

**Killultagh Estates Limited (formerly Alfred Street
Properties Limited)**

Abbreviated Financial Statements

31 March 2016

MANEELY Mc CANN
Chartered Accountants
Aisling House
50 Stranmillis Embankment
Belfast
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Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Abbreviated Financial Statements

Period from 21 May 2015 to 31 March 2016

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Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Officers and Professional Advisers

The board of directors

Mr B Boyd
Mr F Boyd
Mr M Lamont
Mr R Steenson

Registered office

Alfred House 4th Floor
19 - 21 Alfred Street
Belfast
Northern Ireland
BT2 8ED

Accountants

Maneely Mc Cann
Chartered Accountants
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

Bankers

Ulster Bank Limited
11-16 Donegall Square East
Belfast
BT1 5UB

Barclays
Mayfair
43 Brook Street
London
W1K 4HJ

Solicitors

DWF (Northern Ireland) LLP
Jefferson House
42 Queen Street
Belfast
BT1 6HL

Tughans
Marlborough House
30 Victoria Street
Belfast
BT1 3GG

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Strategic Report

Period from 21 May 2015 to 31 March 2016

The principal activity of the company during the year was the leasing of properties for both commercial and residential purposes.

The company's revenues are generated largely by rental income from investment properties.

Turnover of the company is analysed by activity as follows:

	2016 £
Property Sales	1,680,113
Income from Unit Trusts	1,592,352
Rental Income	3,112,689
	<u>6,385,154</u>

The company recognised an operating profit before exceptional items for the year of £6,828,717. Profit on ordinary activities before taxation was £3,372,552.

The net assets of the company at the year end was £3.4 million. Investment properties were valued at £47.7 million.

The directors are pleased with the rental returns achieved on the properties held by the company. The company, like many involved in property, is facing challenging times in the current economic down turn and in response to this, the director is involved in prudent business planning and working closely with the company's key stakeholders.

The directors envisages in the future seeking opportunities for property investment that fit with the company's strategic objectives.

The company's performance is sensitive to any changes in the property market, property values, interest rates, inflation, availability of credit and consumer spending habits. With these risks and uncertainties in mind, the director is aware that any plans for the future development of the business may be subject to unforeseen future events outside of his control. The director however, focuses on managing and mitigating these risks as part of the overall business strategy.

The company's operations expose it to a variety of financial risks.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a subcommittee. The policies are set and reviewed by the director, and are implemented by the company's finance team. The main risks are summarised below:

Foreign exchange risk

While the greater part of the company's revenues and expenses are denominated in sterling, the company is exposed to some foreign exchange risk in the normal course of business. While the company has not used financial instruments to hedge foreign exchange exposure, this position is under constant review.

Liquidity risk

The company actively maintains a mixture of finance to provide liquidity for operations.

Interest rate risk

The company finances its operations through a combination of a bank overdraft and various loans.

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Strategic Report *(continued)*

Period from 21 May 2015 to 31 March 2016

This report was approved by the board of directors on 22 February 2017 and signed on behalf of the board by:

Mr F Boyd
Director



Registered office:
Alfred House 4th Floor
19 - 21 Alfred Street
Belfast
Northern Ireland
BT2 8ED

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Directors Report

Period from 21 May 2015 to 31 March 2016

The directors present their report and the abbreviated financial statements of the company for the period ended 31 March 2016.

Incorporation

The company was incorporated as Alfred Street Properties Limited on 21 May 2015 and commenced trade on 16 September 2015. The company changed its name to Killultagh Estates Limited on 21 September 2015.

Directors

The directors who served the company during the period were as follows:

Mr B Boyd	(Appointed 1 July 2015)
Mr F Boyd	(Appointed 1 July 2015)
Mr M Lamont	(Appointed 1 July 2015)
Mr R Steenson	(Appointed 1 July 2015)

Dividends

The directors do not recommend the payment of a dividend.

Directors responsibilities statement

The directors are responsible for preparing the strategic report, 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 period. 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 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;
- 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.

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all 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 auditor is aware of that information.

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Directors Report *(continued)*

Period from 21 May 2015 to 31 March 2016

This report was approved by the board of directors on 22 February 2017 and signed on behalf of the board by:

Mr F Boyd
Director



Registered office:
Alfred House 4th Floor
19 - 21 Alfred Street
Belfast
Northern Ireland
BT2 8ED

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Independent Auditor's Report to Killultagh Estates Limited (formerly Alfred Street Properties Limited) under section 449 of the Companies Act 2006

Period from 21 May 2015 to 31 March 2016

We have examined the abbreviated financial statements which comprise the abbreviated statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, together with the financial statements of Killultagh Estates Limited (formerly Alfred Street Properties Limited) for the period ended 31 March 2016 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company's shareholders 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 shareholders those matters we are required to state to them in an auditors 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

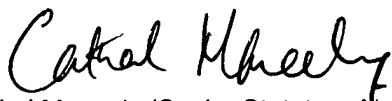
Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated financial statements in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.



Cathal Maneely (Senior Statutory Auditor)

For and on behalf of
Maneely Mc Cann
Chartered Accountants
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

21 February 2017

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Abbreviated Statement of Comprehensive Income

Period from 21 May 2015 to 31 March 2016

	Note	Period from 21 May 15 to 31 Mar 16 £
Turnover	2	6,385,154
Cost of sales and other operating income		1,589,997
Administrative expenses		<u>(2,773,132)</u>
Operating profit	3	7,568,289
Other interest receivable and similar income	6	335,023
Interest payable and similar charges	7	<u>4,530,760</u>
Profit on ordinary activities before taxation		3,372,552
Tax on profit on ordinary activities	8	<u>—</u>
Profit for the financial period and total comprehensive income		<u><u>3,372,552</u></u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 16 form part of these financial statements.

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Statement of Financial Position

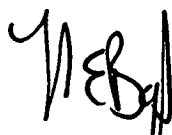
31 March 2016

	Note	31 Mar 16 £
Fixed assets		
Tangible assets	9	47,660,661
Investments	10	48,853,622
		<u>96,514,283</u>
Current assets		
Stocks	11	14,642,234
Debtors	12	11,898,354
Cash at bank and in hand		3,292,901
		<u>29,833,489</u>
Creditors: amounts falling due within one year	13	118,974,800
Net current liabilities		<u>89,141,311</u>
Total assets less current liabilities		<u>7,372,972</u>
Creditors: amounts falling due after more than one year	14	4,000,000
Net assets		<u><u>3,372,972</u></u>
Capital and reserves		
Called up share capital	15	420
Profit and loss account	16	3,372,552
Shareholders funds		<u><u>3,372,972</u></u>

These financial statements have been prepared in accordance with the special provisions of section 445(3) Companies Act 2006 in regard to medium-sized companies.

These abbreviated financial statements were approved by the board of directors and authorised for issue on 21 February 2017, and are signed on behalf of the board by:

Mr F Boyd
Director



Company registration number: NI631443

The notes on pages 10 to 16 form part of these financial statements.

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Statement of Changes in Equity

Period from 21 May 2015 to 31 March 2016

	Called up share capital £	Profit and loss account £	Total £
At 21 May 2015	—	—	—
Profit for the period	—	3,372,552	3,372,552
Total comprehensive income for the period	—	3,372,552	3,372,552
Issue of shares	420	—	420
Total investments by and distributions to owners	420	—	420
At 31 March 2016	<u>420</u>	<u>3,372,552</u>	<u>3,372,972</u>

The notes on pages 10 to 16 form part of these financial statements.

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Notes to the Abbreviated Financial Statements

Period from 21 May 2015 to 31 March 2016

1. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Alfred Street Holdings Limited which can be obtained from 4th Floor Alfred House, 19-21 Alfred Street, Belfast, Northern Ireland BT2 8ED. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company.

Revenue recognition

Turnover represents the total amounts derived from sales in the course of the company's retail activities, from rentals receivable on lettings to third party tenants and from the sale of trading property. Turnover from retail activities is recognised on the date of supply; turnover from rentals accrues on a time basis by reference to the agreements entered; turnover from property sales is recognised on the date of completion.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Exceptional items

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Notes to the Abbreviated Financial Statements *(continued)*

Period from 21 May 2015 to 31 March 2016

1. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Notes to the Abbreviated Financial Statements *(continued)*

Period from 21 May 2015 to 31 March 2016

1. Accounting policies *(continued)*

Group accounts

The company is entitled to the exemption under Section 400 of the Companies Act 2006 from the obligation to prepare group accounts.

Investment properties

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

2. Turnover

Turnover arises from:

	Period from 21 May 15 to 31 Mar 16 £
Property Sales	1,680,113
Income from Unit Trusts	1,592,352
Rental Income	3,112,689
	<u>6,385,154</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

3. Operating profit

Operating profit or loss is stated after charging:

	Period from 21 May 15 to 31 Mar 16 £
Gains on disposal of tangible assets	<u>(3,409,999)</u>

4. Auditor's remuneration

	Period from 21 May 15 to 31 Mar 16 £
Fees payable for the audit of the financial statements	<u>7,500</u>

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Notes to the Abbreviated Financial Statements *(continued)*

Period from 21 May 2015 to 31 March 2016

5. Exceptional items

	Period from 21 May 15 to 31 Mar 16 £
Write off of inter company balance	(739,572)

Included in administration expenses is the write off of a group intercompany balance. There is no impact on taxation arising from this item.

6. Other interest receivable and similar income

	Period from 21 May 15 to 31 Mar 16 £
Other interest receivable and similar income	335,023

7. Interest payable and similar charges

	Period from 21 May 15 to 31 Mar 16 £
Interest on banks loans and overdrafts	4,530,760

8. Tax on profit on ordinary activities

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 20%.

	Period from 21 May 15 to 31 Mar 16 £
Profit on ordinary activities before taxation	3,372,552
Profit on ordinary activities by rate of tax	674,510
Effect of expenses not deductible for tax purposes	(743,080)
Tax on Chargeable Gains	68,570
Tax on profit on ordinary activities	-

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Notes to the Abbreviated Financial Statements *(continued)*

Period from 21 May 2015 to 31 March 2016

9. Tangible assets

	Investment Properties £
Cost	
Additions	49,175,661
Disposals	<u>(1,515,000)</u>
At 31 March 2016	<u>47,660,661</u>
Depreciation	
At 21 May 2015 and 31 Mar 2016	<u>—</u>
Carrying amount	
At 31 March 2016	<u>47,660,661</u>

10. Investments

	Shares in group undertakings £	Units in Unit Trusts £	Total £
Cost			
Additions	1,057,062	47,796,560	48,853,622
At 31 March 2016	<u>1,057,062</u>	<u>47,796,560</u>	<u>48,853,622</u>
Impairment			
At 21 May 2015 and 31 Mar 2016	<u>—</u>	<u>—</u>	<u>—</u>
Carrying amount			
At 31 March 2016	<u>1,057,062</u>	<u>47,796,560</u>	<u>48,853,622</u>

Subsidiary undertakings

During the year the company acquired 100% of the ordinary shares in Marcel Properties Limited, a property investment and development company, incorporated in Northern Ireland.

During the year the company acquired 100% of the ordinary shares in 28-34 Hill Street Limited, a property investment company, incorporated in Jersey.

Units in Unit Trusts

On 16 September 2015 the company, acquired 98.87% of the units in Bowen Square Unit Trust. Bowen Square Unit Trust is a Jersey Unit Trust governed by Trust Instruments dated 19 May 2005. Under the terms of the governing Trust Instruments the unit holders are entitled to net income arising in the trust in proportion to their unit holdings.

On 16 September 2015 the company, acquired 99.32% of the units in The Pavillions Unit Trust. The Pavillions Unit Trust is a Jersey Unit Trust governed by Trust Instruments dated 28 November 2005. Under the terms of the governing Trust Instruments the unit holders are entitled to net income arising in the trust in proportion to their unit holdings.

On 16 September 2015 the company, acquired 98.44% of the units in The Moygashel Property Unit Trust. The Moygashel Property Unit Trust is a Jersey Unit Trust governed by Trust Instruments dated 1 December 2005. Under the terms of the governing Trust Instruments the unit holders are entitled to net income arising in the trust in proportion to their unit holdings.

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Notes to the Abbreviated Financial Statements *(continued)*

Period from 21 May 2015 to 31 March 2016

11. Stocks

	31 Mar 16 £
Total stock and work in progress	<u>14,642,234</u>

12. Debtors

	31 Mar 16 £
Trade debtors	331,789
Amounts owed by group undertakings	4,234,372
Called up share capital not paid	420
Prepayments and accrued income	353,347
Amounts owed by related parties	16,529
Other debtors	<u>6,961,897</u>
	<u>11,898,354</u>

13. Creditors: amounts falling due within one year

	31 Mar 16 £
Trade creditors	245,091
Amounts owed to group undertakings	14,821,254
Accruals and deferred income	3,276,070
Social security and other taxes	207,340
Other Loans	100,401,995
Other creditors	<u>23,050</u>
	<u>118,974,800</u>

The company has provided security for certain borrowings by the lender having a charge over the properties held by the company.

14. Creditors: amounts falling due after more than one year

	31 Mar 16 £
Director loan accounts	<u>4,000,000</u>

15. Called up share capital

Issued, called up and fully paid

	31 Mar 16	
	No	£
Ordinary shares of £1 each	<u>420</u>	<u>420</u>

Killultagh Estates Limited (formerly Alfred Street Properties Limited)

Notes to the Abbreviated Financial Statements *(continued)*

Period from 21 May 2015 to 31 March 2016

16. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

17. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Mar 16
	£
Not later than 1 year	61,363
Later than 1 year and not later than 5 years	245,453
Later than 5 years	3,252,254
	<u>3,559,070</u>

18. Directors advances, credits and guarantees

During the period the directors entered into the following advances and credits with the company:

	Advances/ (credits) to the directors 31 Mar 16	Amounts repaid 31 Mar 16	Balance outstanding 31 Mar 16
	£	£	£
Mr F Boyd	(4,000,000)	-	(4,000,000)

19. Related party transactions

Control

The company is a wholly owned subsidiary of Alfred House Holdings Limited, a company incorporated in Northern Ireland. Mr Frank Boyd owns the entire issued share capital of Alfred House Holdings Limited and as such is considered to be the company's ultimate controlling party

Transactions

As the company is a wholly owned subsidiary and consolidated financial statements have been prepared which are publicly available, advantage has been taken of the exemption from disclosing related party transactions with group companies, under FRS 102 Section 33: Related Party Disclosures.

During the year the company entered into a number of transactions with Alfred House Asset Management Ltd, a company which shares mutual directors. At 31 March 2016 Alfred House Asset Management Ltd owed Killultagh Estates Limited £16,529.

During the year the company received a loan of £4,000,000 from Mr Frank Boyd a director of the company. At the year the balance of £4,000,000 was still owing.

20. Controlling party

Alfred Street Holdings Limited, a company incorporated in Northern Ireland, is the company's ultimate parent company. Copies of consolidated financial statements may be obtained from 4th Floor, Alfred House, 19-21 Alfred Street, Belfast, BT2 8ED.