

NDA PROPERTIES LIMITED

Registered No. 2970356

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2014

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COMPANIES HOUSE

Directors

D M Atkinson

A M Oldham

R Higgins (appointed on 19 May 2014)

M Glass (appointed on 21 July 2014)

Secretary

E Hodgson

Auditors

Ernst & Young LLP

100 Barbirolli Square

Manchester

M2 3EY

Bankers

National Westminster Bank Plc

PO Box 305

Spring Gardens

Manchester

M60 2DB

Registered office

Herdus House

Ingwell Drive

Westlakes Science & Technology Park

Moor Row

Cumbria

CA24 3HU

Strategic report

In accordance with section 414B of the Companies Act 2006, the company has taken advantage of the small companies' exemption in relation to the strategic report.

Directors' report - Registered No. 2970356

The directors present their report, together with the audited financial statements of the Company, for the year ended 31 March 2014.

Principal activities and business review

The Company is a wholly owned subsidiary of the Nuclear Decommissioning Authority (NDA) that owns property which is let to the NDA, other NDA group companies, contractors to the NDA Group and others. The increase in revenue from the prior year to £6,116,000 (2013: £5,591,000) reflects the change in rent and service charge income of Hinton House.

The company is in a contract with Morgan Sindall to construct an office complex, Albion Square in Whitehaven. This is partly funded by a 25 year loan of £20,000,000 from NDA Properties Limited parent company and by a grant from Britain's Energy Coast. The company has also entered in to a lease for the occupation of car parking adjacent to the complex.

As a result of revaluations of the company's property, a loss of £3,928,000 has been recognised and recorded in the current year Income Statement. Refer to Note 4 for further information.

The Company has been included in the NDA tax group and the directors anticipate using group losses to offset taxable profits incurred in the future.

Results and dividends

The total comprehensive profit for the year amounted to £1,393,000 (2013: loss of £487,000). The directors do not recommend payment of a final dividend (2013: £nil).

Directors

The directors who served during the year were as follows:

D M Atkinson

S Balmer (resigned on 31 March 2014)

A M Oldham

Directors' report (continued)

Directors' statement as to disclosure of information to auditors

Each of the persons who are a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s.418 of the Companies Act 2006.

Small company exemptions

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

Annual general meeting and auditors

In accordance with the requirements of the Companies Act 2006 the Company is not required to hold an Annual General Meeting or to re-appoint the auditors on an annual basis.

Approved by the Board and signed on its behalf by:



A M Oldham
Director
Date: 18 August 2014

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom 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 the profit or loss of the company for that period.

In preparing the financial statements the directors are required

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements

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.

Auditors' report

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

We have audited the financial statements of NDA Properties Limited for the year ended 31 March 2014 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 15. 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), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 and Financial Statements 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 March 2014 and of its 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.

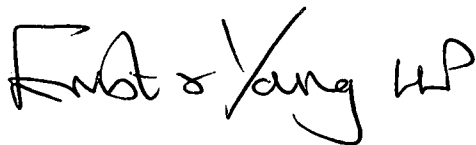
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the directors' report in accordance with the small companies regime.

A handwritten signature in black ink, appearing to read 'Ernst & Young LLP'.

Julian Yates (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

Date: 19 August 2014

Statement of Comprehensive Income
For the year ended 31 March 2014

	<i>Note</i>	2014 £'000	2013 £'000
Turnover		6,116	5,591
Costs		(2,314)	(4,840)
Provision decrease		1,909	536
Net operating expenses before exceptional adjustments		(405)	(4,304)
Exceptional fair value adjustment		(6,023)	(1,645)
Net operating expenses after exceptional adjustments		(6,428)	(5,949)
Grant received		2,282	-
Profit on disposal of Fixed Assets		219	-
Operating profit/(loss) before finance charges and tax	4	2,189	(358)
Finance charges	6	(796)	(129)
Profit/(loss) on ordinary activities before tax		1,393	(487)
Tax	7	-	-
Total comprehensive income/(loss) for the year		1,393	(487)

All amounts derive from continuing operations

Balance Sheet**As at 31 March 2014**

	<i>Note</i>	2014 £'000	2013 £'000
Fixed assets			
Investment property	8	42,079	31,714
		42,079	31,714
Current assets			
Debtors	9	3,730	649
Cash at bank and in hand	10	13,011	29,674
		16,741	30,323
Current Liabilities			
Creditors: amounts falling due within one year	11	(1,718)	(1,310)
Net current assets		15,023	29,013
Total assets less current liabilities		57,102	60,727
Creditors: amounts falling due after more than one year	11	(42,058)	(44,016)
Provisions for liabilities and charges	12	(3,053)	(6,113)
Net assets		11,991	10,598
Capital and Reserves			
Share capital	13	-	-
Profit and loss account		11,991	10,598
Total shareholders' funds		11,991	10,598

The financial statements were approved by the Board of directors and authorised for issue on 18 August 2014 and were signed on its behalf by:



A M Oldham
Director

Statement of Changes in Equity**As at 31 March 2014**

	<i>Note</i>	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 April 2012		-	11,085	11,085
Total comprehensive income for the year		-	(487)	(487)
Balance at 31 March 2013		-	10,598	10,598
Total comprehensive income for the year		-	1,393	1,393
Balance at 31 March 2014	13	-	11,991	11,991

The balance classified as share capital includes the total net proceeds on issue of the Company's share capital, comprising £1 ordinary shares.

Notes to the financial statements**Authorisation of financial statements and statement of compliance with FRS 101**

The financial statements of NDA Properties Limited for the year ended 31 March 2014 were authorised for issue by the Board of directors on 18 August 2014 and the Balance Sheet was signed on the Board's behalf by A M Oldham.

These financial statements have been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

1. General information

The Company is a limited company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 3.

The immediate parent undertaking is the Nuclear Decommissioning Authority (NDA). The consolidated financial statements of the NDA are available to the public and may be obtained from its headquarters at Herdus House, Westlakes Science and Technology Park, Moor Row, Cumbria CA24 3HU. In the directors' opinion, the Company's ultimate controlling party is Her Majesty's Government

These financial statements are presented in pounds sterling and all values are rounded to the nearest thousand (£'000) except when otherwise indicated.

2. Statement of accounting policies***Basis of preparation***

These financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment property. These statements have been prepared in accordance with Financial Reporting Statement 101, 'Reduced Disclosure Framework'.

As permitted by FRS 101, for both periods presented, the Company has taken advantage of the disclosure exemptions available under that standard in relation to the following:

- a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- b) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of IAS 40 Investment Property (paragraphs 76 and 79(d));
- c) the requirements of paragraphs 134-136 of IAS 1 'Presentation of Financial Statements';
- d) the requirements of IAS 7 'Statement of Cash Flows';
- e) the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Estimate and Errors'; and
- f) the requirements of paragraph 17 of IAS 24 'Related Party Disclosures' and the requirement of the same standard to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Notes to the financial statements (continued)***Basis of preparation (continued)***

Where required, equivalent disclosures are given in the group accounts of the Nuclear Decommissioning Authority (NDA), which are available to the public and can be obtained as set out in Note 1 above.

Going concern

The financial statements have been prepared on the going concern basis. The directors have received confirmation from the company's parent undertaking, the NDA, that they will not seek repayment of the amounts due to the NDA, where no formal payment terms exist, within 12 months of the year end.

Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous year.

The company has adopted all applicable amendments to standards with an effective date from 1 April 2013. Adoption of these revised standards and interpretations did not have any material impact on the financial performance or position of the company.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for property rentals in the UK provided in the normal course of business, net of value added tax. Property rental income from property leased out under operating leases is recognised in the income statement on a straight-line basis over the lease term.

Government Grants

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Notes to the financial statements (continued)***Taxation***

The tax expense, if any, represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Investment property

Investment property, which is property held to earn rentals and/or capital appreciation, is stated at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise. Properties held under operating leases are not accounted for as investment properties in accordance with the option available in paragraph 6 of IAS 40 "Investment Property".

Notes to the financial statements (continued)***Borrowing costs***

In respect of assets recognised at cost, borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. In respect of assets recognised at fair value, borrowing costs are not capitalised and are expensed in the period they occur. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets are classified as either financial assets 'at fair value through profit or loss' (FVTPL) or loans and receivables. Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Financial assets at FVTPL

Financial assets are classified as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL. A financial asset is classified as held for trading if it has been acquired principally for the purpose of selling in the near future or it is a derivative that is not designated and effective as a hedging instrument. A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise or it forms part of a contract containing one or more embedded derivatives, and IAS 39 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Debtors and other receivables, and cash and cash equivalents, 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 rate method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Notes to the financial statements (continued)***Financial liabilities***

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

Equity instruments***Financial liabilities at FVTPL***

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL.

Other financial liabilities

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

Notes to the financial statements (continued)***Derecognition of financial liabilities***

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

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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

Critical judgements in applying the Company's accounting policies

There are no critical judgements, apart from those involving estimations (which are dealt with separately below), that management has made in the process of applying the Company's accounting policies and that would have a significant effect on the amounts recognised in the financial statements.

Notes to the financial statements (continued)***Key sources of estimation uncertainty***

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Investment properties

The fair value of investment properties in the Balance Sheet represents an estimate by independent professional valuers of the open market value of those properties as at 31 March 2014.

In assessing the open market value of investment properties, the professional valuers will consider lettings, tenants' profiles, future revenue streams, capital values of both fixtures and fittings, and plant and machinery, any environmental matters and the overall repair and condition of the property in the context of the local market. Data regarding local market conditions is primarily historic in nature and provides a guide as to current letting values and yields.

Provisions

The onerous lease provision is inherently judgemental as it is based on estimates of future rent, rates and other servicing costs payable under operating leases relating to Southmoor House and 1100, Daresbury Park. Similarly, judgement is required in determining the level of dilapidation provision required, based on future discussions with landlords.

Notes to the financial statements (continued)

4. Operating profit/(loss) before finance charges and tax

Net operating costs represent the costs to the company of operating their property portfolio. Operating profit/(loss) before finance charges and tax is stated after charging and (crediting):

	2014	2013
	£'000	£'000
Auditors' remuneration in respect of the statutory audit of the Company	26	26
Exceptional fair value adjustment	6,023	1,645
(Increase)/decrease in fair value of investment property	(2,095)	280
Charge for services provided by NDA	175	144
Dilapidations provision released on Southmoor House	-	(312)
Decrease in onerous lease provision for Daresbury Park	(1,909)	(536)
Grant received from BEC	(2,282)	-

The exceptional fair value adjustment in 2013 was in respect of Berkeley Centre offices as a result of Magnox Limited reducing its occupation by 50%.

The exceptional fair value adjustment in 2014 was in respect of Hinton House as a result of the Directors supplementing the professional valuation with their more detailed knowledge of the property and additional independent third party advice.

The grant received from BEC (Britain's Energy Coast) is in respect of the construction of the office complex at Albion Square, Whitehaven.

Notes to the financial statements (continued)

5. Employee information

As a wholly owned subsidiary of the NDA whose principal activity is to own properties which are used mainly by other NDA group companies and contractors to the NDA, all employee costs are borne by the NDA and a reasonable estimate is recharged for services provided. As such, the Company had no employees during the year (2013: nil).

Directors' emoluments

All directors are employees of the NDA and their emoluments are borne by the NDA. In both the current and prior year, in the Board's view, the services provided by the directors to the Company are incidental to their employment by and services to the NDA.

A management charge of £175,000 (2013: £144,000) in respect of management services costs has been made by the NDA. This includes the directors' remuneration which it is not possible to identify separately.

6. Finance charges

	2014	2013
	£'000	£'000
Interest on NDA group loan	720	-
Unwinding of discount on provisions	76	129
	796	129

NDA group loan

In February 2013, the NDA advanced a loan to the company for the purposes of financing capital projects. The loan amounted to £20,000,000 which is repayable with interest in equal instalments of £1,227,000 over twenty five years. The interest on this loan is recognised in the income statement as it is incurred.

Notes to the financial statements (continued)

7. Taxation

The explanation for the tax charge in the year is set out below.

	2014 £'000	2013 £'000
Profit/(loss) on ordinary activities before tax	1,393	(487)
Tax charge before adjustments at UK standard rate of 23% (2013: 24%)	320	(117)
Effects of:		
Expenses not deductible for tax purposes	224	66
Revaluation adjustment not taxable	903	(462)
Provision release not taxable	(721)	438
Profit on disposal of Fixed Assets	(50)	-
Capital Gains Tax on disposal of Fixed Assets	229	-
Group relief received for nil payment	(905)	75
Current tax charge for the year	-	-
Deferred tax charge	-	-
Total tax charge	-	-

No deferred tax asset has been recognised in respect of unclaimed capital allowances as it is anticipated that any taxable profits in NDA Properties Limited in the foreseeable future will be offset using NDA group losses. The deferred tax asset not recognised is £2m (2013 £2m).

However, if Group relief was not made available to the Company in subsequent periods, the following would apply:

In his annual Budget announcement of 20 March 2013, the Chancellor of the Exchequer announced certain tax changes which will have a significant effect on the Company's future tax position. The proposals included phased reductions in the UK corporation tax rate to 20% from 1 April 2015.

As at 1 April 2014, the previously announced reduction in the rate to 23% has been substantively enacted. The effect of the proposed changes to the UK tax system will be reflected in the financial statements of the company in future years as appropriate, once the proposals have been substantively enacted.

Notes to the financial statements (continued)

8. Investment property

	Assets under construction £'000	Land £'000	Buildings £'000	Total £'000
Fair value				
At 1 April 2013	1,182	6,911	23,621	31,714
Additions	14,647	76	570	15,293
Disposals	-	(690)	(310)	(1,000)
Increase/(decrease) in fair value in the year	171	2,374	(6,473)	(3,928)
At 31 March 2014	16,000	8,671	17,408	42,079

The fair value of the Company's investment property at 31 March 2014 has been arrived at on the basis of a valuation carried out at that date by independent qualified valuers, except as noted below. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors in the United Kingdom Valuation Standards by Lambert Smith Hampton Chartered Surveyors, acting as external valuers. They have valued the subject properties as at 31 March 2014, on the basis of Market Value as defined by the RICS Valuation Standards and have adopted the normal assumptions required to arrive at their opinion of value.

The directors have, in the case of Hinton House, supplemented the LSH valuation with their more detailed knowledge of the property, and using additional independent third party advice have impaired the value of the property by a total of £6,023,500.

The difference between the carrying value of investment properties and their historical cost is a reduction of £12,852,000 (2013: £10,265,000).

The property rental and services charge income earned by the Company from its investment property, all of which is leased out under operating leases, amounted to £6,116,000 (2013: £5,591,000). Direct operating expenses arising on the investment properties in the period amounted to £4,996,000 (2013: £5,047,000).

As a result of revaluations of the company's property a loss of £3,928,000 (2013: loss £1,925,000) has been recognised and recorded in the current year Income Statement.

Property with a book value of £1,000,000 was disposed of during the year resulting in a profit of £219,000.

Assets under construction

The value of assets under construction at the balance sheet date was £16,000,000 and relates to an office and car park development at Albion Square in Whitehaven.

Notes to the financial statements (continued)

9. Debtors

	2014 £'000	2013 £'000
Trade debtors	3,091	432
Prepayments	248	88
VAT	391	129
	3,730	649

10. Cash at bank and in hand

	2014 £'000	2013 £'000
Cash and cash equivalents	13,011	29,674

Cash and cash equivalents represents balances held in NDA Properties Limited own name and in a client bank account managed on the company's behalf by Lambert Smith Hampton.

11. Creditors

	2014 £'000	2013 £'000
<i>Amounts falling due within one year:</i>		
Amounts owed to parent undertaking – group loan	525	507
Trade creditors and invoices in advance	298	170
Accruals	890	628
	1,713	1,305
Deferred income	5	5
	1,718	1,310
<i>Amounts falling due after one year:</i>		
Amounts owed to parent undertaking (excluding group loan)	22,622	24,050
Deferred income	468	473
Amounts owed to parent undertaking – group loan	18,968	19,493
	42,058	44,016

Notes to the financial statements (continued)

12. Provisions for liabilities and charges

	Onerous lease provisions £'000	Dilapidation & repair provisions £'000	Total £'000
At 31 March 2013	5,513	600	6,113
Utilisation (Southmoor)	(497)	-	(497)
Utilisation (Daresbury)	(721)	-	(721)
Decrease in onerous lease provision for Southmoor	(9)	-	(9)
Decrease in onerous lease provision for Daresbury	(1,909)	-	(1,909)
Unwinding of discount	76	-	76
At 31 March 2014	2,453	600	3,053
Analysed as:			
Current	709	-	709
Non-current	1,744	600	2,344

No dilapidations provision has been created at 1100, Daresbury Park as the lease does not expire until 2023 (break point 2019), and in the directors' view, the building is being maintained to a high standard.

In the current year, the onerous lease provisions have been discounted at (1.9)% per annum for the first five years, then (0.65)% per annum for the remaining term of the leases, based on Treasury guidance. Whilst acknowledging that Treasury guidance is not binding for this company, the directors have concluded that the guidance is relevant and have applied it accordingly.

In respect of the onerous lease and dilapidation provisions for Southmoor House, it is expected that the costs will be incurred by September 2015. In respect of the onerous lease provision for Daresbury Park, it is expected that the costs will be incurred by May 2019.

Notes to the financial statements (continued)

13. Share capital

	Number	£'000
Authorised:		
Ordinary shares of £1 each		
At 1 April 2013, 2014	50,000,000	50,000
Allotted, called up and fully paid:		
Ordinary shares of £1 each		
At 1 April 2013, 2014	1	-

14. Operating lease arrangements

The Company as lessee

At the reporting date the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2014 £'000	2013 £'000
Not later than one year	993	987
Later than one year and not later than five years	2,777	3,127
Later than five years	55	714
	<u>3,825</u>	<u>4,828</u>

The Company as lessor

At the reporting date the Company had contracted with tenants for the following future minimum lease payments:

	2014 £'000	2013 £'000
Not later than one year	3,719	3,497
Later than one year and not later than five years	4,108	1,953
Later than five years	12,715	7,470
	<u>20,542</u>	<u>12,920</u>