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Bridgestart Properties Limited

Report and Financial Statements

Year Ended

31 July 2015

Company Number 2836077



Bridgestart Properties Limited

Report and financial statements for the year ended 31 July 2015

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Directors

M B Birrane
H Dawson
S A Birrane
A P Birrane-Rule
M D Breeze
R C Mander

Secretary and registered office

M D Breeze, The Peer Suite, The Hop Exchange, 24 Southwark St, London, SE1 1TY

Company number

2836077

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

Bridgestart Properties Limited

Report of the directors for the year ended 31 July 2015

The directors present their report together with the audited financial statements for the year ended 31 July 2015.

Results

The profit and loss account is set out on page 5 and shows the loss for the year.

Interim dividends of £187,500 per share were paid to ordinary shareholders during the year (2014 - £Nil). The directors do not recommend the payment of a final ordinary dividend (2014 - £Nil).

Directors

The directors of the company during the year were:

M B Birrane
H Dawson
S A Birrane
A P Birrane-Rule
M D Breeze
R C Mander

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 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 judgements 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.

Bridgestart Properties Limited

Report of the directors for the year ended 31 July 2015 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

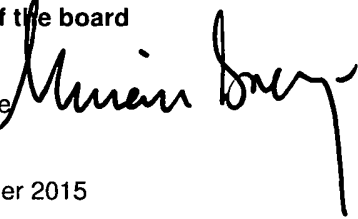
BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this directors' report advantage has been taken of the small companies' exemption.

By order of the board

M D Breeze
Secretary

10 December 2015



Bridgestart Properties Limited

Independent auditor's report

To the members of Bridgestart Properties Limited

We have audited the financial statements of Bridgestart Properties Limited for the year ended 31 July 2015 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses 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 auditors

As explained more fully in the statement of directors' responsibilities, 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 (FRC'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 FRC'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 July 2015 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 for which the financial statements are prepared is consistent with the financial statements.

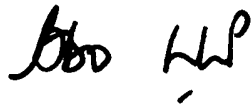
Bridgestart Properties Limited

Independent auditor's report (*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 and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.



*John Everingham (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom*

10 December 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Bridgestart Properties Limited

Profit and loss account for the year ended 31 July 2015

	Note	2015 £	2014 £
Turnover	2	953,015	1,023,371
Administrative expenses		501,021	429,818
		<hr/>	<hr/>
Operating profit	3	451,994	593,553
Other interest receivable and similar income	5	-	25
Interest payable and similar charges	6	(536,320)	(562,029)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(84,326)	31,549
Taxation on (loss)/profit on ordinary activities	7	(55,468)	581
		<hr/>	<hr/>
(Loss)/profit on ordinary activities after taxation		(139,794)	32,130
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing activities.

The notes on pages 8 to 14 form part of these financial statements.

Bridgestart Properties Limited

Statement of total recognised gains and losses for the year ended 31 July 2015

	Note	2015 £	2014 £
Statement of total recognised gains and losses			
(Loss)/profit for the financial year		(139,794)	32,130
Unrealised surplus on revaluation of properties	15	305,000	1,530,000
		<hr/>	<hr/>
Total recognised gains and losses for the financial year		165,206	1,562,130
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 14 form part of these financial statements.

Bridgestart Properties Limited

Balance sheet at 31 July 2015

<i>Company number 2836077</i>	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	9		13,725,000		13,420,000
Current assets					
Debtors	10	168,203		17,706,722	
Creditors: amounts falling due within one year	11	<u>2,155,068</u>		<u>501,729</u>	
Net current (liabilities)/assets			<u>(1,986,865)</u>		<u>17,204,993</u>
Total assets less current liabilities			11,738,135		30,624,993
Creditors: amounts falling due after more than one year	12	6,818,292		7,119,323	
Provisions for liabilities	13	<u>31,085</u>		<u>32,118</u>	
			6,849,377		7,151,441
			4,888,758		23,473,552
Capital and reserves					
Called up share capital	14		100		100
Revaluation reserve	15		4,913,656		4,608,656
Profit and loss account	15		(24,998)		18,864,796
Shareholders' funds	16		4,888,758		23,473,552

The financial statements were approved by the board of directors and authorised for issue on 10 December 2015.

R.C. Mander

R C Mander
Director

The notes on pages 8 to 14 form part of these financial statements.

Bridgestart Properties Limited

Notes forming part of the financial statements for the year ended 31 July 2015

1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings.

The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Peer Group plc and the company is included in consolidated financial statements.

Turnover

Turnover of the company represents rents receivable and fees receivable. Rents receivable under operating leases are recognised on a straight line basis over the life of the lease.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

Investment properties

In accordance with SSAP 19 'Accounting for investment properties', investment properties are revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 2006 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

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 wholly recognised as liabilities are recognised as expenses and classified within interest payable.

Bridgestart Properties Limited

Notes forming part of the financial statements for the year ended 31 July 2015 (continued)

1 Accounting policies (continued)

Going Concern

The company made a loss in the current year and has net current liabilities at the year end. The directors believe that the company will continue as a going concern and be able to settle its liabilities as they fall due over the next 12 months due to the intention of other group undertakings not to call for repayment of any amounts due.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating profit

	2015 £	2014 £
This is arrived at after charging/(crediting):		
Fees payable to the company's auditor or an associate of the company's auditor for the auditing of the company's annual accounts	-	5,150
Fees payable to the company's auditor or an associate of the company's auditor for other non-audit services	-	3,020
	<u> </u>	<u> </u>

In the current year these fees have been borne by the company's parent, Peer Group plc.

4 Employees

Staff costs (including directors) were £Nil (2014 - £Nil) for the year.

There were no employees during the year apart from the directors (2014 - None). None of the directors received any remuneration from the company in either year, with their remuneration being borne by a fellow group company.

5 Other interest receivable and similar income

	2015 £	2014 £
Bank deposits	-	25
	<u> </u>	<u> </u>

Bridgestart Properties Limited

Notes forming part of the financial statements
for the year ended 31 July 2015 (*continued*)

6 Interest payable and similar charges

	2015 £	2014 £
Bank loans	536,320	562,029
	<u> </u>	<u> </u>

7 Taxation on (loss)/profit on ordinary activities

	2015 £	2014 £
<i>UK Corporation tax</i>		
Current tax on profits of the year	41,275	-
Adjustment in respect of previous periods	15,226	-
	<u> </u>	<u> </u>
Total current tax	56,501	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	(1,033)	(581)
	<u> </u>	<u> </u>
Taxation on (loss)/profit on ordinary activities	55,468	(581)
	<u> </u>	<u> </u>

The tax assessed for the year differs from the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2015 £	2014 £
(Loss)/profit on ordinary activities before tax	(84,326)	31,549
	<u> </u>	<u> </u>
(Loss)/profit on ordinary activities at the standard rate of corporation tax in the UK of 20.67% (2014 - 22.33%)	(17,427)	7,045
Effect of:		
Expenses not deductible for tax purposes	320	3,576
Capital allowances for period in excess of depreciation	(512)	(4,248)
Adjustment to tax charge in respect of previous periods	15,226	-
Transfer pricing adjustment	58,894	138,845
Group relief	-	(145,218)
	<u> </u>	<u> </u>
Current tax charge for the year	56,501	-
	<u> </u>	<u> </u>

Bridgestart Properties Limited

Notes forming part of the financial statements
for the year ended 31 July 2015 (*continued*)

8 Dividends

	2015 £	2014 £
Ordinary shares		
Interim paid of £187,500 (2014 - £nil) per share	18,750,000	-
	<u>18,750,000</u>	<u>-</u>

9 Tangible fixed assets

	Freehold land and buildings £
<i>Cost or valuation</i>	
At 1 August 2014	13,420,000
Revaluations	305,000
	<u>13,725,000</u>
At 31 July 2015	<u>13,725,000</u>
At 31 July 2014	<u>13,420,000</u>

The valuations of the investment properties were made as at 31 July 2015 by Mr H Dawson FRICS, a director of the company, on an open market basis. No depreciation is provided in respect of these properties.

On a historical cost basis these would have been included at an original cost of £8,811,344 (2014 - £8,811,344).

10 Debtors

	2015 £	2014 £
Trade debtors	113,582	26,882
Amounts owed by group undertakings	-	17,617,668
Other debtors	10,516	56,183
Prepayments and accrued income	44,105	386
Other taxation and social security	-	5,603
	<u>168,203</u>	<u>17,706,722</u>

All amounts shown under debtors fall due for payment within one year.

Bridgestart Properties Limited

Notes forming part of the financial statements for the year ended 31 July 2015 (*continued*)

11 Creditors: amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts (secured - see note 12)	337,439	286,890
Trade creditors	31,794	11,839
Amounts owed to group undertakings	1,333,023	-
Corporation tax	56,501	-
Other taxation and social security	39,367	-
Other creditors	26,194	26,572
Accruals and deferred income	330,750	176,428
	<u>2,155,068</u>	<u>501,729</u>

12 Creditors: amounts falling due after more than one year

	2015 £	2014 £
Bank loans (secured)	6,818,292	7,119,323
	<u>6,818,292</u>	<u>7,119,323</u>
Maturity of debt:		
	Loans and overdrafts 2015 £	Loans and overdrafts 2014 £
In one year or less, or on demand	337,439	286,890
	<u>337,439</u>	<u>286,890</u>
In more than one year but not more than two years	632,575	301,125
In more than two years but not more than five years	6,185,717	6,818,198
	<u>6,818,292</u>	<u>7,119,323</u>

The loans totalling £7,155,731 (2014 - £7,406,213) are part of facilities totalling £25,922,067 (2014 - £27,087,506) at the year end, made available to the company and two fellow subsidiary companies. The loans are secured by a charge over the investment properties, and property stock, and a floating charge over the whole undertaking of the three companies. The loans are repayable by May 2018, and carry fixed interest rates averaging 6.9% (2014 - 6.9%).

On 26 August 2015, all of these facilities were refinanced. As part of the refinance the company sold three of its properties for £7.53m, being the book value at 31 July 2015, to a fellow subsidiary company. The company used the resulting proceeds to discharge its indebtedness, and was released from the fixed and floating charges.

Bridgestart Properties Limited

Notes forming part of the financial statements
for the year ended 31 July 2015 (*continued*)

13 Provisions for liabilities

	Deferred taxation £
At 1 August 2014	32,118
Credited to profit and loss account	(1,033)
	<hr/>
At 31 July 2015	31,085
	<hr/>

Deferred taxation

	2015 £	2014 £
Accelerated capital allowances	31,085	32,118
	<hr/>	<hr/>

There is unprovided deferred taxation of £775,800 (2014 - £614,250). This arose on the revaluation of investment properties and has not been recognised as there is no binding sale agreement.

14 Share capital

	2015 £	2014 £
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>

15 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 August 2014	4,608,656	18,864,796
Revaluation surplus	305,000	-
Loss for the year	-	(139,794)
Dividends	-	(18,750,000)
	<hr/>	<hr/>
At 31 July 2015	4,913,656	(24,998)
	<hr/>	<hr/>

Bridgestart Properties Limited

Notes forming part of the financial statements for the year ended 31 July 2015 (*continued*)

16 Reconciliation of movements in shareholders' funds

	2015 £	2014 £
(Loss)/profit for the year	(139,794)	32,130
Dividends	(18,750,000)	-
	<hr/>	<hr/>
Other net recognised gains and losses relating to the year	(18,889,794) 305,000	32,130 1,530,000
	<hr/>	<hr/>
Net (deductions from)/additions to shareholders' funds	(18,584,794)	1,562,130
Opening shareholders' funds	23,473,552	21,911,422
	<hr/>	<hr/>
Closing shareholders' funds	4,888,758	23,473,552
	<hr/> <hr/>	<hr/> <hr/>

17 Related party disclosures

Related party transactions and balances

The company is under the control of Peer Group plc, registered in England, which the directors regard as the company's ultimate parent undertaking.

Peer Group plc prepares consolidated financial statements for the group and transactions between the group companies are not generally disclosed in the financial statements of the subsidiary companies in accordance with the exemption given under Financial Reporting Standard No 8 'Related Party Disclosures'.

18 Ultimate parent company and parent undertaking of larger group

The company's immediate parent undertaking is Peer Group Plc. Peer Group plc is the company's ultimate parent undertaking and the parent of the largest group for which consolidated accounts are prepared that include the results of the company. The financial statements of Peer Group plc are available from Companies House.

Peer Group plc has no single overall controlling party.