Registration number: 2232721

PSH (Croydon) Ltd

Annual Report and Financial Statements

for the Year Ended 23 June 2016



Integer
Chartered Accountants
Unit 3 Upp Hall Farm
Salmons Lane
Colchester
Essex
CO6 1RY

PSH (Croydon) Ltd

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PSH (Croydon) Ltd

Company Information

Directors

Geoffrey Randall

Yaser Martini

Tony Oakley

Company secretary

Cathy Doig

Registered office

9 The Clares
Caterham
Surrey
CR3 6RW

Auditors

Integer
Chartered Accountants
Unit 3 Upp Hall Farm
Salmons Lane
Colchester
Essex
CO6 1RY

PSH (Croydon) Ltd

Strategic Report for the Year Ended 23 June 2016

The Directors present their strategic report for the year ended 23 June 2016.

Principal activity
The principal activity of the company is property trading

Fair review of the business
The sole asset of the Company is a development site situated in West Croydon and is located between the West Croydon Transport Interchange and the Whitgift Centre (which is about to be redeveloped by Westfield and Hammerson's to provide a 1.5M square feet shopping Centre and will be completed in 2021). For the last two years we have been in the planning process to obtain consent for the erection of two tower blocks of flats comprising 232 units together with 9,000 square feet of retail space. Croydon Council's planning committee approved our application in January of this year and was subject to a number of conditions that need to be settled before full planning permission can be granted. We are now close to agreeing all outstanding points and are expecting a consent to be granted shortly. We will then be in a position to realise the full potential of our development site.

Principal risks and uncertainties
The directors consider that the principal risks and uncertainties facing the company are as follows:-.

Property market conditions
The company's future profitablity is reliant on the prevailing commercial property market conditions. This is the main uncertainty facing the company. It is important therefore that the directors employ the correct policies to ensure property transactions are conducted at the correct point in time to maximise profitability and minimise losses.

Credit risk
The company's principal credit risk arises from trade receivables. The impact of current economic conditions on the company's credit risk will be constantly monitored in order to reduce the company's exposure.

Approved by the Board on 21 September 2016 and signed on its behalf by:

C Doig

Cathy Doig
Company secretary

23-11-16

PSH (Croydon) Ltd

Directors' Report for the Year Ended 23 June 2016

The Directors present their report and the financial statements for the year ended 23 June 2016.

Directors of the Company
The directors who held office during the year were as follows:

Geoffrey Randall

Yaser Martini

Tony Oakley

Financial instruments

Objectives and policies

The company uses financial instruments other than derivatives, comprising borrowings, cash and other items such as trade receivables and payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The main risks arises from the company's financial instruments are interest rate risk, liquidity risk and credit risk.

Credit risk, liquidity risk and cash flow risk

The directors review and agree policies for managing such risks as summarised below.

Interest rate risk
The company finances its operations via a mixture of bank and other borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed through the use of fixed and floating facilities.

Liquidity risk
The company manages liquidity risk by ensuring sufficient funds are available to meet the company's future needs and by investing cash assets safely and profitably. This is achieved by making sure sufficient funds as available by collecting debts as quickly as possible and by keeping costs to a minimum.

Credit risk
The company's principal credit risk arises from trade receivables. In order to manage credit risk the directors set credit limits for customers based on payment history.

Disclosure of information to the auditors
Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors
In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Integer as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 21 September 2016 and signed on its behalf by:

PSH (Croydon) Ltd

Directors' Report for the Year Ended 23 June 2016

C. Doig

Cathy Doig
Company secretary

23-11-16

PSH (Croydon) Ltd

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

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

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

PSH (Croydon) Ltd

Independent Auditor's Report

We have audited the financial statements of PSH (Croydon) Ltd for the year ended 23 June 2016, set out on pages 8 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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 Statement of Directors' Responsibilities (set out on page 5), 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 (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 23 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

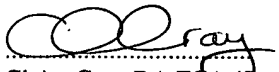
Matters on which we are required to report by exception

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

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

PSH (Croydon) Ltd

Independent Auditor's Report



Claire Gray BA FCA (Senior Statutory Auditor)
For and on behalf of Integer, Statutory Auditor

Unit 3 Upp Hall Farm
Salmons Lane
Colchester
Essex
CO6 1RY

21 November 2016

PSH (Croydon) Ltd

Profit and Loss Account for the Year Ended 23 June 2016

	Note	2016 £	2015 £
Turnover	3	105,000	105,038
Cost of sales		(16,502)	(11,461)
Gross profit		88,498	93,577
Administrative expenses		(58,742)	(39,454)
Operating profit	4	29,756	54,123
Other interest receivable and similar income	5	383	384
Interest payable and similar charges	6	(53,942)	(49,854)
		(53,559)	(49,470)
(Loss)/profit before tax		(23,803)	4,653
Taxation	7	-	(1,698)
(Loss)/profit for the financial year		(23,803)	2,955

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

PSH (Croydon) Ltd

Statement of Comprehensive Income for the Year Ended 23 June 2016

	Note	2016 £	2015 £
(Loss)/profit for the year		(23,803)	2,955
Total comprehensive income for the year		(23,803)	2,955

The notes on pages 12 to 16 form an integral part of these financial statements.

PSH (Croydon) Ltd

(Registration number: 2232721)
Balance Sheet as at 23 June 2016

	Note	2016 £	2015 £
Current assets			
Stocks	8	2,055,729	2,055,729
Debtors	9	34,165	30,058
Cash at bank and in hand		280,851	320,649
		2,370,745	2,406,436
Creditors: Amounts falling due within one year	11	(4,932,885)	(3,544,773)
Total assets less current liabilities		(2,562,140)	(1,138,337)
Creditors: Amounts falling due after more than one year	11	-	(1,400,000)
Net liabilities		(2,562,140)	(2,538,337)
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account		(2,562,142)	(2,538,339)
Total equity		(2,562,140)	(2,538,337)

Approved and authorised by the Board on 21 September 2016 and signed on its behalf by:

G. Randall

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Geoffrey Randall

Director

The notes on pages 12 to 16 form an integral part of these financial statements.

PSH (Croydon) Ltd

Statement of Changes in Equity for the Year Ended 23 June 2016

	Share capital £	Profit and loss account £	Total £
At 24 June 2015	2	(2,538,339)	(2,538,337)
Loss for the year	-	(23,803)	(23,803)
Total comprehensive income	-	(23,803)	(23,803)
At 23 June 2016	2	(2,562,142)	(2,562,140)

	Share capital £	Profit and loss account £	Total £
At 24 June 2014	2	(2,541,294)	(2,541,292)
Profit for the year	-	2,955	2,955
Total comprehensive income	-	2,955	2,955
At 23 June 2015	2	(2,538,339)	(2,538,337)

The notes on pages 12 to 16 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:
9 The Clares
Caterham
Surrey
CR3 6RW

These financial statements were authorised for issue by the Board on 21 September 2016.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. This is the first year that the company has presented its financial statements under Financial Reporting Standard 102. The last financial statements, for the year ended 23rd June 2015, were prepared under previous UK GAAP. The transition date to FRS 102 is therefore 24th June 2015.

Adopting FRS102 has meant that a number of accounting policies have changed to comply with the new standard.

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition
Turnover comprises revenue recognised by the company in respect of rental and other income receivable during the year, exclusive of Value Added Tax.

Tax
The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax liabilities are provided in full. Deferred tax assets are recognised to the extent that it is probable that the underlying timing differences will be able to be offset against future taxable income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call 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 of change in value.

Trade debtors

Trade debtors are amounts due from customers in respect of rent and other income receivable in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Properties held for resale are stated at the lower of cost and net realisable value.

Cost comprises purchase price, building works, fees, interest and expenses incurred in bringing the property to its present state. Net realisable value is the price at which properties can be sold in the normal course of business after allowing for the costs of realisation.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2016 £	2015 £
Rental income	105,000	105,038

4 Operating profit

Arrived at after charging/(crediting)

	2016 £	2015 £

5 Other interest receivable and similar income

	2016 £	2015 £
Interest income on bank deposits	383	384

6 Interest payable and similar charges

	2016 £	2015 £
Interest on bank overdrafts and borrowings	53,942	49,854

7 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
Current taxation		
UK corporation tax	-	1,698

8 Properties held for resale

	2016 £	2015 £
Properties held for resale	2,055,729	2,055,729

9 Debtors

	2016 £	2015 £
Trade debtors	26,913	23,616
Prepayments	7,252	6,442
Total current trade and other debtors	34,165	30,058

10 Cash and cash equivalents

	2016 £	2015 £
Cash at bank	10,586	30,862
Short-term deposits	270,265	289,787
	280,851	320,649

11 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	13	1,400,000	-
Amounts due to related parties		3,334,384	3,342,103
Social security and other taxes		4,862	6,627
Other payables		191,432	191,337
Income tax liability	7	-	1,698
Gross amount due to customers for contract work		2,207	3,008
		4,932,885	3,544,773
Due after one year			
Loans and borrowings	13	-	1,400,000

12 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	2	2	2	2

13 Loans and borrowings

	2016	2015
	£	£
Non-current loans and borrowings		
Bank borrowings	-	1,400,000

	2016	2015
	£	£
Current loans and borrowings		
Other borrowings	1,400,000	-

Other borrowings

Other Loan with a carrying amount of £1,400,000 (2015 - £1,400,000) is denominated in £ with a nominal interest rate of 3.5%. The final instalment is due on 19 June 2017.

The loan is secured on the trading property and by a fixed and floating charge over the assets of the Company

14 Parent and ultimate parent undertaking

The company's immediate parent is Portman Square Holdings Plc, incorporated in England.