Templegate Developments Limited

Annual report and financial statements

Registered number 04125370

Year ended 31 March 2016

Contents

Directors and advisers

Directors

R Evans
P Millington
P Garrett
R Flint

Company secretary

R C Hill

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Central Square
29 Wellington Street
Leeds
LS1 4DL

Registered office

Western House
Halifax Road
Bradford
West Yorkshire
BD6 2SZ

Bankers

NatWest Bank
PO Box 126
Leeds
LS1 5AH

Solicitors

Walker Morris
Kings Court
12 King Street
LS1 2HL

Directors' report

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

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

Principal activities and review of business

Templegate Developments Limited ("the Company") is a joint venture between Keyland Developments Limited and Skelton Investments Limited. The principal activity is to hold land for capital appreciation. During the year the Company has progressed the planning and development position of its land.

Results and dividends

The profit for the financial year amounts to £11,000 (2015 profit: £15,000).

The directors do not recommend the payment of a dividend (2015: £nil).

Future developments

No significant developments in the Company's business are anticipated in the foreseeable future.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

R Evans
P Millington
P Garrett
R Flint

Directors' statement as to disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Independent auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

By order of the board

R C Hill
Company Secretary

4 November 2016

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exeptions, if any, of FRS102 used in the preparation of financial statements; and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditors' report to the members of Templegate Developments Limited

Report on the financial statements

Our opinion

In our opinion Templegate Developments Limited's financial statements (the "financial statements")

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements included within the Annual report and financial statements (the Annual Report) comprise

- the Balance sheet as at 31 March 2016;
- the Statement of changes in equity for the year then ended;
- the Cash flow statement for the year then ended;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from the responsibility.

Independent auditors' report to the members of Templegate Developments Limited *(continued)*

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the statement of directors' responsibilities set out on page 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.

Arif Ahmad

Arif Ahmad (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds

4 November 2016

Profit and loss account
for the year ended 31 March 2016

	Note	**2016 £000**	2015 £000
Administrative expenses		**(606)**	(4)
Other operating income	*2*	**601**	1
Operating loss		**(5)**	(3)
Interest receivable and similar income	*5*	**19**	21
Profit on ordinary activities before taxation		**14**	18
Tax on profit on ordinary activities	*6*	**(3)**	(3)
Profit for the financial year		**11**	15

Balance sheet
as at 31 March 2016

	Note	2016 £000	2015 £000
Fixed assets			
Investment property	7	**1,398**	1,398
Current assets			
Debtors (including £1,054,000 (2015: £1,445,000) due after more than one year)	8	**1,055**	1,447
Cash at bank and in hand	9	**36**	5
		1,091	1,452
Creditors: amounts falling due within one year	10	**(5)**	(10)
Net current assets		**1,086**	1,442
Total assets less current liabilities		**2,484**	2,840
Creditors: amounts falling due after more than one year	11	**(1,727)**	(2,094)
Net assets		**757**	746
Capital and reserves			
Called up share capital	12	**600**	600
Profit and loss account		**157**	146
Total Shareholders' funds		**757**	746

The financial statements on pages 6 to 15 were approved by the board of directors on 27 September 2016 and were signed on its behalf by:

P Millington
Director

P Garrett
Director

Company registered number: 04125370

Statement of changes in equity
for the year ended 31 March 2016

	Called up share capital £000	Profit and loss account £000	Total Shareholders funds £000
Balance at 1 April 2014	600	131	731
Total comprehensive income for the financial year			
Profit for the financial year	-	15	15
Total comprehensive income for the financial year	-	15	15
Balance at 31 March 2015	600	146	746

	Called up share capital £000	Profit and loss account £000	Total Shareholders funds £000
Balance at 1 April 2015	**600**	**146**	**746**
Total comprehensive income for the financial year			
Profit for the financial year	-	**11**	**11**
Total comprehensive income for the financial year	-	**11**	**11**
Balance at 31 March 2016	**600**	**157**	**757**

Cash flow statement
for the year ended 31 March 2016

	Note	2016 £000	2015 £000
Cash flows (used in)/from operating activities			
Profit for the financial year		**11**	15
Adjustments for:			
Interest receivable and similar income		**(19)**	(21)
Taxation		**3**	3
Operating loss		**(5)**	(3)
Decrease/(increase) in trade and other debtors		**392**	(2)
Decrease in trade and other creditors		**(375)**	(79)
		12	(84)
Tax paid		**-**	(96)
Net cash from/(used in) operating activities		**12**	(180)
Interest received		**19**	-
Net cash from investing activities		**19**	-
Cash flows from financing activities			
Repayment of borrowings		**-**	(4,676)
Movement in loan to associate		**-**	6,215
Movement in loan to JV		**-**	(1,424)
Net cash from financing activities		**-**	115
Net increase/(decrease) in cash and cash equivalents		**31**	(65)
Cash and cash equivalents at 1 April		**5**	70
Cash and cash equivalents at 31 March	9	**36**	5

Notes

1 Accounting policies

Templegate Developments Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the financial reporting standard applicable in the UK and Republic of Ireland ("FRS 102"), and the Companies Act 2006. The presentation currency of these financial statements is sterling.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

Basic financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and

ii. no depreciation is provided in respect of investment properties applying the fair value model.

Notes

1 Accounting policies *(continued)*

Impairment excluding stocks and investment properties

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Expenses

Interest receivable and interest payable

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Timing differences are not provided for respect of differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property, except when the investment property has a limited useful life and the objective of the company's business model is to consume substantially all of the value through use. In the latter case the tax rate that is expected to apply to the reversal of the related difference is used.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes

2 Other operating income

	2016 £000	2015 £000
Other income	**601**	1
	601	1

3 Expenses and auditors' remuneration

Included in the profit for the financial year is the following:

Auditors' remuneration:

	2016 £000	2015 £000
Audit of these financial statements	**2**	2

4 Staff costs and directors' emoluments

The company does not have any employees (2015: none) and none of the directors received any remuneration from the company (2015: £nil).

5 Interest receivable and similar income

	2016 £000	2015 £000
Interest receivable on financial assets at amortised cost	**19**	21
Total interest receivable and similar income	**19**	21

Interest receivable and similar income includes income from group undertakings of £19,000 (2015: £21,000).

Notes

6 Tax on profit on ordinary activities

Total tax expense recognised in the profit and loss account

	2016 £000	2015 £000
Current tax		
Current tax on income for the year recognised in profit and loss account	**3**	3

Reconciliation of effective tax rate

	2016 £000	2015 £000
Profit for the financial year	**11**	15
Tax on profit on ordinary activities	**3**	3
Profit on ordinary activties before taxation	**14**	18
Tax using the UK corporation tax rate of 20% (2015: 21%)	**3**	3
Total tax charge included in profit or loss	**3**	3

The corporation tax rate of 20% enacted in the Finance Act 2013 and applicable from 1 April 2015 has been used in preparing these financial statements.

The Finance (No 2) Act 2015 set the main rate of corporation tax rate at 19% from 1 April 2017 and 18% from 1 April 2020. The Chancellor announced in the Budget on 16 March 2016 that the main rate of corporation tax will be reduced to 17% from 1 April 2020. This had not been substantively enacted at the balance sheet date and therefore is not included in these financial statements.

7 Investment property

	£000
Balance at 1 April 2015 and at 31 March 2016	**1,398**

No item of investment property in the year was valued by an external, independent valuer. The assets are stated at the directors' valuation after taking into account the timing of future anticipated project cash flows as adjusted for development risk and planning risk.

The property is currently under development and not generating any rental income. The directors have assessed the value of the completed development and discounted this by the amount of development and construction work remaining to arrive at the fair value.

Notes

8 Debtors

	2016	2015
	£000	£000
Other debtors	**1,055**	1,447
	1,055	1,447
Due within one year	**1**	2
Due after more than one year	**1,054**	1,445
	1,055	1,447

Included within other debtors is a loan of £522,000 (2015: £723,000) to Keyland Developments Limited, a 50% joint venture shareholder and £532,000 (2015: £723,000) to Skelton Investments Limited, a 50% joint venture shareholder. The loans to the joint venture shareholders are unsecured and repayable on demand. Interest is charged at 1.5% fixed rate, which is reviewed annually.

9 Cash and cash equivalents

	2016	2015
	£000	£000
Cash at bank and in hand	**36**	5
Cash and cash equivalents per cash flow statements	**36**	5

10 Creditors: amounts falling due within one year

	2016	2015
	£000	£000
Amounts owed to associates	**-**	5
Taxation and social security	**3**	3
Accruals and deferred income	**2**	2
	5	10

Notes

11 Creditors: amounts falling due after more than one year

	2016 £000	2015 £000
Accruals and deferred income	**1,727**	2,094
	1,727	2,094

No amounts are repayable after five years.

12 Called up share capital

	2016 £000	2015 £000
Allotted, called up and fully paid		
300,000 (2015: 300,000) "A" Ordinary shares of £1 each	**300**	300
300,000 (2015: 300,000) "B" Ordinary shares of £1 each	**300**	300
	600	600

Three hundred thousand ordinary shares of £1 each have been allotted to each of the joint venture parties which are fully paid. The "A" ordinary shares rank pari passu in every respect with the "B" ordinary shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

13 Related parties

Identity of related parties with which the Company has transacted

During the year the company received interest on a loan to Keyland Developments Limited of £9,500 (2015: £10,500). The outstanding balance on the loan receivable was £522,000 (2015: £723,000).

During the year the company received interest on a loan to Skelton Investments Limited of £9,500 (2015: £10,500). The outstanding balance on the loan receivable was £532,000 (2015: £723,000).

14 Joint venture parties

At 31 March 2016, the Company is a joint venture between Skelton Investments Limited, registered in England and Wales, and Keyland Developments Limited, registered in England and Wales.

The directors consider that neither of the undertakings set out below is the controlling party of the company.

Name of undertaking	Description of shares held	Proportion of nominal value of ordinary shares held	Accounting year end
Skelton Investments Limited	Ordinary	50%	31 March
Keyland Developments Limited	Ordinary	50%	31 March