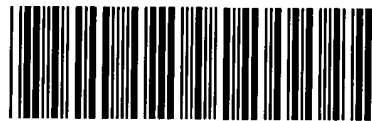


Registered number: 05240514

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

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COMPANIES HOUSE

ARUNDEL SQUARE DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	J W Adams (resigned 10 March 2016) D M Barnett C R L Phillips K Duggan R A De Blaby (appointed 10 March 2016, resigned 31 December 2016)
Registered number	05240514
Registered office	26 Kings Hill Avenue Kings Hill West Malling Kent ME19 4AE

ARUNDEL SQUARE DEVELOPMENTS LIMITED

CONTENTS

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report to the members of Arunde Square Developments Limited	3 - 4
Statement of comprehensive income	5
Balance sheet	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9 - 15

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the Company was the development of property in Islington, London N7. The development consisted of 115 private residential apartments. The final residential unit completed in 2011 and one parking space remains as work in progress.

Directors

The Directors who served during the year were:

J W Adams (resigned 10 March 2016)
D M Barnett
C R L Phillips
K Duggan
R A De Blaby (appointed 10 March 2016, resigned 31 December 2016)

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, KPMG LLP, Statutory Auditor, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 11 August 2017 and signed on its behalf.



K Duggan
Director

26 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4AE

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARUNDEL SQUARE DEVELOPMENTS LIMITED

We have audited the financial statements of Arundel Square Developments Limited for the year ended 31 December 2016, set out on pages 5 to 15. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2, 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 Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/UKNP.

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 2016 and of its loss 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements. Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- a) we have not identified material misstatements in that report; and
- b) in our opinion, that report has been prepared in accordance with the Companies Act 2006.


In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARUNDEL SQUARE DEVELOPMENTS
LIMITED (CONTINUED)**

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

T. S. 

Timothy Rush (Senior statutory auditor)

for and on behalf of

KPMG LLP, Statutory Auditor

Chartered Accountants

1 Forest Gate
Brighton Road
Crawley
RH11 9PT

16 August 2017

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £000
Cost of sales		-	(15)
Gross profit/(loss)		-	(15)
Tax on profit/(loss)	6	2	-
Profit/(loss) for the year		<u>2</u>	<u>(15)</u>

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

Other comprehensive income for 2016 comprised a £9,000 loss arising from the write off of intercompany investment (2015:£NIL).

The notes on pages 9 to 15 form part of these financial statements.

ARUNDEL SQUARE DEVELOPMENTS LIMITED
REGISTERED NUMBER:05240514

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £000	2016 £000	2015 £000	2015 £000
Current assets					
Stocks	8	17		17	
Debtors: amounts falling due within one year	9	71		18	
Cash at bank and in hand	10	-		60	
		<u>88</u>		<u>95</u>	
Creditors: amounts falling due within one year	11	(3)		(3)	
Net current assets			<u>85</u>		<u>92</u>
Total assets less current liabilities			<u>85</u>		<u>92</u>
Net assets			<u>85</u>		<u>92</u>
Capital and reserves					
Called up share capital	13		1		1
Profit and loss account			84		91
			<u>85</u>		<u>92</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 August 2017.



K Duggan
Director

The notes on pages 9 to 15 form part of these financial statements.

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2015	1	256	257
Comprehensive income for the year			
Loss for the year	-	(15)	(15)
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	(15)	(15)
Transactions with owners, recorded directly in equity			
Dividends: Equity capital	-	(150)	(150)
	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	(150)	(150)
	<hr/>	<hr/>	<hr/>
At 1 January 2016	1	91	92
Comprehensive income for the year			
Profit for the year	-	2	2
	<hr/>	<hr/>	<hr/>
Write off of intercompany investment	-	(9)	(9)
	<hr/>	<hr/>	<hr/>
Other comprehensive income for the year	-	(9)	(9)
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	(7)	(7)
	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2016	1	84	85
	<hr/>	<hr/>	<hr/>

The notes on pages 9 to 15 form part of these financial statements.

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	£000	£000
Cash flows from operating activities		
Profit/(loss) for the financial year	2	(15)
Adjustments for:		
Taxation charge	(2)	-
(Increase)/decrease in debtors	(53)	-
Decrease in amounts owed by groups	-	1,013
Increase/(decrease) in creditors	-	(1,012)
Write off of intercompany investment	(9)	-
Corporation tax received	2	-
	<hr/>	<hr/>
Net cash generated from operating activities	(60)	(14)
	<hr/>	<hr/>
Cash flows from financing activities		
Dividends paid	-	(150)
	<hr/>	<hr/>
Net cash used in financing activities	-	(150)
	<hr/>	<hr/>
Net (decrease) in cash and cash equivalents	(60)	(164)
Cash and cash equivalents at beginning of year	60	224
	<hr/>	<hr/>
Cash and cash equivalents at the end of year	-	60
	<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	-	60
	<hr/>	<hr/>
	-	60
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 15 form part of these financial statements.

ARUNDEL SQUARE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Arundel Square Developments Limited is a company limited by shares and incorporated in the UK. The registered number is 05240514 and the registered address is 26 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4AE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Company has retained ownership of one parking space within the Development. The Directors intend to sell this parking space following which the Company will cease trading and be struck off. The Directors have received assurances from the Company's shareholders that adequate resources will continue to be made available to enable the Company to settle its liabilities for a period of at least 12 months from the approval of these financial statements. No adjustments were necessary to the amounts at which the net assets are included in these financial statements and accordingly the financial statements have been prepared on a going concern basis.

2.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

ARUNDEL SQUARE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.10 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are set out in note 2, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant.

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.

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

4. Auditor's remuneration

	2016 £000	2015 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	2	2
	<u>2</u>	<u>2</u>
Fees payable to the Company's auditor and its associates in respect of:		
Other services relating to taxation	1	1
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. Directors' remuneration

During the period, no Director received any emoluments (2015: £nil) from the Company. The Directors of the Company are remunerated in their roles as Directors of respective entities that have collaborated in this joint venture. The Directors' remuneration for qualifying services to the Company for 2016 was £nil (2015: £nil).

The Company has no employees other than the Directors. The Directors are the only Key Management Personnel.

6. Taxation

	2016	2015
	£000	£000
Corporation tax		
Adjustments in respect of previous periods	(2)	-
	(2)	-
Total current tax	(2)	-
Deferred tax		
Total deferred tax	-	-
Taxation on (loss)/profit on ordinary activities	(2)	-

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2015 - the same as) the standard rate of corporation tax in the UK of 20% (2015 - 20%) as set out below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	-	(15)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	-	(3)
Effects of:		
Adjustments to tax charge in respect of prior periods	(2)	-
Unrelieved tax losses carried forward	-	3
Total tax charge for the year	(2)	-

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. A further reduction to the UK corporation tax rate was announced in the 2016 Budget to further reduce the tax rate to 17% (to be effective from 1 April 2020). This will reduce the company's future current tax charge accordingly.

7. Fixed asset investments

As at 31 December 2015, the Company had one wholly owned subsidiary undertaking ASDL1 Limited (ASDL1), registered in England and Wales. ASDL1 Limited was dormant and during 2016 the Directors elected to strike it off and it was dissolved on 21 February 2017. The closing net liabilities of ASDL1 were £9,000 (all amounts owed to the Company)

The intercompany balance owed by ASDL1 at the time of strike off was £9,000 and this is recorded as Other comprehensive income (Write off of intercompany investment) in the Statement of changes in equity.

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

8. Stocks

	2016 £000	2015 £000
Work in progress	17	17
	<u>17</u>	<u>17</u>

9. Debtors

	2016 £000	2015 £000
Amounts owed by group undertakings	-	8
Other debtors	71	10
	<u>71</u>	<u>18</u>

10. Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	-	60
	<u>-</u>	<u>60</u>

11. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Other creditors	3	3
	<u>3</u>	<u>3</u>

ARUNDEL SQUARE DEVELOPMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

12. Financial instruments

	2016	2015
	£000	£000
Financial assets		
Financial assets measured at fair value through profit or loss	-	60
Financial assets that are debt instruments measured at amortised cost	71	18
	<u>71</u>	<u>78</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(3)	(3)
	<u>(3)</u>	<u>(3)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank.

13. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
510 Ordinary A shares of £1 each	510	510
490 Ordinary B shares of £1 each	490	490
	<u>1,000</u>	<u>1,000</u>

14. Controlling party and related party transactions

The Company is a joint venture controlled by United House Developments Limited, whose ultimate parent undertaking at 31 December 2016 was United House Group Holdings Limited and Redspur (Arundel) Limited (formerly London & Newcastle (Arundel) Limited, whose ultimate parent undertaking from 16 January 2016 is Redspur Group Limited (until 16 January 2016 ultimate parent undertaking was London & Newcastle Securities Limited).

There were no related party transactions in the current or preceding years.