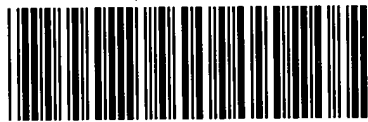


COMPANY REGISTRATION NUMBER 06785089

**DFS PROPERTIES LIMITED AND SUBSIDIARY
UNDERTAKINGS
FINANCIAL STATEMENTS
31 JANUARY 2015**

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COMPANIES HOUSE

COHEN ARNOLD
Chartered Accountants & Statutory Auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2015

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DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS	Mr J Dreyfuss Mr J Frankel
COMPANY SECRETARY	Mr J Silver
REGISTERED OFFICE	214 Stamford Hill London N16 6RA
AUDITOR	Cohen Arnold Chartered Accountants & Statutory Auditor New Burlington House 1075 Finchley Road LONDON NW11 0PU

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

DIRECTORS' REPORT

YEAR ENDED 31 JANUARY 2015

The directors present their report and the financial statements of the group for the year ended 31 January 2015.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group is property investment; the activity has remained unchanged during the year and no change is envisaged in the immediate future.

RESULTS AND DIVIDENDS

The financial results of the group's activities for the period ended 31 January 2015 are fully reflected in the attached financial statements together with the notes thereon.

INVESTMENT PROPERTIES

The group's investment properties are included in the attached Financial Statements at Directors' valuation in accordance with the group's accounting policy.

DIRECTORS

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

Mr J Dreyfuss

Mr J Frankel

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 the group and of the profit or loss of the group for that year.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CLOSE COMPANY PROVISIONS

In the opinion of the directors, the company is a close company within the meaning of S.414 Income and Corporation Taxes Act, 1988 (as amended).

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JANUARY 2015

AUDITOR

Cohen Arnold are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has 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.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed by order of the directors



Mr J Silver
Company Secretary

Approved by the directors on 23 July 2015

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

YEAR ENDED 31 JANUARY 2015

We have audited the group and parent company financial statements ("the financial statements") of DFS Properties Limited and Subsidiary Undertakings for the year ended 31 January 2015 which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Total Recognised Gains and Losses, Reconciliation of Group Shareholders' Funds, Consolidated Balance Sheet and Company Balance Sheet, Group Cash Flow 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 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 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 shareholders 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 Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 January 2015 and of the group's 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.

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS *(continued)*

YEAR ENDED 31 JANUARY 2015

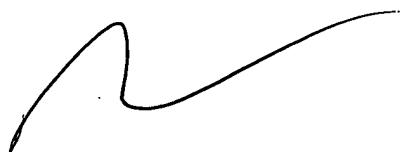
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 in preparing the member's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



BARRY LEIGH (Senior Statutory Auditor)

For and on behalf of
COHEN ARNOLD
Chartered Accountants
& Statutory Auditor

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

23 July 2015

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
CONSOLIDATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JANUARY 2015

	Note	2015 £	2014 £
GROUP TURNOVER	2	396,216	655,874
Cost of Sales		<u>(240,733)</u>	<u>(275,394)</u>
GROSS PROFIT		155,483	380,480
Administrative Expenses		<u>(83,954)</u>	<u>(63,164)</u>
OPERATING PROFIT	3	71,529	317,316
(Loss)/profit on disposal of fixed assets	5	<u>(63,241)</u>	<u>26,171</u>
		8,288	343,487
Interest Receivable and Similar Income		—	113,023
Interest Payable and Similar Charges	6	<u>(400,427)</u>	<u>(1,233,228)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(392,139)	(776,718)
Tax on Loss on Ordinary Activities	7	—	—
LOSS FOR THE FINANCIAL YEAR	8	<u>(392,139)</u>	<u>(776,718)</u>

All of the activities of the group are classed as continuing.

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account.

The notes on pages 11 to 19 form part of these financial statements.

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND
LOSSES

YEAR ENDED 31 JANUARY 2015

	2015 £	2014 £
Loss for the Financial Year		
Attributable to the Shareholders of the Parent Company	(392,139)	(776,718)
Unrealised Profit on Revaluation of Certain Fixed Assets	<u>646,449</u>	<u>910,371</u>
Total Gains and Losses Recognised Since the Last Annual Report	<u>254,310</u>	<u>133,653</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Loss for the financial year	(392,139)	(776,718)
Other net recognised gains and losses	646,449	910,371
Transfer from revaluation reserve	1,015,677	777,449
Transfer to profit and loss account	<u>(1,015,677)</u>	<u>(777,449)</u>
Net addition to shareholders' funds	254,310	133,653
Opening shareholders' funds	<u>1,822,812</u>	<u>1,689,159</u>
Closing shareholders' funds	<u>2,077,122</u>	<u>1,822,812</u>

The notes on pages 11 to 19 form part of these financial statements.

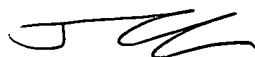
DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

CONSOLIDATED BALANCE SHEET

31 JANUARY 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible Assets	9	6,252,301	9,112,667
CURRENT ASSETS			
Debtors	11	269,577	341,081
Cash at Bank		<u>147,807</u>	<u>424,611</u>
		417,384	765,692
CREDITORS: Amounts falling due within one year	12	<u>(476,465)</u>	<u>(778,697)</u>
NET CURRENT LIABILITIES		<u>(59,081)</u>	<u>(13,005)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,193,220</u>	<u>9,099,662</u>
CREDITORS: Amounts falling due after more than one year	13	<u>(4,116,098)</u>	<u>(7,276,850)</u>
		<u><u>2,077,122</u></u>	<u><u>1,822,812</u></u>
CAPITAL AND RESERVES			
Called-Up Equity Share Capital	15	100,000	100,000
Revaluation Reserve	16	1,350,625	1,719,853
Profit and Loss Account	16	626,497	2,959
SHAREHOLDERS' FUNDS		<u><u>2,077,122</u></u>	<u><u>1,822,812</u></u>

These accounts were approved by the directors and authorised for issue on 23 July 2015, and are signed on their behalf by:


Mr J Dreyfuss


Mr J Frankel

The notes on pages 11 to 19 form part of these financial statements.

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

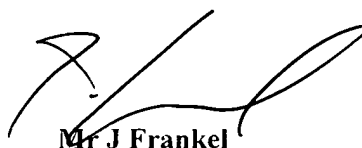
BALANCE SHEET

31 JANUARY 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible Assets	9	350,000	700,243
Investments	10	<u>114</u>	<u>116</u>
		350,114	700,359
CURRENT ASSETS			
Debtors	11	1,719,369	2,593,074
Cash at Bank		<u>109,907</u>	<u>278,983</u>
		1,829,276	2,872,057
CREDITORS: Amounts falling due within one year	12	<u>(1,254,901)</u>	<u>(747,013)</u>
NET CURRENT ASSETS		574,375	2,125,044
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>924,489</u>	<u>2,825,403</u>
CREDITORS: Amounts falling due after more than one year	13	(2,100,000)	(3,700,000)
		<u>(1,175,511)</u>	<u>(874,597)</u>
CAPITAL AND RESERVES			
Called-Up Equity Share Capital	15	100,000	100,000
Revaluation Reserve	16	39,252	89,101
Profit and Loss Account	16	(1,314,763)	(1,063,698)
DEFICIT		<u>(1,175,511)</u>	<u>(874,597)</u>

These accounts were approved by the directors and authorised for issue on 23 July 2015, and are signed on their behalf by:


Mr J Dreyfuss


Mr J Frankel

Company Registration Number: 06785089

The notes on pages 11 to 19 form part of these financial statements.

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

GROUP CASH FLOW

YEAR ENDED 31 JANUARY 2015

	Note	2015 £	2014 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	17	14,676	332,919
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	17	(530,199)	(723,746)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	17	3,440,877	3,854,292
CASH INFLOW BEFORE FINANCING		2,925,354	3,463,465
FINANCING	17	(3,202,158)	(3,122,982)
(DECREASE)/INCREASE IN CASH	17	(276,804)	340,483

The notes on pages 11 to 19 form part of these financial statements.

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable UK accounting standards.

1.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and reviewed for impairment at the end of the first full financial year following each acquisition and subsequently. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

1.3 Financial instruments

Financial Instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of the liabilities.

1.4 Goodwill

Positive purchased goodwill arising on acquisitions is capitalised. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

1.5 Fixed assets

All fixed assets are initially recorded at cost.

1.6 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 20% Straight line

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

1.7 Investment properties

Investment properties are included in the balance sheet at directors' valuation.

1.8 Deferred taxation

Full provision is made in the financial statements for deferred tax on all timing differences with certain exceptions. No provision is made for the tax on unrealised property revaluation surpluses or deficits.

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2015

1. ACCOUNTING POLICIES *(continued)*

1.9 Depreciation of investment properties

No depreciation or amortisation is provided in respect of freehold investment properties nor on leasehold investment properties having an unexpired term of more than twenty years. This departure from the requirements of the Companies Act 2006, for all properties to be depreciated, is necessary, as the directors consider that this accounting policy results in the financial statements giving a true and fair view.

1.10 Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

2. TURNOVER

The turnover of the group is represented by rents and charges receivable in respect of the properties held for investment purposes.

The gross profit is comprised as follows:

	2015 £	2014 £
Rents and charges receivable	396,216	655,874
Property outgoings	<u>(240,733)</u>	<u>(275,394)</u>
	<u>155,483</u>	<u>380,480</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2015 £	2014 £
Depreciation of owned fixed assets	2,697	2,327
Auditor's remuneration		
- as auditor	<u>35,500</u>	<u>39,860</u>

Additional professional fees paid to the auditors aggregate £30,040 (2014: £-).

4. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year.

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2015

5. LOSS/PROFIT ON DISPOSAL OF FIXED ASSETS

	2015 £	2014 £
(Loss)/profit on disposal of fixed assets	<u>(63,241)</u>	<u>26,171</u>

Loss/profit on disposal of fixed assets is comprised as follows:

	2015 £	2014 £
(Loss)/profit on disposal of investment property	(99,901)	26,171
Profit on disposal of fixed asset investments	<u>36,660</u>	<u>-</u>
	<u>(63,241)</u>	<u>26,171</u>

In August 2014, the entire share capital of a group member undertaking was acquired by Federal Property Investments Limited (the Purchaser) at par value and in conjunction with this, the amount owed by the group member undertaking to the company was assigned to the Purchaser. The Purchaser has directors in common with the company.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Interest payable on bank borrowing	139,079	241,766
Other similar charges payable	<u>261,348</u>	<u>991,462</u>
	<u>400,427</u>	<u>1,233,228</u>

Included in other similar charges payable is an amount of £261,318 (2014: £948,274) due to undertakings which have a participating interest in the company in respect of accrued interest payable at a rate capped at 10 per cent on loans advanced to the group. The loans are included in creditors falling due after more than one year.

7. TAXATION ON ORDINARY ACTIVITIES

Factors affecting current tax charge

	2015 £	2014 £
Loss on ordinary activities before taxation	<u>(392,139)</u>	<u>(776,718)</u>
Loss on ordinary activities by rate of tax	(83,656)	(179,940)
Expenses not deductible for tax purposes	(6,733)	5,463
Capital and other allowances	(63,709)	(91,123)
Unrelieved tax losses	(78,316)	108,373
Adjustments on investment property disposals	<u>232,414</u>	<u>157,227</u>
Total current tax	<u>-</u>	<u>-</u>

8. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(300,914) (2014 - £(1,056,627)).

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

9. TANGIBLE FIXED ASSETS

Group

	Investment Properties £	Fixtures & Fittings £	Total £
COST OR VALUATION			
At 1 February 2014	9,105,955	15,761	9,121,716
Additions	347,359	845	348,204
Disposals	(3,850,763)	(4,105)	(3,854,868)
Revaluation	646,449	–	646,449
At 31 January 2015	<u><u>6,249,000</u></u>	<u><u>12,501</u></u>	<u><u>6,261,501</u></u>
DEPRECIATION			
At 1 February 2014	–	9,049	9,049
Charge for the year	–	2,697	2,697
On disposals	–	(2,546)	(2,546)
At 31 January 2015	<u><u>–</u></u>	<u><u>9,200</u></u>	<u><u>9,200</u></u>
NET BOOK VALUE			
At 31 January 2015	<u><u>6,249,000</u></u>	<u><u>3,301</u></u>	<u><u>6,252,301</u></u>
At 31 January 2014	<u><u>9,105,955</u></u>	<u><u>6,712</u></u>	<u><u>9,112,667</u></u>

Company

	Investment Properties £	Fixtures & Fittings £	Total £
COST OR VALUATION			
At 1 February 2014	700,000	767	700,767
Disposals	(350,000)	(767)	(350,767)
At 31 January 2015	<u><u>350,000</u></u>	<u><u>–</u></u>	<u><u>350,000</u></u>
DEPRECIATION			
At 1 February 2014	–	524	524
On disposals	–	(524)	(524)
At 31 January 2015	<u><u>–</u></u>	<u><u>–</u></u>	<u><u>–</u></u>
NET BOOK VALUE			
At 31 January 2015	<u><u>350,000</u></u>	<u><u>–</u></u>	<u><u>350,000</u></u>
At 31 January 2014	<u><u>700,000</u></u>	<u><u>243</u></u>	<u><u>700,243</u></u>

The investment properties of the group and the company are included in the balance sheet at director's valuation. The historical cost of the investment properties of the group is £4,898,375 (2014: £7,386,102).

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2015

10. INVESTMENTS

Company	Group companies £
COST	
At 1 February 2014	116
Disposals	<u>(2)</u>
At 31 January 2015	<u>114</u>
NET BOOK VALUE	
At 31 January 2015	<u>114</u>
At 31 January 2014	<u>116</u>

The company beneficially owns the whole of the issued share capital of the following companies incorporated and registered in England and Wales:

DFS Archway Limited (£100)
DFS Bromley Limited (£2)
DFS Grove Limited (£1)
DFS Lloyds 1 Limited (£1)
DFS Worthing Limited (£1)
DFS Corel Limited (£1)
DFS Lloyds 2 Limited (£1)
Langham 15-18 Limited (£1)
Langham 20-24 Limited (£1)
Langham 21-22 Limited (£1)
Langham 23-4 Limited (£1)
Langham 3-12A-19 Limited (£1)
Grosvenor Place 10 Limited (£1)
Grosvenor Place 12 Limited (£1)

Disposals relate to the company's shareholding in DFS Norwood Limited and Langham 2-8-14 Limited.

11. DEBTORS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Amounts owed by group undertakings	–	–	1,547,142	2,457,868
Amounts owed by undertakings in which the company has a participating interest	48,383	–	48,383	–
Other debtors	175,700	181,228	123,844	135,206
Prepayments and accrued income	45,494	159,853	–	–
	<u>269,577</u>	<u>341,081</u>	<u>1,719,369</u>	<u>2,593,074</u>

Amounts owed by undertakings in which the company has a participating interest is in respect of a short term loan balance.

Amounts owed by group undertakings are stated after provisions aggregating £21,217 (2014: £152,065).

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

12. CREDITORS: Amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans	109,096	150,502	–	–
Amounts owed to group undertakings	–	–	1,003,622	277,271
Amounts owed to undertakings in which the company has a participating interest	224,758	429,043	224,758	429,043
Other creditors including taxation: VAT	11,966	12,278	–	–
Other creditors	87,371	145,370	11,521	33,199
Accruals and deferred income	43,274	41,504	15,000	7,500
	<u>476,465</u>	<u>778,697</u>	<u>1,254,901</u>	<u>747,013</u>

The bank loans are secured on the investment properties of the group.

Amounts owed to undertakings which have a participating interest in the company are in respect of accrued interest on loans (Note 13).

Included in other creditors is an amount of £31,572 (2014: £90,504) due to Clockwork Estates Limited, a director of which is also a director of the company.

13. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	2,016,098	3,576,850	–	–
Amounts owed to undertakings in which the company has a participating interest	2,100,000	3,700,000	2,100,000	3,700,000
	<u>4,116,098</u>	<u>7,276,850</u>	<u>2,100,000</u>	<u>3,700,000</u>

The bank loans are secured on the investment properties of the group. Additional guarantees aggregating £663,750 have been given by directors of the company.

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	<u>1,486,563</u>	<u>2,589,398</u>	<u>–</u>	<u>–</u>

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

14. RELATED PARTY TRANSACTIONS

In addition to transactions with related parties mentioned elsewhere in the notes to the Financial Statements, included in the consolidated Profit and Loss Account is an amount of £31,250 (2014: £55,515) payable to Clockwork Estates Limited, a director of which is also a director of the company.

The company has taken advantage of the exemption conferred by UK Accounting Standards and has not disclosed transactions with group companies.

15. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

16. RESERVES

Group	Revaluation reserve £	Profit and loss account £
Balance brought forward	1,719,853	2,959
Loss for the year	—	(392,139)
Other gains and losses		
- Revaluation of fixed assets	646,449	—
Other movements		
- transfer to/from revaluation reserve	(1,015,677)	1,015,677
Balance carried forward	<u>1,350,625</u>	<u>626,497</u>
Company	Revaluation reserve £	Profit and loss account £
Balance brought forward	89,101	(1,063,698)
Loss for the year	—	(300,914)
Other movements		
- transfer to/from revaluation reserve	(49,849)	49,849
Balance carried forward	<u>39,252</u>	<u>(1,314,763)</u>

17. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating Profit	71,529	317,316
Depreciation	2,697	2,327
Increase in Debtors	(10,919)	(78,083)
(Decrease)/Increase in Creditors	(48,631)	91,359
Net cash inflow from operating activities	<u>14,676</u>	<u>332,919</u>

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

17. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015	2014
	£	£
Interest Received	113,000	23
Interest Paid	<u>(643,199)</u>	<u>(723,769)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(530,199)</u>	<u>(723,746)</u>

CAPITAL EXPENDITURE

	2015	2014
	£	£
Payments to Acquire Tangible Fixed Assets	(348,204)	(131,961)
Receipts from Sale of Fixed Assets	<u>3,789,081</u>	<u>3,986,253</u>
Net cash inflow from capital expenditure	<u>3,440,877</u>	<u>3,854,292</u>

FINANCING

	2015	2014
	£	£
Repayment of Bank Loans	(1,602,158)	(1,922,982)
Repayment of Long-Term Amounts due to Participating Interests	<u>(1,600,000)</u>	<u>(1,200,000)</u>
Net cash outflow from financing	<u>(3,202,158)</u>	<u>(3,122,982)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2015	2014
	£	£
(Decrease)/Increase in Cash in the Period	(276,804)	340,483
Net Cash Outflow from Bank Loans	1,602,158	1,922,982
Net Cash Outflow from Long-Term Amounts due to Participating Interests	<u>1,600,000</u>	<u>1,200,000</u>
	<u>2,925,354</u>	<u>3,463,465</u>
Change in net debt	2,925,354	3,463,465
Net debt at 1 February 2014	<u>(7,002,741)</u>	<u>(10,466,206)</u>
Net debt at 31 January 2015	<u>(4,077,387)</u>	<u>(7,002,741)</u>

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2015

17. NOTES TO THE CASH FLOW STATEMENT *(continued)*

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Feb 2014 £	Cash flows £	At 31 Jan 2015 £
Net Cash:			
Cash in Hand and at Bank	<u>424,611</u>	<u>(276,804)</u>	<u>147,807</u>
Debt:			
Debt due Within 1 Year	(150,502)	41,406	(109,096)
Debt due after 1 Year	<u>(7,276,850)</u>	<u>3,160,752</u>	<u>(4,116,098)</u>
	<u>(7,427,352)</u>	<u>3,202,158</u>	<u>(4,225,194)</u>
Net debt	<u>(7,002,741)</u>	<u>2,925,354</u>	<u>(4,077,387)</u>