

1-5 PLYMOUTH GROVE LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2016



1-5 PLYMOUTH GROVE LTD

COMPANY INFORMATION

Directors	Stephen Khan Mr John Khan (Appointed 27 November 2015)
Company number	08421221
Registered office	Queens Court 24 Queen Street Manchester M2 5HX
Auditors	AMS Accountants Corporate Limited Queens Court 24 Queen Street Manchester M2 5HX
Business address	1 North Parade, Parsonage Gardens Manchester M3 2NH
Bankers	Barclays Bank plc 51 Mosley Street Manchester M60 2AU
Solicitors	Lewis Silkin LLP 5 Chancery Lane Clifford's Inn London EC4A 1BL

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1-5 PLYMOUTH GROVE LTD

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 MARCH 2016

The directors present the strategic report for the year ended 31 March 2016.

General information

The company was formed to carry on the business of property development. Sites identified as suitable for these purposes are acquired and built out using a combination of funds from the company's parent company, Via Developments plc, and third party development finance.

Review of the business

At the balance sheet date, the company had entered into an agreement to acquire the site at 1-5 Plymouth Grove in Manchester and ended the financial year with £288k of total assets and is reporting an accumulated loss of £16k.

Post balance sheet development

Acquisition of the site completed on 20 June 2016. Building works are expected to start by the end of January 2017.

Risks and uncertainties

Market Risk

The company's business is speculative in nature and the identification of sites suitable for acquisition depends to a great extent on an assessment of the Gross Development Value (GDV) reflected against build cost and land value. The company bases its assessment of GDV on current market values (rather than a projection of the possible values that might be attainable at completion). Nevertheless, the company is exposed to potential drops in market values for its completed sites. The company mitigates this risk by careful selection of sites for acquisition and development and by seeking to sell the developments off plan as soon as possible after all necessary planning and other consents have been obtained.

Operational Risks

The company is exposed to operational risks in 3 main areas: identification of suitable sites, achievement of planning consents and control of development expenditure.

NEW SITE ACQUISITION

The company's continued growth is dependent on the ongoing identification of new sites suitable for development and which can be expected to deliver a financial return for the company. At the date of this report, the directors remain confident with current market conditions for acquisitions which are subject to a stringent appraisal process to ensure as far as possible that the company continues to meet its financial targets.

PLANNING CONSENTS

To date, the company's sites have all been acquired with planning permission. The directors prioritise sites that meet these conditions but may seek to amend any existing consents with a view to maximising the return that can be achieved. These 'enhanced consents' cannot be guaranteed and so there is a risk that development will only be possible within the constraints of the existing permissions. Nevertheless, the directors believe that by engaging with local planning consultants and taking planning advice at an early stage there are sufficient controls in place to minimise the downside potential of this risk.

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STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

DEVELOPMENT EXPENDITURE

The other major factor that contributes to the profitable development of sites that have been acquired is the cost of development. The directors have implemented procurement processes and cost control measures to ensure that development expenditure is kept within plan. In circumstances where local market conditions for main-contractors have resulted in prices that exceed planned development expenditure, the directors will consider sub-contracting out the individual packages directly to ensure the company is able to deliver the planned margin on its developments.

Financing Risks

The company's plans are dependent on its ongoing ability to raise development finance.

The directors believe that the company has sufficient resources to complete the build out of its Canal Street development and so this risk is minimal currently.

Future Developments

On 23 June 2016 a referendum was held and the outcome of the vote determined that the United Kingdom would leave the European Union. At the time of the signing of the statutory accounts the details of how and when the United Kingdom will leave the European Union, and its effect on the financial markets, are unclear and as such it is not possible to estimate the long term impact of this event.

Despite this, the directors are of the opinion that these changes will not have a material impact on the Company's future prospects.

On behalf of the board



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Stephen Khan

Director

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1-5 PLYMOUTH GROVE LTD

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MARCH 2016

DIRECTORS' REPORT

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

General Information

The company was incorporated on 27th February 2013 in England & Wales as a private company limited by shares.

The company's registered office is situated at Queens Court, 24 Queen Street, Manchester M2 5HX.

The company's principal place of business is situated at 1 North Parade, Parsonage Gardens, Manchester M3 2NH.

The company's parent company is Via Developments plc, a company registered in England & Wales, registration number 0952543 and the ultimate parent company of the group is Pyramid Court Investments Limited, a company registered in England & Wales, registration number 07217860.

Principal Activity

The principal activity of the company is property development.

Directors and directors' interests

The directors, who served throughout the period except as noted, are as follows:

Mr S Khan

Mr J Khan (Appointed 27 November 2015)

Mr J Khan is the sole director and shareholder of Pyramid Court Investments Limited which is the ultimate parent company of the group.

Directors' Indemnities

Qualifying third party indemnities, under which the Company has agreed to indemnify the Directors, were in force during the financial year and at the date of approval of the financial statements, in accordance with the Company's Articles of Association and to the maximum extent permitted by law, in respect of all costs, charges, expenses, losses and liabilities, which they may incur in or about the execution of their duties to the Company, or any entity which is an associated company (as defined in Section 256 of the Companies Act 2006), or as a result of duties performed by the Directors on behalf of the Company or any such associated company.

The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Future Developments

The directors have provided a comprehensive review of the company's business and an outline of future developments within the Strategic Report on pages 1 – 2.

Results and Dividends

The results for the period are set out on page 4. The directors do not recommend the payment of a dividend.

Post Balance Sheet Events

Details of significant post balance sheet events have been provided in the Strategic Report.

Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

Statement of directors' responsibilities

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

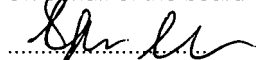
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors 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 and loss of the company for that year. 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures and explained in the financial statements; and
- make an assessment of the company's ability to continue as a going concern.

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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board



Stephen Khan
Director

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1-5 PLYMOUTH GROVE LTD

STATEMENT OF COMPREHENSIVE EXPENSE

FOR THE PERIOD ENDED 31 MARCH 2016

		Period ended 31 March 2016 £	Period ended 28 February 2015 £
Administrative expenses	Notes	(15,610)	-
Operating loss	4	(15,610)	-
Finance income	6	3	-
Loss before taxation		(15,607)	-
Income tax expense	5	-	-
Loss for the Period	13	(15,607)	-

The income statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 to 16 are an integral part of these financial statements

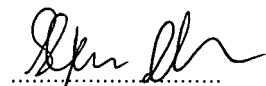
1-5 PLYMOUTH GROVE LTD

BALANCE SHEET

AS AT 31 MARCH 2016

		31 March 2016	28 February 2015
	Notes	£	£
Current assets			
Inventories	7	245,432	-
Trade and other receivables	8	33,563	1,000
Cash and cash equivalents		9,116	-
		<u>288,111</u>	<u>1,000</u>
Total assets		<u>288,111</u>	<u>1,000</u>
Equity			
Called up share capital	12	1,000	1,000
Retained earnings	13	(15,607)	-
Total equity		<u>(14,607)</u>	<u>1,000</u>
Current liabilities			
Trade and other payables	11	37,477	-
Non-current liabilities			
Trade and other payables	11	70,000	-
Borrowings	10	195,241	-
		<u>265,241</u>	<u>-</u>
Total liabilities		<u>302,718</u>	<u>-</u>
Net equity and liabilities		<u>288,111</u>	<u>1,000</u>

The financial statements were approved by the Board of directors and authorised for issue on 20.12.2016
Signed on its behalf by:



Stephen Khan
Director



Mr John Khan
Director

Company Registration No. 08421221

The notes on pages 9 to 16 are an integral part of these financial statements

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STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2016

	Share capital £	Accumulated losses £	Total £
Balance at 1 March 2014	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Balance at 28 February 2015	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Loss for the period	<u>-</u>	<u>(15,607)</u>	<u>(15,607)</u>
Balance at 31 March 2016	<u><u>1,000</u></u>	<u><u>(15,607)</u></u>	<u><u>(14,607)</u></u>

The notes on pages 9 to 16 are an integral part of these financial statements

1-5 PLYMOUTH GROVE LTD

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2016

		31 March 2016		28 February 2015	
	Notes	£	£	£	£
Cash (absorbed by)/generated from operations	16		(186,128)		1,000
Net cash (outflow)/inflow from operating activities			(186,128)		1,000
Investing activities					
Interest received		3		-	
Net cash generated from/(used in) investing activities			3		-
Financing activities					
Proceeds from issue of shares		-		(1,000)	
Loan from other third parties		195,241		-	
Net cash generated from/(used in) financing activities			195,241		(1,000)
Net increase in cash and cash equivalents			9,116		-
Cash and cash equivalents at beginning of year			-		-
Cash and cash equivalents at end of year			9,116		-

The notes on pages 9 to 16 are an integral part of these financial statements

1-5 PLYMOUTH GROVE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2016

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, (except as otherwise stated).

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.4 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

1-5 PLYMOUTH GROVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

1 Accounting policies

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.7 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

1.10 Finance income

The company's finance income comprises bank interest income.

1.11 Company information

1-5 Plymouth Grove Ltd is a private company limited by shares incorporated in England & Wales. The registered office is Queens Court, 24 Queen Street, Manchester M2 5HX.

1.12 Adoption of new and revised standards and changes in accounting policies

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 9 Financial Instruments

IFRS 15 Revenue from Contracts with Customers

IFRS 16 Leases

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Estimation of net realisable value for inventory properties

Inventory property is stated at the lower cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the directors, based on comparable transactions identified by the directors for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

1-5 PLYMOUTH GROVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

3 Revenue

An analysis of the company's revenue is as follows:

	31 March 2016 £	28 February 2015 £
Interest income	3	-
	<u>3</u>	<u>-</u>

4 Loss for the period

	31 March 2016 £	28 February 2015 £
Loss for the period is stated after charging/(crediting):	<u> </u>	<u> </u>

5 Income tax expense

The charge for the Period can be reconciled to the loss per the income statement as follows:

	2016 £	2014 £
Loss before taxation	(15,607)	-
Expected tax charge based on a corporation tax rate of 20.00%	(3,121)	-
Unutilised tax losses carried forward	3,121	-
Tax charge for the period	<u>-</u>	<u>-</u>

1-5 PLYMOUTH GROVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

6 Investment income

	31 March 2016	28 February 2015
	£	£
Interest income		
Bank deposits	3	-

Total interest income for financial assets that are not held at fair value through profit or loss is £3 (2015 - £).

7 Inventories

	31 March 2016	28 February 2015
	£	£
Work in progress	245,432	-

8 Trade and other receivables

	Current 31 March 2016	28 February 2015
	£	£
Unpaid share capital	-	1,000
VAT recoverable	3,413	-
Amounts due from fellow group undertakings	150	-
Prepayments	30,000	-
	33,563	1,000

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

1-5 PLYMOUTH GROVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

9 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables differs from fair value as follows:

	Carrying value		Fair value	
	31 March 2016	28 February 2015	31 March 2016	28 February 2015
	£	£	£	£
Trade receivables net of allowances	-	-	-	-
Amounts due from construction contract customers	-	-	-	-
Other debtors	-	1,000	-	-
Prepayments	30,000	-	-	-
	<u>30,000</u>	<u>1,000</u>	<u>-</u>	<u>-</u>

No significant receivable balances are impaired at the reporting end date.

10 Borrowings

	31 March 2016	28 February 2015
	£	£
Loans from parent undertaking	195,241	-

Analysis of borrowings

Borrowings are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	31 March 2016	28 February 2015
	£	£
Non-current liabilities	195,241	-

11 Trade and other payables

	Current		Non-current	
	31 March 2016	28 February 2015	31 March 2016	28 February 2015
	£	£	£	£
Amount due to parent undertaking	22,400	-	-	-
Amounts due to related parties	-	-	70,000	-
Accruals	15,077	-	-	-
	<u>37,477</u>	<u>-</u>	<u>70,000</u>	<u>-</u>

1-5 PLYMOUTH GROVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

12 Share capital	31 March 2016	28 February 2015
	£	£
Ordinary share capital		
Authorised		
1,000 Ordinary of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Issued and fully paid		
1,000 Ordinary of £1 each	1,000	1,000
	<u> </u>	<u> </u>
13 Accumulated losses		£
Loss for the period		(15,607)
		<u> </u>
At 31 March 2016		(15,607)
		<u> </u>
14 Capital commitments	31 March 2016	28 February 2015
	£	£
At 31 March 2016 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	1,440,000	-
	<u> </u>	<u> </u>
15 Capital risk management		
The company is not subject to any externally imposed capital requirements.		
16 Cash generated from operations	31 March 2016	28 February 2015
	£	£
Loss for the year after tax	(15,607)	-
Adjustments for:		
Investment income recognised in profit or loss	(3)	-
Movements in working capital:		
Increase in inventories	(245,432)	-
(Increase)/decrease in trade and other receivables	(32,563)	1,000
Increase/(decrease) in trade and other payables	107,477	-
	<u> </u>	<u> </u>
Cash (absorbed by)/generated from operations	(186,128)	1,000
	<u> </u>	<u> </u>

1-5 PLYMOUTH GROVE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

17 Ultimate controlling party

By virtue of its ownership of the entire issued share capital of Via Developments plc, Via Project 1 Limited's parent company, Pyramid Court Investments Ltd is the ultimate controlling party.

The registered office address of Pyramid Court Investments Ltd is Europa House, Barcroft Street, Bury, Lancashire BL9 5BT.