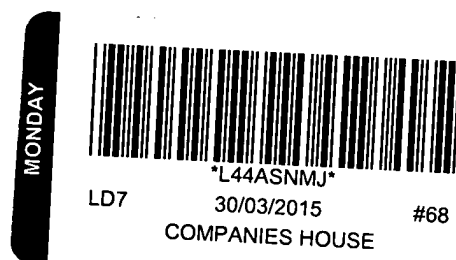


Financial Statements

Hertfordshire Properties Limited

For the year ended 31 December 2014



Registered number: 07550999

Directors' report

For the year ended 31 December 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Directors' responsibilities statement

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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Principal activities

The principal activity of the company during the year under review was property development and housebuilding.

In the prior year the Directors reported an impairment in the value of work in progress held at 31 December 2013 of £120,000. No further impairment was required for the year ended 31 December 2014 as the property with which the work in progress related was sold.

Directors

The directors who served during the year were:

N G King
N J P Bilsland
K J Speller
S E Jacquest
P J Lobatto

Directors' report

For the year ended 31 December 2014

Disclosure of information to auditor

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

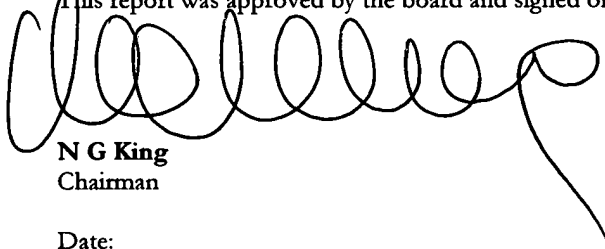
- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor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

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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 and signed on its behalf.



N G King
Chairman

Date:



Independent auditor's report to the members of Hertfordshire Properties Limited

We have audited the financial statements of Hertfordshire Properties Limited for the year ended 31 December 2014, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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, 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 (APB'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/auditscopeukprivate.

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 2014 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 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.



Independent auditor's report to the members of Hertfordshire Properties 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 take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

Grant Thornton UK LLP

Tracey D James (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Reading

Date:

25 March 2015

Profit and loss account

For the year ended 31 December 2014

	Note	2014 £000	2013 £000
Turnover	1,2	318	-
Cost of sales		<u>(318)</u>	<u>(120)</u>
Gross loss		-	(120)
Administrative expenses		(17)	(10)
Other operating income	3	-	12
Other operating charges		<u>-</u>	<u>(8)</u>
Loss on ordinary activities before taxation		(17)	(126)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
Loss for the financial year	11	<u>(17)</u>	<u>(126)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

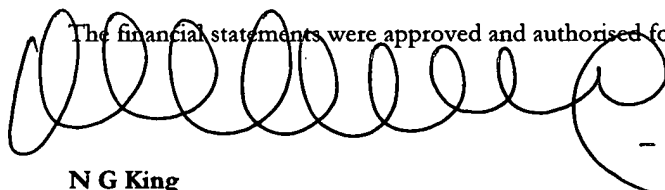
The notes on pages 7 to 10 form part of these financial statements.

Balance sheet

As at 31 December 2014

	Note	£000	2014 £000	£000	2013 £000
Current assets					
Stocks	6	-		318	
Debtors	7	37		16	
Cash at bank		2		5	
		<u>39</u>		<u>339</u>	
Creditors: amounts falling due within one year	8	<u>(300)</u>		<u>(583)</u>	
Net current liabilities			<u>(261)</u>		<u>(244)</u>
Net liabilities			<u>(261)</u>		<u>(244)</u>
Capital and reserves					
Called up share capital	10		-		-
Profit and loss account	11		<u>(261)</u>		<u>(244)</u>
Shareholders' deficit	12		<u>(261)</u>		<u>(244)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



N G King
Chairman

Date:

The notes on pages 7 to 10 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Going concern

Hertfordshire Properties Limited is a member of a group of companies, of which Nicholas King Developments Plc is the parent undertaking. Forecasts and projections have been prepared covering a period greater than 12 months from the date of approval of these financial statements which show it can continue to operate within the facilities currently available.

The directors have a reasonable expectation that the amounts owed to group undertakings will not be recalled within 12 months of signing of these financial statements. Consequently, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1 'Cash flow statements (revised 1996)'.

1.4 Work in progress and finished goods

Work in progress and finished goods are valued at direct cost less foreseeable losses and payments received on account.

1.5 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.6 Interest payable

Interest payable on bank and other borrowings is written off to the profit and loss account as incurred.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.8 Rent receivable

Rental income is recognised in the profit and loss account on a straight-line basis over the rental period.

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies (continued)

1.9 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Turnover

The whole of the turnover relates to the sale of property in the year.

All turnover arose in the United States of America.

3. Other operating income

	2014 £000	2013 £000
Net rents receivable	-	12

4. Operating loss

The audit fee expense is borne by the parent company.

The loss is stated after charging:

	2014 £000	2013 £000
Difference on foreign exchange	(2)	-

During the year, no director received any emoluments (2013 - £NIL).

Notes to the financial statements

For the year ended 31 December 2014

5. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 20% (2013 - 21%). The differences are explained below:

	2014 £000	2013 £000
Loss on ordinary activities before tax	(17)	(126)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 21%)	(3)	(26)
Effects of:		
Group relief	3	26
Current tax charge for the year (see note above)	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

6. Stocks

	2014 £000	2013 £000
Work in progress	-	318

7. Debtors

	2014 £000	2013 £000
Other debtors	37	16

8. Creditors:

Amounts falling due within one year

	2014 £000	2013 £000
Other loans	-	454
Amounts owed to group undertakings	300	129
	300	583

Notes to the financial statements

For the year ended 31 December 2014

9. Related party transactions

The Company has adopted the provision of FRS 8 'Related Party Disclosures'. The Company has utilised the exemption available under FRS 8 allowing non-disclosure of transactions within Group companies eliminated upon consolidation where the subsidiaries are 100% owned.

The Company owed £nil (2013 - £454,000) to Nicholas King Homes Plc Retirement Benefit Scheme at 31 December 2014.

10. Share capital

	2014 £000	2013 £000
Allotted, called up and unpaid		
100 Ordinary shares of £1 each	-	-

11. Reserves

	Profit and loss account £000
At 1 January 2014	(244)
Loss for the year	(17)
At 31 December 2014	(261)

12. Reconciliation of movement in shareholders' deficit

	2014 £000	2013 £000
Opening shareholders' deficit	(244)	(118)
Loss for the year	(17)	(126)
Closing shareholders' deficit	(261)	(244)

13. Ultimate parent undertaking and controlling party

The Directors consider the ultimate parent company to be Nicholas King Developments Plc which is incorporated in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by Nicholas King Developments Plc. A copy of these accounts may be obtained from Companies House.

Nicholas King Developments Plc is controlled by N G King, a director of Hertfordshire Properties Limited.