

STERLING PROPERTY DEVELOPMENTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015



LB GROUP
Number One
Vicarage Lane
London
E15 4HF

STERLING PROPERTY DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors

Mr J K Farrell
Mrs M D R Cardenoso Saenz de Miera
Mr A P C Farrell
Mr J M Bottomley

Secretary

Mr J M Bottomley

Company number

02937933

Registered office

6th Floor
60 Gracechurch Street
London
EC3V 0HR

Auditors

LB Group
Number One
Vicarage Lane
London
E15 4HF

STERLING PROPERTY DEVELOPMENTS LIMITED

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STERLING PROPERTY DEVELOPMENTS LIMITED

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 company during the year was that of a property investment and development company.

Directors

The following directors have held office since 1 January 2015:

Mr J K Farrell
Mrs M D R Cardenoso Saenz de Miera
Mr A P C Farrell
Mr J M Bottomley

Auditors

The auditors, LB Group, 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 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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company'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 company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



Mr J M Bottomley

Secretary

28/09/2016

STERLING PROPERTY DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STERLING PROPERTY DEVELOPMENTS LIMITED

We have audited the financial statements of Sterling Property Developments Limited for the year ended 31 December 2015 set out on pages 4 to 9. 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 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 page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 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 December 2015 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

STERLING PROPERTY DEVELOPMENTS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF STERLING PROPERTY DEVELOPMENTS LIMITED

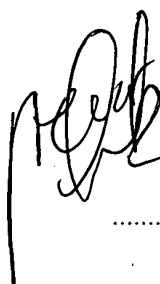
Matters on which we are required to report by exception

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.

Trevor Lake (Senior Statutory Auditor)
for and on behalf of LB Group

Chartered Accountants
Statutory Auditor



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Number One
Vicarage Lane
London
E15 4HF

28 September 2016

STERLING PROPERTY DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover		105,737	100,470
Administrative expenses		(39,945)	742,872
Other operating income		86,420	127,043
		<hr/>	<hr/>
Operating profit	2	152,212	970,385
Other interest receivable and similar income	3	13,398	(485,658)
Interest payable and similar charges		-	(151,726)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		165,610	333,001
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
Profit for the year	9	165,610	333,001
		<hr/>	<hr/>

STERLING PROPERTY DEVELOPMENTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Investments	4		2,094,947		2,098,511
Current assets					
Debtors	5	4,618,793		6,156,865	
Development Property	6	1,597,737		1,586,492	
Cash at bank and in hand		4,734,156		4,699,704	
		10,950,686		12,443,061	
Creditors: amounts falling due within one year	7	(9,245,954)		(10,907,503)	
Net current assets			1,704,732		1,535,558
Total assets less current liabilities			3,799,679		3,634,069
Capital and reserves					
Called up share capital	8		2,500		2,500
Profit and loss account	9		3,797,179		3,631,569
Shareholders' funds			3,799,679		3,634,069

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board for issue on 28/09/2016


Mr J K Farrell
Director

Company Registration No. 02937933

STERLING PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE 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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

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 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments are stated at the lower of cost and net realisable value.

1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

2 Operating profit	2015	2014
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	1,625	3,600
	<hr/>	<hr/>
3 Investment income	2015	2014
	£	£
Other interest	13,398	(485,658)
	<hr/>	<hr/>

STERLING PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

4 Fixed asset investments

	Listed investments	Shares in group undertakings and participating interests	Total
	£	£	£
Cost			
At 1 January 2015	2,094,947	3,564	2,098,511
Disposals	-	(3,564)	(3,564)
At 31 December 2015	2,094,947	-	2,094,947
Net book value			
At 31 December 2015	2,094,947	-	2,094,947
At 31 December 2014	2,094,947	3,564	2,098,511
	Market value		Market value
	£		£
At 31 December 2015	2,055,915		2,055,915
At 31 December 2014	2,126,190		2,126,190

5 Debtors

	2015 £	2014 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,196,325	2,813,054
Other debtors	3,422,468	3,343,811
	<u>4,618,793</u>	<u>6,156,865</u>

6 Development Property

	2015 £	2014 £
Development cost	<u>1,597,737</u>	<u>1,586,492</u>

STERLING PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

7	Creditors: amounts falling due within one year	2015 £	2014 £
	Trade creditors	1,773	6,616
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	5,174,939	6,827,458
	Taxation and social security	869	571
	Other creditors	4,068,373	4,072,858
		<u>9,245,954</u>	<u>10,907,503</u>

Included in other creditors is a £1,358,215 5.5% loan stock, issued on 30 December 1994. At 31 December 2015 £516,254 remained outstanding. The interest rate on the loan stock is 4% over Barclays bank base rate and is repayable on demand.

The loan stock is secured by way of a legal mortgage over all the property and assets of the subsidiary companies and a floating charge over the Company's property assets and undertakings.

8	Share capital	2015 £	2014 £
	Allotted, called up and fully paid		
	250,000 Ordinary of 1p each	<u>2,500</u>	<u>2,500</u>

9 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2015	3,631,569
Profit for the year	<u>165,610</u>
Balance at 31 December 2015	<u>3,797,179</u>

10 Control

The company is a subsidiary undertaking of Sterling Property Holdings Limited, which is registered in England and Wales.

Copies of the accounts will be obtainable from Companies House and 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR.

The ultimate controlling party is Mr J K Farrell.

STERLING PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

11 Related party transactions

As at the balance sheet date, the following amounts were owed by fellow group undertakings:

	2015	2014
	£	£
Openport	381,380	381,029
Openport SL	781,100	781,110
Sterling Property Trust Limited	31,945	1,408,840
Larchstone Limited	-	239,106
Bosun Properties Limited	-	742
Robert Fraser Sixth Development Company Limited	-	742
London and New York Estates (Denmark Street) Limited	-	1,485
EstateDeal Limited	1,045	-
Robert Fraser (Littlehampton) Limited	380	-
Samerise Limited	475	-

As at the balance sheet date, the following amounts were owed to fellow group undertakings:

Sterling Property Holdings Limited	5,174,298	5,214,298
Sterling Property Trust Limited	-	1,374,054
Mossford Limited	-	119,553
Moonlane Limited	-	119,553
Bosun Properties Limited	160	-
Robert Fraser Sixth Development Company Limited	160	-
London and New York Estates (Denmark Street) Limited	321	-

The company is controlled by Mr J K Farrell, the director and shareholder. As at 31 December 2015, the company owed Mr J K Farrell the sum of £3,467,038 (2014: £3,467,038) in respect of loan stock and the interest accrued thereon. This is included in other creditors.

As at 31 December 2015, Mr J F Farrell was also owed the sum of £575,966 (2014: £575,966). The loan is interest free and repayable on demand. This is included in other creditors.

STERLING PROPERTY DEVELOPMENTS LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015

The following pages do not form part of the statutory financial statements.

STERLING PROPERTY DEVELOPMENTS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

	£	2015 £	£	2014 £
Turnover				
Rent		96,925		91,884
Service charges		8,812		8,586
		<u>105,737</u>		<u>100,470</u>
Administrative expenses		<u>(39,945)</u>		<u>742,872</u>
		65,792		843,342
Other operating income				
Fees received as other operating income		86,420		127,043
		<u>152,212</u>		<u>970,385</u>
Operating profit				
Other interest receivable and similar income				
Other interest received	13,398		15,415	
Other interest receivable accrued	<u>-</u>		<u>(501,073)</u>	
		13,398		(485,658)
Interest payable				
Non-bank interest paid on loans <5yrs		<u>-</u>		<u>(151,726)</u>
Profit before taxation	156.62%	<u>165,610</u>	331.44%	<u>333,001</u>

STERLING PROPERTY DEVELOPMENTS LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	£	£
Administrative expenses		
Rates	2,167	-
Insurance	982	1,134
Light and heat	756	561
Cleaning	3,456	3,560
Repairs and maintenance	3,978	2,026
Travelling expenses	1,241	4,208
Entertaining	-	93
Legal and professional fees	15,983	7,134
Audit fees	1,625	3,600
Bank charges	259	3,850
Profit/loss on foreign currency	9,133	144,693
Sundry expenses	365	618
Profits/losses on disp of tangibles	-	(914,349)
	<hr/>	<hr/>
	39,945	(742,872)
	<hr/>	<hr/>