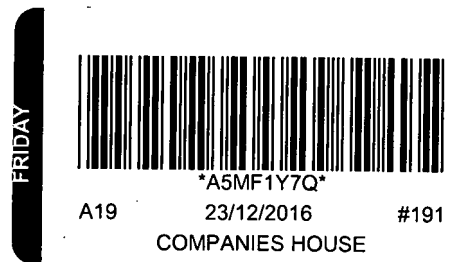


ULTIMA PROPERTIES LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016



ULTIMA PROPERTIES LIMITED

COMPANY INFORMATION

DIRECTOR	M S McNeill
COMPANY SECRETARY	J Hall
REGISTERED NUMBER	03778607
REGISTERED OFFICE	448A Basingstoke Road Reading Berkshire RG2 0RX
INDEPENDENT AUDITOR	Crowe Clark Whitehill LLP Aquis House 49 - 51 Blagrove Street Reading Berkshire RG1 1PL

ULTIMA PROPERTIES LIMITED

CONTENTS

	Page
Director's report	1 - 2
Independent auditor's report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 14

ULTIMA PROPERTIES LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2016

The director presents his report and the audited financial statements for the year ended 31 March 2016.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

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

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

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

DIRECTOR

The director who served during the year was:

M S McNeill

ULTIMA PROPERTIES LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

DISCLOSURE OF INFORMATION TO AUDITOR

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he 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's auditor is aware of that information.

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board on *20 December 2016* and signed on its behalf.



M S McNeill
Director

ULTIMA PROPERTIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ULTIMA PROPERTIES LIMITED

We have audited the financial statements of Ultima Properties Limited for the year ended 31 March 2016, set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As explained more fully in the Director's responsibilities statement, the director is 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's 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.

UNQUALIFIED OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ULTIMA PROPERTIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ULTIMA PROPERTIES 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, 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Director's report.



Alastair Lyon (Senior statutory auditor)

for and on behalf of
Crowe Clark Whitehill LLP

Statutory Auditor

Aquis House
49 - 51 Blagrove Street
Reading
Berkshire
RG1 1PL

Date:

20 December 2016

ULTIMA PROPERTIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
TURNOVER	1	1,261,646	484,673
Administrative expenses		(51,567)	(71,761)
OPERATING PROFIT	3	1,210,079	412,912
Net profit/(loss) on sale of tangible fixed assets		-	(50,715)
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		1,210,079	362,197
Interest receivable and similar income		-	12
Interest payable and similar charges	4	(180,166)	(105,235)
Compensation for mis-sold interest rate swap		11,809	419,345
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,041,722	676,319
Tax on profit on ordinary activities	5	(205,973)	(156,274)
PROFIT FOR THE FINANCIAL YEAR	13	835,749	520,045

The notes on pages 8 to 14 form part of these financial statements.

ULTIMA PROPERTIES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2016

	2016 £	2015 £
PROFIT FOR THE FINANCIAL YEAR	835,749	520,045
Unrealised surplus on revaluation of investment properties	<u>2,000,000</u>	<u>-</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>2,835,749</u>	<u>520,045</u>

The notes on pages 8 to 14 form part of these financial statements.

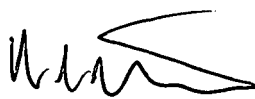
ULTIMA PROPERTIES LIMITED
REGISTERED NUMBER: 03778607

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	6	15,590	8,579
Investment property	7	18,607,125	12,790,089
		<u>18,622,715</u>	<u>12,798,668</u>
CURRENT ASSETS			
Debtors	8	1,245,460	296,020
Cash at bank		1,861,853	319,504
		<u>3,107,313</u>	<u>615,524</u>
CREDITORS: amounts falling due within one year	9	<u>(2,324,945)</u>	<u>(2,600,772)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>782,368</u>	<u>(1,985,248)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>19,405,083</u>	<u>10,813,420</u>
CREDITORS: amounts falling due after more than one year	10	(16,253,548)	(9,891,896)
PROVISIONS FOR LIABILITIES			
Deferred tax	11	(63,282)	(69,020)
NET ASSETS		<u><u>3,088,253</u></u>	<u><u>852,504</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	2	2
Investment property reserve	13	2,482,284	482,284
Profit and loss account	13	605,967	370,218
SHAREHOLDERS' FUNDS		<u><u>3,088,253</u></u>	<u><u>852,504</u></u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
20 December 2016



M S McNeill
Director

The notes on pages 8 to 14 form part of these financial statements.

ULTIMA PROPERTIES LIMITED

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For long term finance they rely on mortgages held over the properties as disclosed in note 10. In assessing going concern they have assumed that these loans will continue to be repaid in line with the current installment plan and, on that basis, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	- 33% straight line
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1.5 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the director, necessary in order to give a true and fair view of the financial position of the company.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

ULTIMA PROPERTIES LIMITED

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

2. **TURNOVER**

Turnover represents income receivable under operating leases, exclusive of VAT and sales of fixed assets. All turnover is derived in the UK and is accounted for on a receivable basis.

3. **OPERATING PROFIT**

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the company	5,249	615
Auditor's remuneration	7,475	7,200

During the year, no director received any emoluments (2015 - £NIL).

4. **INTEREST PAYABLE**

	2016 £	2015 £
On bank loans and overdrafts	168,166	93,235
On other loans	12,000	12,000
	<u>180,166</u>	<u>105,235</u>

5. **TAXATION**

	2016 £	2015 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	211,377	157,666
Adjustments in respect of prior periods	334	(2,262)
Total current tax	<u>211,711</u>	<u>155,404</u>
Deferred tax		
Origination and reversal of timing differences	1,461	870
Effect of increased tax rate on opening liability	(7,199)	-
Total deferred tax (see note 11)	<u>(5,738)</u>	<u>870</u>
Tax on profit on ordinary activities	<u>205,973</u>	<u>156,274</u>

ULTIMA PROPERTIES LIMITED

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

5. TAXATION (continued)

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 20% (2015 - 21%).

There were no factors that may affect future tax charges.

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
Cost	
At 1 April 2015	14,173
Additions	12,260
At 31 March 2016	26,433
Depreciation	
At 1 April 2015	5,594
Charge for the year	5,249
At 31 March 2016	10,843
Net book value	
At 31 March 2016	15,590
At 31 March 2015	8,579

ULTIMA PROPERTIES LIMITED

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

7. INVESTMENT PROPERTY

	Freehold investment property £	Long term leasehold investment property £	Total £
Cost or valuation			
At 1 April 2015	11,863,743	926,346	12,790,089
Additions at cost	3,642,591	174,445	3,817,036
Surplus/(deficit) on revaluation	2,000,000	-	2,000,000
	<u>17,506,334</u>	<u>1,100,791</u>	<u>18,607,125</u>
At 31 March 2016	<u>17,506,334</u>	<u>1,100,791</u>	<u>18,607,125</u>
Comprising			
Cost	15,115,365	1,100,791	16,216,156
Annual revaluation surplus/(deficit):			
2009	390,969	-	390,969
2016	2,000,000	-	2,000,000
	<u>17,506,334</u>	<u>1,100,791</u>	<u>18,607,125</u>
At 31 March 2016	<u>17,506,334</u>	<u>1,100,791</u>	<u>18,607,125</u>

The 2016 valuations were made by Cushman & Wakefield, on an open market value for existing use basis.

8. DEBTORS

	2016 £	2015 £
Prepayments and Accrued Income	345,460	96,020
Other debtors	900,000	200,000
	<u>1,245,460</u>	<u>296,020</u>

ULTIMA PROPERTIES LIMITED

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

9. CREDITORS:
Amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	835,000	536,551
Trade creditors	7,089	9,399
Amounts owed to associates	1,221,839	1,857,040
Corporation tax	211,377	157,666
Other creditors	49,640	40,116
	<u>2,324,945</u>	<u>2,600,772</u>

10. CREDITORS:
Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	15,865,000	9,503,348
Amounts owed to associates	319,798	319,798
Other creditors	68,750	68,750
	<u>16,253,548</u>	<u>9,891,896</u>

Included within the above are amounts falling due as follows:

	2016 £	2015 £
Between one and two years		
Bank loans	<u>835,000</u>	<u>536,551</u>
Between two and five years		
Bank loans	<u>15,030,000</u>	<u>8,966,797</u>

During the year the existing loan was repaid and an additional mortgage was taken out in February 2016. The loan is repayable over 5 years at a rate of 0.75% over the London Interbank offered rate. Both loans were secured by a fixed charge over all property and assets of the company.

ULTIMA PROPERTIES LIMITED

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

11. DEFERRED TAXATION

	2016 £	2015 £
At beginning of year	69,020	68,150
(Released during)/charge for year (P&L)	(5,738)	870
At end of year	<u>63,282</u>	<u>69,020</u>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	63,282	69,370
Short term timing differences	-	(350)
	<u>63,282</u>	<u>69,020</u>

12. SHARE CAPITAL

	2016 £	2015 £
Authorised, allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

13. RESERVES

	Investment property revaluation reserve £	Profit and loss account £
At 1 April 2015	482,284	370,218
Profit for the financial year		835,749
Dividends: Equity capital		(600,000)
Movement on investment property	2,000,000	
At 31 March 2016	<u>2,482,284</u>	<u>605,967</u>

14. DIVIDENDS

	2016 £	2015 £
Dividends paid on equity capital	<u>600,000</u>	<u>400,000</u>

ULTIMA PROPERTIES LIMITED

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

15. CAPITAL COMMITMENTS

At 31 March 2016 the company had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	-	151,740

16. RELATED PARTY TRANSACTIONS

During the year a dividend of £600,000 (2015: £400,000) was paid to M S McNeill (Director).

As at 31 March 2016 the company was owed £900,000 (2015: £200,000) by M S McNeill. This amount is included within other debtors. The maximum amount outstanding at any point in the year was £900,000 (2015: £2 million).

During the year Ultima Business Solutions Limited, a company under the control of M S McNeill, paid £1,208,449 (2015: £393,904) in rent to Ultima Properties Limited.

At the 31 March 2016 Ultima Properties Limited owed £1,541,637 (2015: £2,179,897) to Ultima Business Solutions Limited. £319,798 of this amount relates to a loan between the companies, of which £12,000 (2015: £12,000) has been paid in interest during the year. These amounts have been included within 'Amounts owed to Associates'.

17. CONTROLLING PARTY

The director considers the company's ultimate controlling party to be M S McNeill.