well maintained.

11. FIXED ASSET INVESTMENTS

Group

	Interest in associate £	Unlisted investments £	Totals £
COST			
At 1 July 2015 and 30 June 2016	**300**	**100,000**	**100,300**
NET BOOK VALUE			
At 30 June 2016	**300**	**100,000**	**100,300**
At 30 June 2015	300	100,000	100,300

Company

	Interest in associate £	Unlisted investments £	Totals £
COST			
At 1 July 2015	**300**	**2,341,162**	**2,341,462**
Additions	**-**	**413,873**	**413,873**
At 30 June 2016	**300**	**2,755,035**	**2,755,335**
NET BOOK VALUE			
At 30 June 2016	**300**	**2,755,035**	**2,755,335**
At 30 June 2015	300	2,341,162	2,341,462

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

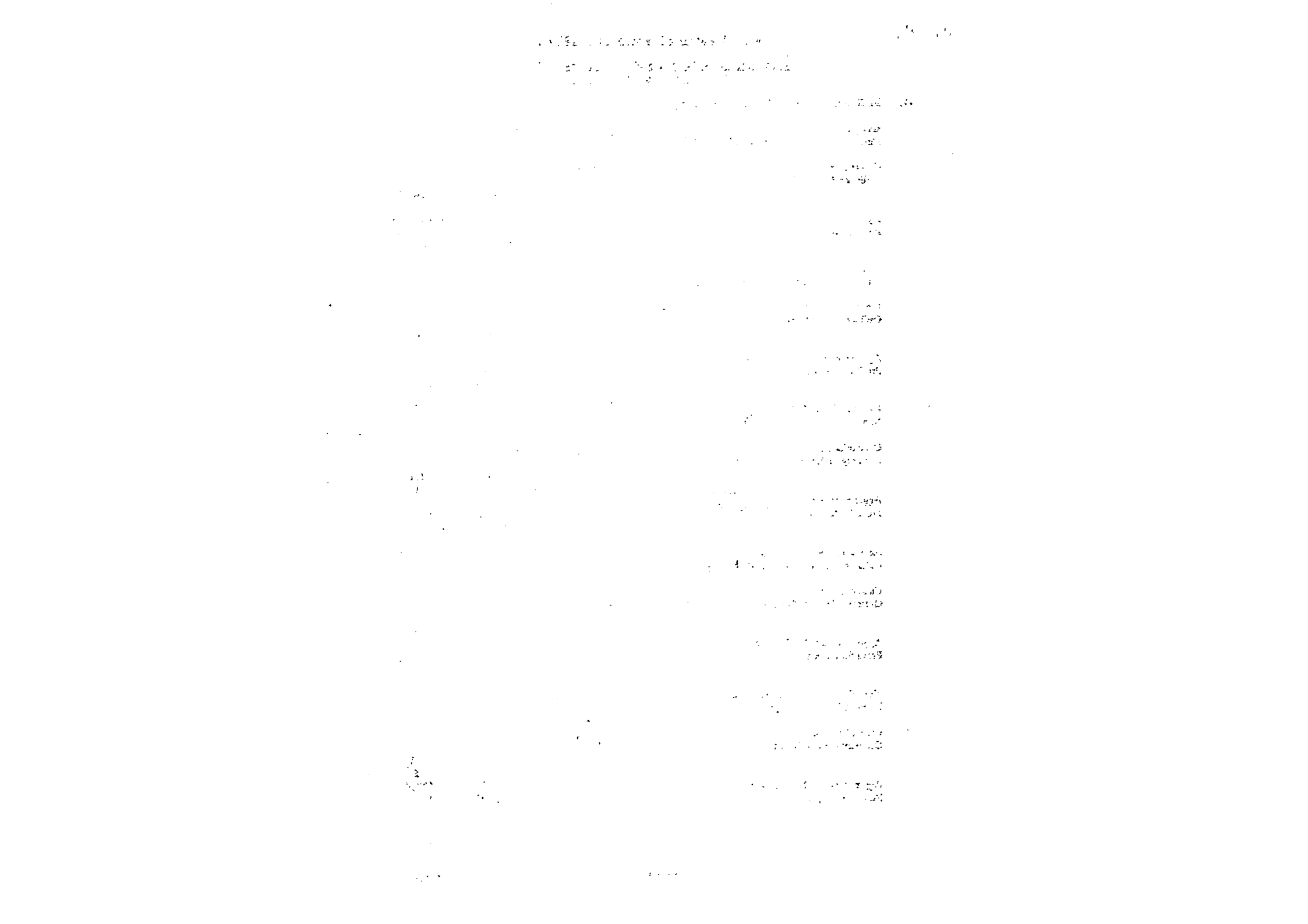
Subsidiaries

Kexgill (Bradford) Limited
Nature of business: Property developing & letting

Class of shares:	% holding
Ordinary shares of £1 each	100.00

	2016 £	2015 £
Aggregate capital and reserves	**1,842,414**	332,718
Profit/(loss) for the year	**37,095**	(26,734)

continued...



11. **FIXED ASSET INVESTMENTS - continued**

Kexgill (Construction) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**(1,139,269)**	(1,998,040)
Profit/(loss) for the year		**423,763**	(545,301)

Kexgill (Durham) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**1,273,632**	1,221,893
Profit for the year		**76,739**	103,212

Kexgill (Hull) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**2,628,751**	2,488,688
Profit for the year		**130,864**	132,264

Kexgill (Liverpool) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**7,646,981**	7,097,750
Profit for the year		**248,865**	259,481

Kexgill (Middlesbrough) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**5,844,339**	5,738,539
Profit for the year		**93,439**	166,953

continued...

11. **FIXED ASSET INVESTMENTS - continued**

Kexgill (Nottingham) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**3,085,718**	3,038,417
Profit for the year		**11,837**	445,030

Kexgill (Preston) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**1,329,262**	1,483,354
Profit for the year		**50,908**	30,665

Kexgill (Salford) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**2,068,580**	1,494,934
Profit for the year		**135,313**	182,447

Kexgill (Stockton) Limited
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of £1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**1,080,249**	850,723
Profit for the year		**217,464**	120,106

Kexgill Immobilien GmbH
Country of incorporation: Germany
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of €1 each	100.00		
		2016	2015
		£	£
Aggregate capital and reserves		**2,253,474**	2,098,164
Loss for the year		**(43,982)**	(210,872)

continued...

11. **FIXED ASSET INVESTMENTS - continued**

Kexgill Deutschland GmbH
Country of incorporation: Germany
Nature of business: Property developing & letting

	% holding		
Class of shares:			
Ordinary shares of €1 each	94.00		
		2016	2015
		£	£
Aggregate capital and reserves		**499,425**	721,022
Profit for the year		**17,861**	7,734

Associated company

Kexgill (Consultancy) Limited
Nature of business: Commission agents

	% holding		
Class of shares:			
Ordinary shares of £1	30.00		
		2016	2015
		£	£
Aggregate capital and reserves		**(187,615)**	(200,797)
Profit for the year		**13,182**	23,910

12. **INVESTMENT PROPERTY**

Group

	Total
	£
FAIR VALUE	
At 1 July 2015	**93,730,555**
Additions	**6,235,784**
Disposals	**(754,794)**
Revaluations	**3,122,390**
Exchange rate movements	**2,881,313**
At 30 June 2016	**105,215,248**
NET BOOK VALUE	
At 30 June 2016	**105,215,248**
At 30 June 2015	93,730,555

The investment properties held with the German subsidiaries are included at a revalued cost of € 22,550,000 , which have been converted to sterling at the 30th June 2016 to cost of £18,665,673..

continued...

12. **INVESTMENT PROPERTY - continued**

Group

Cost or valuation at 30 June 2016 is represented by:

	£
Valuation in 2015	**749,424**
Valuation in 2016	**3,122,390**
Cost	**101,343,434**
	105,215,248

If the investment properties had not been revalued they would have been included at the following historical cost:

	2016	2015
	£	£
Cost	**101,343,434**	92,981,131

During the year , 13 properties across the group were valued externally by the following :-

Lambert Smith Hampton	27th May 2015
Jones Lang Lascelle LLP	17th November 2015
Allsop LLP	25th May 2016

Mr. R.Stott , who is a director of the group and a chartered surveyor, valued the investment properties that were not valued externally during the year at market value on 30th June 2016.

In the opinion of the directors, the recoverable value of investment properties is not materially different to the value stated in the accounts as the properties are well maintained.

Company

	Total
	£
FAIR VALUE	
At 1 July 2015	**20,170,000**
Additions	**393,752**
Disposals	**(220,000)**
Revaluations	**1,006,248**
At 30 June 2016	**21,350,000**
NET BOOK VALUE	
At 30 June 2016	**21,350,000**
At 30 June 2015	20,170,000

continued...

12. INVESTMENT PROPERTY - continued

Company

Cost or valuation at 30 June 2016 is represented by:

	£
Valuation in 2015	**202,977**
Valuation in 2016	**1,006,248**
Cost	**20,140,775**
	21,350,000

If investment properties had not been revalued they would have been included at the following historical cost:

	2016	2015
	£	£
Cost	**20,140,775**	19,967,023

11 investment properties were valued on an open market basis on 25 May 2016 by Allsop LLP.

Mr. R.Stott , who is a director of the company and a chartered surveyor, valued the investment properties that were not valued externally during the year at market value on 30th June 2016.

In the opinion of the directors, the recoverable value of investment properties were not materially different to the value stated in the accounts as the properties are well maintained.

13. STOCKS

	Group	
	2016	2015
	£	£
Stocks	**-**	33
Work-in-progress	**800,000**	1,678,764
	800,000	1,678,797

continued...

14. DEBTORS

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Amounts falling due within one year:				
Trade debtors	**428,257**	293,770	**131,808**	47,606
Due from associated companies	**42,639**	42,639	**279,951**	308,441
Staff loan	**33,959**	35,621	**18,545**	19,414
Other debtors	**241,106**	271,746	**-**	-
Client accounts	**3,483**	3,865	**3,483**	3,865
Management charges	**-**	-	**-**	45,000
Directors' current accounts	**-**	-	**-**	14
Tax	**715**	612	**-**	-
VAT	**23,360**	19,617	**-**	-
Prepayments	**318,263**	249,585	**35,198**	31,724
	1,091,782	917,455	**468,985**	456,064
Amounts falling due after more than one year:				
Due from group companies	**-**	-	**14,171,505**	14,314,709
Other debtors	**7,809**	16,574	**-**	-
	7,809	16,574	**14,171,505**	14,314,709
Aggregate amounts	**1,099,591**	934,029	**14,640,490**	14,770,773

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Bank loans and overdrafts (see note 17)	**8,366,063**	2,316,476	**1,322,972**	1,322,972
Trade creditors	**453,691**	281,904	**177,069**	108,793
Tax	**216,275**	1,145	**37,957**	-
Social security and other taxes	**36,061**	33,141	**17,371**	15,469
Deposits held	**183,130**	132,431	**50**	-
Client account	**49,606**	52,316	**35,838**	40,407
Directors' current accounts	**20,546**	1,770	**18,762**	-
Accruals and deferred income	**77,059**	-	**-**	-
Accrued expenses	**1,890,993**	1,434,684	**714,935**	320,339
	11,293,424	4,253,867	**2,324,954**	1,807,980

continued...

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

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Bank loans (see note 17)	**59,360,267**	60,049,086	**12,450,582**	12,595,929
Due to group companies	**-**	-	**12,995,193**	11,014,766
	59,360,267	60,049,086	**25,445,775**	23,610,695

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Amounts falling due within one year or on demand:				
Bank loans	**8,366,063**	2,316,476	**1,322,972**	1,322,972
Amounts falling due between one and two years:				
Bank loans - 1-2 years	**1,088,473**	6,146,432	**-**	-
Amounts falling due between two and five years:				
Bank loans - 2-5 years	**10,105,712**	12,132,254	**-**	-
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
Bank loans more 5 yrs non-inst	**43,280,658**	37,279,261	**12,450,582**	12,595,929
Repayable by instalments				
Bank loans more 5 yr by instal	**4,885,424**	4,491,139	**-**	-

The loans which are repayable over 5 years are secured on the investment properties of the group.

The loans repayable other than by instalments are interest only loans. The current interest rates on these are between 0.5% and 5.30%. The maximum maturity dates of these loans do not exceed 25 years.

The loans due after 5 years repayable by instalments are due for maturity between 2021 and 2077.Interest rates on these loans vary between 0.5% and 5.30%.

continued...

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Bank loans	**67,726,330**	62,365,562	**13,773,554**	13,918,901

The bank loans and overdrafts are secured by a fixed and floating charge over the company's assets and are repayable on demand.

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2016	2015	**2016**	2015
	£	£	**£**	£
Deferred tax	**3,457,229**	2,708,145	**1,576,081**	1,387,856

Group

	Deferred tax
	£
Balance at 1 July 2015	**2,708,145**
Credit to Statement of Comprehensive Income during year	**749,084**
Balance at 30 June 2016	**3,457,229**

Company

	Deferred tax
	£
Balance at 1 July 2015	**1,387,856**
Credit to Statement of Comprehensive Income during year	**188,225**
Balance at 30 June 2016	**1,576,081**

20. MINORITY INTERESTS

The minority interest relates to a 6% shareholding by Dr.M.H.S.Lee in Kexgill Deutschland GmbH.

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	**2016**	2015
			£	£
11,772	'A' Ordinary Shares	£1	**11,772**	11,772

continued...

22. RESERVES

Group

	Retained earnings £	Share premium £	Revaluation reserve £
At 1 July 2015	7,236,700	1,310,406	(47,160)
Profit for the year	1,393,926		
Exchange rate movements	39,873	-	-
Realised on disposals	174,933	-	-
At 30 June 2016	8,845,432	1,310,406	(47,160)

Group

	Capital reserves £	Foreign exchange reserves £	Other reserves £	Totals £
At 1 July 2015	(313,888)	60,210	25,216,043	33,462,311
Profit for the year				1,393,926
Revaluation in year	-	-	3,122,390	3,122,390
Tax on comprehensive income	-	-	(643,517)	(643,517)
Exchange rate movements	394,120	(46,149)	-	387,844
Realised on disposals	-	-	(174,933)	-
Reclassification	-	-	380,757	380,757
At 30 June 2016	80,232	14,061	27,900,740	38,103,711

Company

	Retained earnings £	Revaluation reserve £	Other reserves £	Totals £
At 1 July 2015	1,436,640	(47,160)	10,101,649	11,491,129
Profit for the year	378,447			378,447
Revaluation in year	-	-	1,006,248	1,006,248
Tax on comprehensive income	-	-	(109,213)	(109,213)
Realised on disposals	174,933	-	(174,933)	-
At 30 June 2016	1,990,020	(47,160)	10,823,751	12,766,611

23. PENSION COMMITMENTS

Pension contributions paid to employees during the year amounted to £5,215 (2015-£NIL) for employees and £2,623 (2015- £2,756) for directors. .There were no outstanding contributions due at the year end.

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The company leases the personal properties of the director, Dr.M.H.S.Lee. During the year ended 30th June 2015, the group paid to him £102,164 (2014-£104,969).

continued...

25. RELATED PARTY DISCLOSURES

Kexgill(Consultancy)Limited

Loans of £28,490 were received during the year.

	2016	2015
	£	£
Amount due from related party at the balance sheet date	237,312	265,802

26. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Dr. M.H.S. Lee.

27. FIRST YEAR ADOPTION

Transitional relief
On transition to FRS 102, the group has taken advantage of the following transitional relief:

- to measure fair value at date of transition to FRS 102 and use as deemed cost on an investment property;
- to use a previous GAAP revaluation as deemed cost on an investment property.

Reconciliation of Equity
1 July 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		40,176	-	40,176
Tangible assets		1,871,485	-	1,871,485
Investments		100,300	-	100,300
Investment property		94,093,800	-	94,093,800
		96,105,761	-	96,105,761
CURRENT ASSETS				
Stocks		2,285,215	-	2,285,215
Debtors		1,627,242	-	1,627,242
Cash at bank and in hand		1,622,610	-	1,622,610
		5,535,067	-	5,535,067
CREDITORS				
Amounts falling due within one year		(6,689,931)	-	(6,689,931)
NET CURRENT LIABILITIES		(1,154,864)	-	(1,154,864)
TOTAL ASSETS LESS CURRENT LIABILITIES		94,950,897	-	94,950,897
MINORITY INTERESTS		(21,023)	-	(21,023)
NET ASSETS		94,929,874	-	94,929,874
CREDITORS				
Amounts falling due after more than one year		59,278,534	-	59,278,534
PROVISIONS FOR LIABILITIES		-	2,236,057	2,236,057
		59,278,534	2,236,057	61,514,591
CAPITAL AND RESERVES				
Called up share capital		11,772	-	11,772
Share premium		1,310,406	-	1,310,406
Revaluation reserve		27,531,063	(27,531,063)	-
Capital reserves		(18,449)	-	(18,449)
Foreign exchange reserves		26,955	-	26,955
Other reserves		-	27,531,063	27,531,063
Retained earnings		6,789,593	(2,236,057)	4,553,536
SHAREHOLDERS' FUNDS		35,651,340	(2,236,057)	33,415,283

The notes form part of these financial statements

continued...

Reconciliation of Equity - continued
30 June 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		37,320	-	37,320
Tangible assets		1,869,833	-	1,869,833
Investments		100,300	-	100,300
Investment property		93,730,555	-	93,730,555
		95,738,008	-	95,738,008
CURRENT ASSETS				
Stocks		1,678,797	-	1,678,797
Debtors		913,176	20,853	934,029
Cash at bank and in hand		2,155,834	-	2,155,834
		4,747,807	20,853	4,768,660
CREDITORS				
Amounts falling due within one year		(4,254,263)	396	(4,253,867)
NET CURRENT ASSETS		493,544	21,249	514,793
TOTAL ASSETS LESS CURRENT LIABILITIES		96,231,552	21,249	96,252,801
MINORITY INTERESTS		(21,487)	-	(21,487)
NET ASSETS		96,210,065	21,249	96,231,314
CREDITORS				
Amounts falling due after more than one year		60,049,086	-	60,049,086
PROVISIONS FOR LIABILITIES		2,708,145	-	2,708,145
		62,757,231	-	62,757,231
CAPITAL AND RESERVES				
Called up share capital		11,772	-	11,772
Share premium		1,310,406	-	1,310,406
Revaluation reserve		28,105,232	(28,152,392)	(47,160)
Capital reserves		(313,888)	-	(313,888)
Foreign exchange reserves		58,909	1,301	60,210
Other reserves		(2,936,349)	28,152,392	25,216,043
Retained earnings		7,216,752	19,948	7,236,700
SHAREHOLDERS' FUNDS		33,452,834	21,249	33,474,083

The notes form part of these financial statements

Reconciliation of Profit
for the Year Ended 30 June 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	10,221,283	(76,250)	10,145,033
Cost of sales	(489,973)	-	(489,973)
GROSS PROFIT	9,731,310	(76,250)	9,655,060
Administrative expenses	(7,480,938)	98,799	(7,382,139)
Other operating income	842,816	-	842,816
OPERATING PROFIT	3,093,188	22,549	3,115,737
Interest receivable and similar income	2,011	-	2,011
Interest payable and similar charges	(2,965,521)	-	(2,965,521)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	129,678	22,549	152,227
Tax on profit on ordinary activities	(36,194)	-	(36,194)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	93,484	22,549	116,033
Minority interest - equity	(464)		
PROFIT FOR THE FINANCIAL YEAR	93,020	22,549	116,033
Profit attributable to:			
Owners of the parent			115,569
Minority interests			464
			116,033

The notes form part of these financial statements