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**HULL HAMPSHIRE ESTATES PLC AND ITS
SUBSIDIARIES**

ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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COMPANIES HOUSE

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

DIRECTORS AND ADVISERS

Directors	Mr P A H Grover FRICS Mr R N F Parsons FNAEA Mrs N Kennard
Secretary	Mrs N Kennard
Company number	02249334
Registered office	Kintyre House 70 High Street Fareham Hants PO16 7BB
Registered auditors	Alliott Wingham Limited Kintyre House 70 High Street Fareham Hampshire PO16 7BB
Business address	2 New Road, Southampton Hampshire SO14 0AA

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

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HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Review of the business

The estate agency industry continued its stability in 2015. This led to greater opportunities for the group and an upturn in house sales and profitability.

The directors report that turnover has remained similar to 2014, and that costs have only increased slightly in comparison to the previous year. This has resulted in a reduced profit for the year. The directors are confident that the performance of the group will continue to improve over the next year, due to improving market conditions.

Description of Principal Risks and Uncertainties

As at the year end, even though the market has stabilised the threat of volatility, although minimal, within the housing market provides the group with a degree of risk and uncertainty. The director's consider that the group's stability and experience in the housing market, will enable the group to maintain presence within the market.

The group also faces a minimal risk of interest rate uncertainty. It is expected that interest rates will slowly rise from current levels, which may effect demand for the purchase of housing to some extent.

Also, due to the government introduction of an increase in stamp duty on second properties, the group might experience fluctuations in its results over the coming year.

Analysis of Development and Performance

The director's consider that despite the changing market conditions, the group is in a stable position due to changes made throughout the year.

This will enable the group to maintain its presence in the market and continue to take advantage as the markets improve, of which the directors continue to see during the beginning of 2016.

Analysis based on Key Performance Indicators

The group monitors its performance through the use of Key Performance Indicators (KPI's).

Turnover has decreased slightly by 0.6% in 2015, from last year's result of £6,072,015 to £6,037,805.

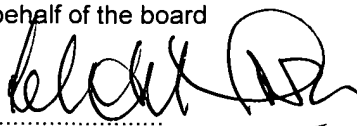
Gross profit percentage for the year has slightly decreased from 50.34% in 2014 to 48.5% in 2015.

Net profit percentage for the year has decreased slightly from 13.6% in 2014 to 10.8% in 2015.

In all cases the KPI's have been calculated on a consistent basis with the 2014 figures and are based directly on the amounts shown in the financial statements.

The KPI's illustrate that the company performance is continuing to improve in line with the overall improvement in the UK housing market.

On behalf of the board



Mr P A H Grover FRICS

Director

02/06/2016

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the group was that of estate agency.

Results and dividends

The consolidated profit and loss account for the year is set out on page 6.

An interim ordinary dividend was paid amounting to £21,850. The directors do not recommend payment of a final dividend.

Future developments

The directors anticipate that the group will remain stable and that the state of affairs of the group will continue to be satisfactory.

Directors

The following directors have held office since 1 January 2015:

Mr P A H Grover FRICS
Mr R N F Parsons FNAEA
Mrs N Kennard

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

The auditors, Allott Wingham Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

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 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 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;
- 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 group will continue in business.

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

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

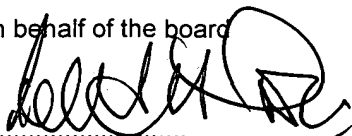
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



Mr P A H Grover FRICS

Director

02/06/16

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

We have audited the group and parent company financial statements (the "financial statements") of Hull Hampshire Estates plc and its subsidiaries for the year ended 31 December 2015 set out on pages 6 to 23. 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, 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

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and the group's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

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.

M Nolan

Mark Nolan FCA (Senior Statutory Auditor)
for and on behalf of Alliot Wingham Limited

2/6/16

Chartered Accountants
Statutory Auditor

Kintyre House
70 High Street
Fareham
Hampshire
PO16 7BB

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	2	6,037,805	6,072,015
Cost of sales		(3,109,840)	(3,015,137)
Gross profit		2,927,965	3,056,878
Administrative expenses		(2,229,169)	(2,183,120)
Other operating income		8,488	8,803
Operating profit	3	707,284	882,561
Investment income	4	1,742	211
Other interest receivable and similar income		1,434	1,454
Interest payable and similar charges	5	(56,302)	(57,038)
Profit on ordinary activities before taxation		654,158	827,188
Tax on profit on ordinary activities	6	(147,277)	(199,840)
Profit on ordinary activities after taxation		506,881	627,348
Minority interests		-	(69,022)
Profit for the financial year	7	506,881	558,326

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

Note of historical cost profits and losses

	2015 £	2014 £
Reported profit on ordinary activities before taxation	654,158	827,188
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	(150)	(150)
Historical cost profit on ordinary activities before taxation	654,008	827,038
Historical cost profit for the year retained after taxation, extraordinary items and dividends	484,881	549,101

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

BALANCE SHEETS

AS AT 31 DECEMBER 2015

	Notes	Group 2015 £	2014 £	Company 2015 £	2014 £
Fixed assets					
Intangible assets	9	1,421,365	1,515,776	-	-
Tangible assets	10	3,682,680	3,684,783	-	-
Investments	11	27,000	27,000	2,150,107	2,150,107
		<u>5,131,045</u>	<u>5,227,559</u>	<u>2,150,107</u>	<u>2,150,107</u>
Current assets					
Debtors	12	1,061,010	1,043,051	1,507,992	1,784,281
Cash at bank and in hand		1,167,627	1,277,406	103,992	42,567
		<u>2,228,637</u>	<u>2,320,457</u>	<u>1,611,984</u>	<u>1,826,848</u>
Creditors: amounts falling due within one year	13	(1,753,762)	(2,245,269)	(816,763)	(1,256,705)
Net current assets		<u>474,875</u>	<u>75,188</u>	<u>795,221</u>	<u>570,143</u>
Total assets less current liabilities		<u>5,605,920</u>	<u>5,302,747</u>	<u>2,945,328</u>	<u>2,720,250</u>
Creditors: amounts falling due after more than one year	14	(1,173,426)	(1,357,558)	(75,000)	(62,000)
Provisions for liabilities	15	(21,277)	(19,003)	-	-
		<u>4,411,217</u>	<u>3,926,186</u>	<u>2,870,328</u>	<u>2,658,250</u>
Capital and reserves					
Called up share capital	17	136,425	136,425	136,425	136,425
Share premium account	18	583,577	583,577	583,577	583,577
Revaluation reserve	18	101,536	101,686	336,087	336,087
Profit and loss account	18	3,492,301	3,007,120	1,814,239	1,602,161
Shareholders' funds	20	<u>4,313,839</u>	<u>3,828,808</u>	<u>2,870,328</u>	<u>2,658,250</u>
Minority interests	19	97,378	97,378	-	-
		<u>4,411,217</u>	<u>3,926,186</u>	<u>2,870,328</u>	<u>2,658,250</u>

Approved by the Board and authorised for issue on 02/06/2016

Mr P A H Grover FRICS
Director

Company Registration No. 02249334

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

	£	2015 £	£	2014 £
Net cash inflow from operating activities		446,539		2,239,394
Returns on investments and servicing of finance				
Interest received	1,429		1,454	
Interest paid	(45,402)		(50,838)	
Dividends received	1,742		211	
Non equity dividends paid	(7,500)		(6,200)	
Net cash outflow for returns on investments and servicing of finance		(49,731)		(55,373)
Taxation		(190,590)		(184,129)
Capital expenditure				
Payments to acquire intangible assets	-		(27,000)	
Payments to acquire tangible assets	(111,435)		(194,988)	
Receipts from sales of tangible assets	11,585		13,630	
Net cash outflow for capital expenditure		(99,850)		(208,358)
Acquisitions and disposals				
Purchase of subsidiary undertakings (net of cash acquired)	-		(1,373,548)	
Net cash outflow for acquisitions and disposals		-		(1,373,548)
Equity dividends paid		(21,850)		(9,075)
Net cash inflow before management of liquid resources and financing		84,518		408,911
Financing				
Issue of ordinary share capital	-		37,499	
New preference shares issued	13,000		12,000	
Other new short term loans	-		1,620	
Repayment of long term bank loan	(173,586)		(204,675)	
Repayment of other short term loans	(1,237)		-	
Capital element of hire purchase contracts	(32,478)		(32,478)	
Net cash outflow from financing		(194,301)		(186,034)
(Decrease)/increase in cash in the year		(109,783)		222,877

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

1	Reconciliation of operating profit to net cash inflow from operating activities	2015	2014
		£	£
	Operating profit	707,278	882,562
	Depreciation of tangible assets	107,322	90,754
	Amortisation of intangible assets	94,422	94,461
	Profit on disposal of tangible assets	(5,369)	(6,249)
	(Increase)/decrease in debtors	(17,960)	113,985
	(Decrease)/Increase in creditors within one year	(439,154)	1,063,881
	Net cash inflow from operating activities	446,539	2,239,394

2	Analysis of net debt	1 January 2015	Cash flow	Other non-cash changes	31 December 2015
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,277,406	(109,783)	-	1,167,623
	Finance leases	(58,874)	32,478	-	(26,396)
	Debts falling due within one year	(147,742)	1,237	-	(146,505)
	Debts falling due after one year	(1,331,162)	160,586	-	(1,170,576)
		(1,537,778)	194,301	-	(1,343,477)
	Net debt	(260,372)	84,518	-	(175,854)

3	Reconciliation of net cash flow to movement in net debt	2015	2014
		£	£
	(Decrease)/increase in cash in the year	(109,783)	222,877
	Cash outflow from decrease in debt	194,301	223,534
	Movement in net debt in the year	84,518	446,411
	Opening net debt	(260,372)	(706,783)
	Closing net debt	(175,854)	(260,372)

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2015. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services provided to third parties and gross rents receivable from property letting, net of VAT and trade discounts.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% straight line
Land and buildings Leasehold	5 years straight line
Office equipment	20% and 25% reducing balance
Fixtures and fittings	12% reducing balance
Motor vehicles	25% reducing balance

1.7 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

Fixed asset investments are stated at market value for listed investments and at directors' valuation for unlisted investments. The directors valuation is based upon guaranteed bonuses.

Current asset investments are stated at the lower of cost and market value for listed investments and at directors' valuation for unlisted investments.

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.9 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.10 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

No provision has been made for deferred tax on revalued property as there is no intention currently to dispose of the properties.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	Operating profit	2015 £	2014 £
	Operating profit is stated after charging:		
	Amortisation of intangible assets	94,422	94,461
	Depreciation of tangible assets	107,322	90,754
	Operating lease rentals		
	- Other assets	139,654	125,414
	Fees payable to the group's auditor for the audit of the group's annual accounts (company £1,884; 2014: £1,884)	21,069	20,784
4	Investment income	2015 £	2014 £
	Income from shares in group undertakings	1,742	-
	Income from other fixed asset investments	-	211
		<u>1,742</u>	<u>211</u>
5	Interest payable	2015 £	2014 £
	On loans repayable after five years	42,377	47,813
	Lease finance charges and hire purchase interest	6,425	3,025
		<u>48,802</u>	<u>50,838</u>

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

6	Taxation	2015 £	2014 £
	Domestic current year tax		
	U.K. corporation tax	144,834	190,421
	Adjustment for prior years	(6)	1,458
	Tax credits on franked investment income	174	21
	Total current tax	<u>145,002</u>	<u>191,900</u>
	Deferred tax		
	Deferred tax charge/credit current year	7,763	6,637
	Deferred tax adjust re previous year	(5,488)	1,303
		<u>2,275</u>	<u>7,940</u>
		<u>147,277</u>	<u>199,840</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>654,158</u>	<u>827,188</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.23% (2014 - 21.41%)	<u>132,336</u>	<u>177,101</u>
	Effects of:		
	Non deductible expenses	698	1,325
	Depreciation add back	39,727	38,347
	Capital allowances	(27,888)	(26,303)
	Adjustments to previous periods	(6)	1,458
	Dividends and distributions received	-	(45)
	Other tax adjustments	135	17
		<u>12,666</u>	<u>14,799</u>
	Current tax charge for the year	<u>145,002</u>	<u>191,900</u>

The group has excess trading losses of £1,189 (2014 - £1,189), none of which relates to the holding company, not adjusted through the deferred taxation account, which are available for use against future profits of the group.

No provision has been made for the estimated corporation tax of £2,450 (2014 - £2,450) that would be payable if the revalued properties were sold at their revalued amounts because there is no intention currently to dispose of the properties.

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

7 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2015 £	2014 £
Holding company's profit for the financial year	233,928	639,134

8 Dividends

	2015 £	2014 £
Ordinary interim paid	21,850	9,075

9 Intangible fixed assets Group

	Goodwill £
Cost	
At 1 January 2015 & at 31 December 2015	1,848,088
Amortisation	
At 1 January 2015	332,301
Charge for the year	94,422
At 31 December 2015	426,723
Net book value	
At 31 December 2015	1,421,365
At 31 December 2014	1,515,776

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

(Continued)

10 Tangible fixed assets

Group	Land and buildings Freehold £	Land and buildings Leasehold £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 January 2015	3,307,567	15,000	229,865	431,311	433,556	4,417,299
Additions	-	-	12,780	87,685	10,970	111,435
Disposals	-	-	-	-	(53,692)	(53,692)
At 31 December 2015	3,307,567	15,000	242,645	518,996	390,834	4,475,042
Depreciation						
At 1 January 2015	35,310	15,000	169,276	252,084	260,846	732,516
On disposals	-	-	-	-	(47,476)	(47,476)
Charge for the year	3,151	-	11,307	48,600	44,264	107,322
At 31 December 2015	38,461	15,000	180,583	300,684	257,634	792,362
Net book value						
At 31 December 2015	3,269,106	-	62,062	218,312	133,200	3,682,680
At 31 December 2014	3,272,257	-	60,589	179,227	172,710	3,684,783

Included above are assets held under finance leases or hire purchase contracts as follows:

	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Net book values				
At 31 December 2015	-	-	54,721	54,721
At 31 December 2014	-	-	74,647	74,647
Depreciation charge for the year				
31 December 2015	-	-	18,240	18,240
31 December 2014	-	-	22,945	22,945

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

11 Fixed asset investments

Group

	Unlisted investments £
Cost or valuation	
At 1 January 2015 & at 31 December 2015	27,000
Net book value	
At 31 December 2015	27,000
At 31 December 2014	27,000

Company

	Unlisted investments £	Shares in group undertakings £	Total £
Cost or valuation			
At 1 January 2015 & at 31 December 2015	27,000	2,123,107	2,150,107
Net book value			
At 31 December 2015	27,000	2,123,107	2,150,107
At 31 December 2014	27,000	2,123,107	2,150,107

In the opinion of the the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Pearsons Southern Limited	England	Ordinary	100.00
Pearsons Consultant Surveyors Limited	England	Ordinary	100.00
Pearsons Land and New Homes Limited	England	Ordinary	100.00
Hull Hampshire Estate Services Limited	England	Ordinary	100.00
West End Land Company Limited	England	Ordinary	100.00
Pearsons Partnerships Limited	England	Ordinary	100.00
Saltmarsh Estate Agents Limited	England	Ordinary	100.00

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

11 Fixed asset investments

(Continued)

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Pearsons Southern Limited	Estate agents
Pearsons Consultant Surveyors Limited	Property surveying
Pearsons Land and New Homes Limited	Sale of land and new homes
Hull Hampshire Estate Services Limited	Estate agents T/a Field Palmer
West End Land Company Limited	Ownership of property occupied by group companies
Pearsons Partnerships Limited	Administration of franchises
Saltmarsh Estate Agents Limited	Dormant company

The subsidiary undertakings are held directly by the company, with the exception of Pearsons Consultant Surveyors Limited, Pearsons Land and New Homes Limited and Pearsons Partnerships Limited, which are themselves subsidiaries of Pearsons Southern Limited, and Saltmarsh Estate Agents Limited which is a subsidiary of Hull Hampshire Estates Services Limited.

12 Debtors

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	205,643	201,259	-	-
Amounts owed by group undertakings	-	-	964,942	1,251,162
Corporation tax	27,417	27,417	27,417	27,417
Other debtors	553,247	608,375	515,633	505,702
Prepayments and accrued income	274,703	206,000	-	-
	<u>1,061,010</u>	<u>1,043,051</u>	<u>1,507,992</u>	<u>1,784,281</u>

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

13 Creditors : amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	146,505	147,742	-	-
Net obligations under finance lease and hire purchase contracts	23,546	32,478	-	-
Trade creditors	162,881	165,352	-	-
Amounts owed to group undertakings	172,693	163,406	147,693	135,000
Corporation tax	144,834	190,421	-	-
Taxes and social security costs	302,857	304,469	-	-
Directors current accounts	659,653	1,111,787	659,653	1,111,787
Other creditors	26,436	16,544	5,000	5,500
Accruals and deferred income	114,357	113,070	4,417	4,418
	<u>1,753,762</u>	<u>2,245,269</u>	<u>816,763</u>	<u>1,256,705</u>
Debt due in one year or less	<u>146,505</u>	<u>147,742</u>	<u>-</u>	<u>-</u>

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

14 Creditors : amounts falling due after more than one year

	Group 2015 £	2014 £	Company 2015 £	2014 £
Bank loans	1,095,576	1,269,162	-	-
Net obligations under finance leases and hire purchase agreements	2,850	26,396	-	-
10% redeemable preference shares of £1 each - 75,000	75,000	62,000	75,000	62,000
	<u>1,173,426</u>	<u>1,357,558</u>	<u>75,000</u>	<u>62,000</u>
Analysis of loans				
Not wholly repayable within five years by instalments:				
Wholly repayable within five years	1,242,081	1,416,904	-	-
	<u>1,242,081</u>	<u>1,416,904</u>	<u>-</u>	<u>-</u>
Included in current liabilities	(146,505)	(147,742)	-	-
	<u>1,095,576</u>	<u>1,269,162</u>	<u>-</u>	<u>-</u>
Instalments not due within five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loan maturity analysis				
In more than one year but not more than two years	146,505	147,742	-	-
In more than two years but not more than five years	516,887	478,485	-	-
In more than five years	578,689	790,677	-	-
	<u>1,242,081</u>	<u>1,416,904</u>	<u>-</u>	<u>-</u>

The loans are secured by fixed charges over the investment property and other freehold land and buildings of the group.

Net obligations under finance leases and hire purchase contracts

Repayable within one year	23,546	32,478	-	-
Repayable between one and five years	2,850	26,396	-	-
	<u>26,396</u>	<u>58,874</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(23,546)	(32,478)	-	-
	<u>2,850</u>	<u>26,396</u>	<u>-</u>	<u>-</u>

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

15 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 January 2015	19,003
Profit and loss account	2,274
Balance at 31 December 2015	<u>21,277</u>

The deferred tax liability is made up as follows:

	Group 2015 £	2014 £	Company 2015 £	2014 £
Accelerated capital allowances	<u>21,277</u>	<u>19,003</u>	<u>-</u>	<u>-</u>

16 Retirement Benefits

Contributions payable by the group for the year	<u>13,549</u>	<u>17,508</u>
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17 Share capital

	2015 £	2014 £
Allotted, called up and fully paid 136,425 Ordinary Shares of £1 each	<u>136,425</u>	<u>136,425</u>

18 Statement of movements on reserves Group

	Share premium account £	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2015	583,577	101,686	3,007,120
Profit for the year	-	-	506,881
Dividends paid	-	-	(21,850)
Depreciation written back	-	(150)	150
Balance at 31 December 2015	<u>583,577</u>	<u>101,536</u>	<u>3,492,301</u>

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

18 Statement of movements on reserves

(Continued)

Company

	Share premium account £	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2015	583,577	336,087	1,602,161
Profit for the year	-	-	233,928
Dividends paid	-	-	(21,850)
Balance at 31 December 2015	<u>583,577</u>	<u>336,087</u>	<u>1,814,239</u>

19 Minority interests

	2015 £	2014 £
Minority interests' share of net assets and liabilities in subsidiary undertakings	<u>97,378</u>	<u>97,378</u>

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

20	Reconciliation of movements in shareholders' funds Group	2015	2014
		£	£
	Profit for the financial year	506,881	558,326
	Dividends	(21,850)	(9,075)
		<hr/>	<hr/>
		485,031	549,251
	Proceeds from issue of shares	-	37,499
		<hr/>	<hr/>
	Net addition to shareholders' funds	485,031	586,750
	Opening shareholders' funds	3,828,808	3,242,058
		<hr/>	<hr/>
	Closing shareholders' funds	4,313,839	3,828,808
		<hr/>	<hr/>
		2015	2014
	Company	£	£
	Profit for the financial year	233,928	639,134
	Dividends	(21,850)	(9,075)
		<hr/>	<hr/>
		212,078	630,059
	Proceeds from issue of shares	-	37,499
		<hr/>	<hr/>
	Net addition to shareholders' funds	212,078	667,558
	Opening shareholders' funds	2,658,250	1,990,692
		<hr/>	<hr/>
	Closing shareholders' funds	2,870,328	2,658,250
		<hr/>	<hr/>

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Office and management	13	14
Sales	119	111
	<u>132</u>	<u>125</u>

Employment costs

	2015 £	2014 £
Wages and salaries	3,016,969	2,895,446
Social security costs	249,549	288,520
Other pension costs	13,549	17,508
	<u>3,280,067</u>	<u>3,201,474</u>

22 Control

The ultimate controlling party is Mr P A H Grover.

HULL HAMPSHIRE ESTATES PLC AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

23 Related party relationships and transactions

Group

(a) Mr P A H Grover is the proprietor of Hull Hampshire Estates, a related undertaking. The group has paid rent of £20,000 (2014 - £20,000) in the year. The transactions were in the normal course of business and at values equivalent to arms length. The balance owed by the group at the year end was £589,303 (2014 - £871,787).

(b) Mr P A H Grover is a director of Pearsons Asset Management Limited, a related undertaking. Rent of £14,000 (2014 - £14,000) was paid by the group in the year. The transactions were in the normal course of business and at values equivalent to arms length. The balance owed to the group at the year end was £147,693 (2014 - £135,000).

(c) Mr P A H Grover is a director of Hull Hampshire Estates & Investments Limited, a related undertaking. The balance owing to the group at the year end was £484,109 (2014 - £484,109).

(d) Mr P A H Grover and Mr R N F Parsons are directors of Levabond Limited, a related undertaking. The balance owed to the group at the year end was £18,552 (2014 - £8,621).

(e) Mr R N F Parsons is a director of Hull Hampshire Estates plc. The balance owed by the group at the year end was £70,350 (2014 - £240,000).

Company

The company has taken advantage of the exemptions relating to subsidiary undertakings under Financial Reporting Standard 8 'Related party disclosures'.