

**DIRECTORS' REPORT AND
AUDITED FINANCIAL STATEMENTS FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016
FOR
MARLBOROUGH PROPERTY CO LIMITED**

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FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016**

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MARLBOROUGH PROPERTY CO LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016**

DIRECTORS:

W L Adderley
D L Wright

REGISTERED OFFICE:

Two Marlborough Court
Watermead Business Park
Syston
Leicestershire
LE7 1AD

REGISTERED NUMBER:

08020218 (England and Wales)

INDEPENDENT AUDITORS:

KPMG LLP
Statutory Auditor, Chartered Accountants
St Nicholas House
Park Row
Nottingham
NG1 6FQ

**OPERATING AND FINANCIAL REVIEW
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Paragraph 13 of Part II of Schedule 1 to the Companies Act 2006 The Small Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008 No. 409) require that the amount of any item "must be determined on a prudent basis". ; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. Included where no separate statement on going concern is made by the directors.

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.

**DIRECTORS' REPORT
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016**

The directors present their report with the financial statements of the company for the period 1 August 2015 to 30 June 2016.

PRINCIPAL ACTIVITY

The principal activity of the company is a property holding company which also provides asset management services to commercial and residential properties. The company's subsidiary companies Marlborough Property (Hitchin) Limited, Marlborough Property (Helensburgh) Limited, Marlborough Property (Watermead) Limited, Marlborough Property (Colmore Row) Limited, Marlborough Property (Staines) Limited, Marlborough Property (Water Court) Limited, Marlborough Property (OX 386) Limited, Marlborough Property (Digbeth) Limited, Marlborough Property (NBS 169) Limited, Marlborough Property (Douglas) Limited all have the principal activities of commercial property investment and development.

DIVIDENDS

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

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2015 to the date of this report.

W L Adderley
D L Wright

Other changes in directors holding office are as follows:

I Martin - resigned 8 March 2016

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

D L Wright - Director

21 December 2016

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Paragraph 13 of Part II of Schedule 1 to the Companies Act 2006 The Small Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008 No. 409) require that the amount of any item "must be determined on a prudent basis". ; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. Included where no separate statement on going concern is made by the directors.

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 MARLBOROUGH PROPERTY CO LIMITED

We have audited the financial statements of Marlborough Property Co Limited for the period ended 30 June 2016 set out on pages six to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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

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 30 June 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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:

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MARLBOROUGH PROPERTY CO LIMITED**

- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantages 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.

Ian Borley (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Statutory Auditor, Chartered Accountants
St Nicholas House
Park Row
Nottingham
NG1 6FQ

21 December 2016

MARLBOROUGH PROPERTY CO LIMITED (REGISTERED NUMBER: 08020218)

**INCOME STATEMENT
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016**

	Notes	Period 1/8/15 to 30/6/16 £	Year Ended 31/7/15 £
TURNOVER		579,924	313,653
Administrative expenses		<u>(320,818)</u>	<u>(234,323)</u>
OPERATING PROFIT	4	259,106	79,330
Dividends received	5	2,590,000	-
Interest receivable and similar income	6	<u>1,047,480</u>	<u>914,862</u>
		3,896,586	994,192
Interest payable and similar expenses	7	<u>(1,026,355)</u>	<u>(909,464)</u>
PROFIT BEFORE TAXATION		2,870,231	84,728
Tax on profit		<u>1,553</u>	<u>(2,401)</u>
PROFIT FOR THE FINANCIAL PERIOD		<u>2,871,784</u>	<u>82,327</u>

The notes on pages 10 to 13 form part of these financial statements

MARLBOROUGH PROPERTY CO LIMITED (REGISTERED NUMBER: 08020218)

BALANCE SHEET
30 JUNE 2016

	Notes	30/6/16 £	31/7/15 £
FIXED ASSETS			
Tangible assets	9	64,286	13,227
Investments	10	<u>902</u>	<u>602</u>
		<u>65,188</u>	<u>13,829</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	142,037,483	76,432,792
Cash at bank		<u>2,428,617</u>	<u>521,916</u>
		144,466,100	76,954,708
CREDITORS			
Amounts falling due within one year	12	(103,059,726)	(38,035,491)
NET CURRENT ASSETS		<u>41,406,374</u>	<u>38,919,217</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		41,471,562	38,933,046
CREDITORS			
Amounts falling due after more than one year	13	(38,482,000)	(38,816,360)
PROVISIONS FOR LIABILITIES		<u>(1,092)</u>	<u>-</u>
NET ASSETS		<u>2,988,470</u>	<u>116,686</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>2,988,370</u>	<u>116,586</u>
SHAREHOLDERS' FUNDS		<u>2,988,470</u>	<u>116,686</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 21 December 2016 and were signed on its behalf by:

D L Wright - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2014	100	34,259	34,359
Changes in equity			
Total comprehensive income	-	82,327	82,327
Balance at 31 July 2015	100	116,586	116,686
Changes in equity			
Total comprehensive income	-	2,871,784	2,871,784
Balance at 30 June 2016	100	2,988,370	2,988,470

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016**

1. STATUTORY INFORMATION

Marlborough Property Co Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements were prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014, and with the Companies Act 2006 (as applicable to companies subject to the small companies' regime). The changes to FRS 102 issued in September 2015 effective for periods beginning on or after 1 January 2016 have been early adopted and therefore, as a small company the financial statements have been prepared under section 1A the small entities regime of FRS 102.

Preparation of consolidated financial statements

The financial statements contain information about Marlborough Property Co Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

3. EMPLOYEES

The average number of employees during the period was 1.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016

4. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1/8/15 to 30/6/16 £	Year Ended 31/7/15 £
Depreciation - owned assets	19,047	4,410
Auditors' remuneration	<u>23,000</u>	<u>5,000</u>

5. DIVIDENDS RECEIVED

	Period 1/8/15 to 30/6/16 £	Year Ended 31/7/15 £
Dividends received	<u>2,590,000</u>	<u>-</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	Period 1/8/15 to 30/6/16 £	Year Ended 31/7/15 £
Interest receivable	1,018,215	753,529
Bank Interest Received	21,120	5,398
Refinancing cost recharges	8,140	155,935
Other interest received	5	-
	<u>1,047,480</u>	<u>914,862</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1/8/15 to 30/6/16 £	Year Ended 31/7/15 £
Loan interest	1,018,215	753,529
Refinancing costs	8,140	155,935
	<u>1,026,355</u>	<u>909,464</u>

8. AUDITORS' REMUNERATION

Auditor's remuneration has been recognised as £23,000 in the company's accounts. This fee includes the fees in relation to the subsidiaries of the company who have not recognised audit costs for the period ending 30 June 2016.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 August 2015	11,096	6,541	17,637
Additions	45,648	24,458	70,106
At 30 June 2016	<u>56,744</u>	<u>30,999</u>	<u>87,743</u>
DEPRECIATION			
At 1 August 2015	2,774	1,636	4,410
Charge for period	12,275	6,772	19,047
At 30 June 2016	<u>15,049</u>	<u>8,408</u>	<u>23,457</u>
NET BOOK VALUE			
At 30 June 2016	<u>41,695</u>	<u>22,591</u>	<u>64,286</u>
At 31 July 2015	<u>8,322</u>	<u>4,905</u>	<u>13,227</u>

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 August 2015	602
Additions	300
At 30 June 2016	<u>902</u>
NET BOOK VALUE	
At 30 June 2016	<u>902</u>
At 31 July 2015	<u>602</u>

The company owns 100% of the issued share capital of the companies listed below

Marlborough Property (Hitchin) Limited
Marlborough Property (Helensburgh) Limited
Marlborough Property (Watermead) Limited
Marlborough Property (Colmore Row) Limited
Marlborough Property (Staines) Limited
Marlborough Property (Water Court) Limited
Marlborough Property (OX 386) Limited
Marlborough Property (Digbeth) Limited
Marlborough Property (NBS 169) Limited
Marlborough Property (Douglas) Limited

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 AUGUST 2015 TO 30 JUNE 2016

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30/6/16	31/7/15
	£	£
Amounts owed by group undertakings	141,797,948	76,427,088
Other debtors	11,432	5,704
Tax	140,000	-
VAT	88,103	-
	<u>142,037,483</u>	<u>76,432,792</u>

The company has loans due from its subsidiaries which are interest free and repayable on demand.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30/6/16	31/7/15
	£	£
Trade creditors	25,876	22,990
Amounts owed to group undertakings	103,000,000	38,000,000
Tax	-	2,401
Other creditors	100	10,100
Accrued expenses	33,750	-
	<u>103,059,726</u>	<u>38,035,491</u>

The company has loans from its parent, WA Capital Limited which are interest free and repayable on demand.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30/6/16	31/7/15
	£	£
Bank loans - 2-5 years	<u>38,482,000</u>	<u>38,816,360</u>

The bank loan drawn down in June 2015 is a five year interest only facility due for repayment on 28 June 2020, which is secured on properties held in its subsidiary undertakings. Interest is charged quarterly at 1.95% above 3 month LIBOR.

14. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The company was under the control of WA Capital Limited through the current period. Mr W L Adderley is the managing director and majority shareholder of WA Capital Limited.

RECONCILIATION OF EQUITY

1 AUGUST 2014

(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Investments		602	-	602
CURRENT ASSETS				
Debtors	1	48,575,697	-	48,575,697
Cash at bank		516,788	-	516,788
		<u>49,092,485</u>	<u>-</u>	<u>49,092,485</u>
CREDITORS				
Amounts falling due within one year	1	(536,008)	(48,522,720)	(49,058,728)
NET CURRENT ASSETS		<u>48,556,477</u>	<u>(48,522,720)</u>	<u>33,757</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		48,557,079	(48,522,720)	34,359
CREDITORS				
Amounts falling due after more than one year	1	(48,522,720)	48,522,720	-
NET ASSETS		<u>34,359</u>	<u>-</u>	<u>34,359</u>
CAPITAL AND RESERVES				
Called up share capital		100	-	100
Retained earnings		34,259	-	34,259
SHAREHOLDERS' FUNDS		<u>34,359</u>	<u>-</u>	<u>34,359</u>

The notes on pages 10 to 13 form part of these financial statements

RECONCILIATION OF EQUITY - continued
31 JULY 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		13,227	-	13,227
Investments		602	-	602
		<u>13,829</u>	<u>-</u>	<u>13,829</u>
CURRENT ASSETS				
Debtors	1	76,432,792	-	76,432,792
Cash at bank		521,916	-	521,916
		<u>76,954,708</u>	<u>-</u>	<u>76,954,708</u>
CREDITORS				
Amounts falling due within one year	1	(35,491)	(38,000,000)	(38,035,491)
NET CURRENT ASSETS		<u>76,919,217</u>	<u>(38,000,000)</u>	<u>38,919,217</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		76,933,046	(38,000,000)	38,933,046
CREDITORS				
Amounts falling due after more than one year	1	(76,816,360)	38,000,000	(38,816,360)
NET ASSETS		<u>116,686</u>	<u>-</u>	<u>116,686</u>
CAPITAL AND RESERVES				
Called up share capital		100	-	100
Retained earnings		116,586	-	116,586
SHAREHOLDERS' FUNDS		<u>116,686</u>	<u>-</u>	<u>116,686</u>

Notes to the reconciliation of equity

1. Reclassification of intercompany debtor and creditor balances which were both repayable on demand.

**RECONCILIATION OF PROFIT
FOR THE YEAR ENDED 31 JULY 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	313,653	-	313,653
Administrative expenses	<u>(234,323)</u>	-	<u>(234,323)</u>
OPERATING PROFIT	79,330	-	79,330
Interest receivable and similar income	914,862	-	914,862
Interest payable and similar expenses	<u>(909,464)</u>	-	<u>(909,464)</u>
PROFIT BEFORE TAXATION	84,728	-	84,728
Tax on profit	<u>(2,401)</u>	-	<u>(2,401)</u>
PROFIT FOR THE FINANCIAL PERIOD	<u>82,327</u>	-	<u>82,327</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.