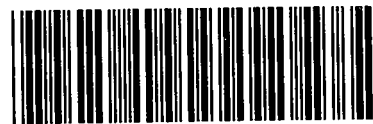


COMPANY REGISTRATION NUMBER 06785089

**DFS PROPERTIES LIMITED AND SUBSIDIARY
UNDERTAKINGS
FINANCIAL STATEMENTS
31 JANUARY 2014**

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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 2014

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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 2014

The directors present their report and the financial statements of the group for the year ended 31 January 2014.

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 2014 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).

AUDITOR

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

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JANUARY 2014

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 30 October 2014

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
YEAR ENDED 31 JANUARY 2014

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 2014 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 2014 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 2014

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.



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

30 October 2014

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
CONSOLIDATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JANUARY 2014

	Note	2014 £	2013 £
GROUP TURNOVER	2	655,874	867,183
Cost of Sales		<u>(275,394)</u>	<u>(319,898)</u>
GROSS PROFIT		380,480	547,285
Administrative Expenses		<u>(63,164)</u>	<u>(64,250)</u>
OPERATING PROFIT	3	317,316	483,035
Profit on disposal of fixed assets	5	<u>26,171</u>	<u>105,328</u>
		343,487	588,363
Interest Receivable and Similar Income		113,023	381
Amounts Written Off Investments	6	–	(87,015)
Interest Payable and Similar Charges	7	<u>(1,233,228)</u>	<u>(689,853)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(776,718)</u>	<u>(188,124)</u>
Tax on Loss on Ordinary Activities	8	–	(363)
LOSS FOR THE FINANCIAL YEAR	9	<u>(776,718)</u>	<u>(188,487)</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 2014

	2014 £	2013 £
Loss for the Financial Year		
Attributable to the Shareholders of the Parent Company	(776,718)	(188,487)
Unrealised Profit on Revaluation of Certain Fixed Assets	<u>910,371</u>	<u>132,052</u>
Total Gains and Losses Recognised Since the Last Annual Report	<u>133,653</u>	<u>(56,435)</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Loss for the financial year	(776,718)	(188,487)
Other net recognised gains and losses	910,371	132,052
Transfer from revaluation reserve	777,449	185,465
Transfer to profit and loss account	<u>(777,449)</u>	<u>(185,465)</u>
Net addition/(reduction) to shareholders' funds	133,653	(56,435)
Opening shareholders' funds	<u>1,689,159</u>	<u>1,745,594</u>
Closing shareholders' funds	<u>1,822,812</u>	<u>1,689,159</u>

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

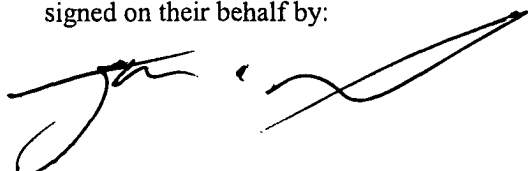
DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

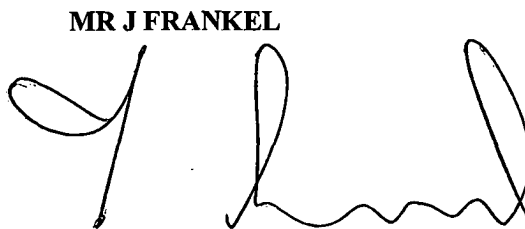
CONSOLIDATED BALANCE SHEET

31 JANUARY 2014

	Note	2014		2013	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	10		9,112,667		12,032,744
CURRENT ASSETS					
Debtors	12	341,081		244,935	
Cash at Bank		<u>424,611</u>		<u>84,128</u>	
		765,692		329,063	
CREDITORS: Amounts falling due within one year	13	<u>(778,697)</u>		<u>(795,410)</u>	
NET CURRENT LIABILITIES			(13,005)		(466,347)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,099,662</u>		<u>11,566,397</u>
CREDITORS: Amounts falling due after more than one year	14		(7,276,850)		(9,877,238)
			<u>1,822,812</u>		<u>1,689,159</u>
CAPITAL AND RESERVES					
Called-Up Equity Share Capital	17		100,000		100,000
Revaluation Reserve	18		1,719,853		1,586,931
Profit and Loss Account	18		<u>2,959</u>		<u>2,228</u>
SHAREHOLDERS' FUNDS			<u>1,822,812</u>		<u>1,689,159</u>

These accounts were approved by the directors and authorised for issue on 30 October 2014, 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 2014

	Note	2014 £	£	2013 £	£
FIXED ASSETS					
Tangible Assets	10		700,243		2,097,383
Investments	11		116		116
			<u>700,359</u>		<u>2,097,499</u>
CURRENT ASSETS					
Debtors	12	2,593,074		3,537,523	
Cash at Bank		278,983		4,088	
		<u>2,872,057</u>		<u>3,541,611</u>	
CREDITORS: Amounts falling due within one year	13	<u>(747,013)</u>		<u>(98,037)</u>	
NET CURRENT ASSETS			<u>2,125,044</u>		<u>3,443,574</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,825,403</u>		<u>5,541,073</u>
CREDITORS: Amounts falling due after more than one year	14		<u>(3,700,000)</u>		<u>(5,389,043)</u>
			<u>(874,597)</u>		<u>152,030</u>
CAPITAL AND RESERVES					
Called-Up Equity Share Capital	17		100,000		100,000
Revaluation Reserve	18		89,101		569,478
Profit and Loss Account	18		(1,063,698)		(517,448)
(DEFICIT)/SHAREHOLDERS' FUNDS			<u>(874,597)</u>		<u>152,030</u>

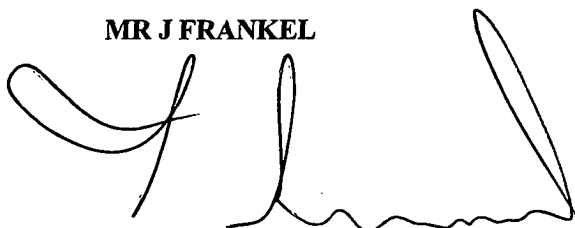
These accounts were approved by the directors and authorised for issue on 30 October 2014, and are signed on their behalf by:



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 2014

	Note	2014		2013	
		£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	19		332,919		476,015
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	19		(723,746)		(762,246)
TAXATION	19		–		(363)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	19		3,854,292		1,274,959
CASH INFLOW BEFORE FINANCING			3,463,465		988,365
FINANCING	19		(3,122,982)		(1,156,849)
INCREASE/(DECREASE) IN CASH	19		340,483		(168,484)

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 2014

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 2014

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:

	2014 £	2013 £
Rents and charges receivable	655,874	867,183
Property outgoings	(275,394)	(319,898)
	<u>380,480</u>	<u>547,285</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2014 £	2013 £
Depreciation of owned fixed assets	2,327	5,516
Auditor's remuneration		
- as auditor	39,860	35,200

Additional professional fees paid to the auditors aggregate £– (2013: £5,700).

4. PARTICULARS OF EMPLOYEES

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

5. PROFIT ON DISPOSAL OF FIXED ASSETS

	2014 £	2013 £
Profit on disposal of fixed assets	<u>26,171</u>	<u>105,328</u>

6. AMOUNTS WRITTEN OFF INVESTMENTS

	2014 £	2013 £
Amount written off investments	<u>–</u>	<u>87,015</u>

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2014

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Interest payable on bank borrowing	241,766	310,596
Other similar charges payable	991,462	379,257
	<u>1,233,228</u>	<u>689,853</u>

Included in other similar charges payable is an amount of £948,274 (2013: £328,904) 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.

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014 £	2013 £
Current tax:		
Corporation tax	-	-
(Over)/under provision in prior year	-	363
Total current tax	<u>-</u>	<u>363</u>

(b) Factors affecting current tax charge

	2014 £	2013 £
Loss on ordinary activities before taxation	<u>(776,718)</u>	<u>(188,124)</u>
Loss on ordinary activities by rate of tax	(179,940)	(45,714)
Expenses not deductible for tax purposes	5,463	22,865
Capital and other allowances	(91,123)	(30,768)
Unrelieved tax losses	108,373	5,692
Adjustments on investment property disposals	157,227	47,925
Prior year adjustment	-	363
Total current tax (note 8(a))	<u>-</u>	<u>363</u>

9. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(1,056,627) (2013 - £(365,750)).

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2014

10. TANGIBLE FIXED ASSETS

Group

	Investment Properties £	Fixtures & Fittings £	Total £
COST OR VALUATION			
At 1 February 2013	12,011,039	37,804	12,048,843
Additions	130,944	1,017	131,961
Disposals	(3,946,399)	(23,060)	(3,969,459)
Revaluation	910,371	–	910,371
At 31 January 2014	9,105,955	15,761	9,121,716
DEPRECIATION			
At 1 February 2013	–	16,099	16,099
Charge for the year	–	2,327	2,327
On disposals	–	(9,377)	(9,377)
At 31 January 2014	–	9,049	9,049
NET BOOK VALUE			
At 31 January 2014	9,105,955	6,712	9,112,667
At 31 January 2013	12,011,039	21,705	12,032,744

Company

	Investment Properties £	Fixtures & Fittings £	Total £
COST OR VALUATION			
At 1 February 2013	2,095,000	5,923	2,100,923
Additions	–	475	475
Disposals	(1,425,000)	(5,631)	(1,430,631)
Revaluation	30,000	–	30,000
At 31 January 2014	700,000	767	700,767
DEPRECIATION			
At 1 February 2013	–	3,540	3,540
Charge for the year	–	153	153
On disposals	–	(3,169)	(3,169)
At 31 January 2014	–	524	524
NET BOOK VALUE			
At 31 January 2014	700,000	243	700,243
At 31 January 2013	2,095,000	2,383	2,097,383

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 £7,386,102 (2013: £10,522,881).

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2014

11. INVESTMENTS

Company	Group companies £
COST	
At 1 February 2013 and 31 January 2014	116
NET BOOK VALUE	
At 31 January 2014 and 31 January 2013	116

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 Norwood 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 2-8-14 Limited (£1)
Langham 3-12A-19 Limited (£1)
Grosvenor Place 10 Limited (£1)
Grosvenor Place 12 Limited (£1)

12. DEBTORS

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Amounts owed by group undertakings	–	–	2,457,868	3,405,653
Amounts owed by undertakings in which the company has a participating interest	–	64,917	–	64,917
Other debtors	181,228	103,145	135,206	40,256
Prepayments and accrued income	159,853	76,873	–	26,697
	341,081	244,935	2,593,074	3,537,523

Amounts owed by group undertakings are stated after provisions aggregating £152,065 (2013: £176,000).

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2014

13. CREDITORS: Amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans	150,502	673,096	–	64,000
Amounts owed to group undertakings	–	–	277,271	–
Amounts owed to undertakings in which the company has a participating interest	429,043	–	429,043	–
Other creditors including taxation:				
VAT	12,278	10,640	–	–
Other creditors	145,370	57,249	33,199	26,537
Accruals and deferred income	41,504	54,425	7,500	7,500
	<u>778,697</u>	<u>795,410</u>	<u>747,013</u>	<u>98,037</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 14). Further interest of £11,151 in respect of the period under review may become payable in future accounting periods.

Included in other creditors is an amount of £90,504 due to Clockwork Estates Limited (2013: £6,973 due from Clockwork Estates Limited) a director of which is also a director of the company.

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

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	3,576,850	4,977,238	–	489,043
Amounts owed to undertakings in which the company has a participating interest	3,700,000	4,900,000	3,700,000	4,900,000
	<u>7,276,850</u>	<u>9,877,238</u>	<u>3,700,000</u>	<u>5,389,043</u>

The bank loans are secured on the investment properties of the group. Additional guarantees aggregating £795,750 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	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	<u>2,589,398</u>	<u>2,914,448</u>	<u>–</u>	<u>–</u>

The amounts owed to undertakings which have a participating interest in the company are in respect of loans repayable by 31 January 2017.

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2014

15. CONTINGENT LIABILITY

A group member undertaking has given a guarantee in relation to loan facilities provided to Starmark Estates Limited, a company with directors in common with this company.

16. 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 £55,515 (2013: £67,641) 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.

17. SHARE CAPITAL

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

18. RESERVES

Group	Revaluation reserve £	Profit and loss account £
Balance brought forward	1,586,931	2,228
Loss for the year	—	(776,718)
Other gains and losses		
- Revaluation of fixed assets	910,371	—
Other movements		
- transfer to/from revaluation reserve	(777,449)	777,449
Balance carried forward	<u>1,719,853</u>	<u>2,959</u>
Company	Revaluation reserve £	Profit and loss account £
Balance brought forward	569,478	(517,448)
Loss for the year	—	(1,056,627)
Other gains and losses		
- Revaluation of fixed assets	30,000	—
Other movements		
- transfer to/from revaluation reserve	(510,377)	510,377
Balance carried forward	<u>89,101</u>	<u>(1,063,698)</u>

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2014

19. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Operating Profit	317,316	483,035
Depreciation	2,327	5,516
(Increase)/Decrease in Debtors	(78,083)	14,174
Increase/(Decrease) in Creditors	91,359	(26,710)
Net cash inflow from operating activities	<u>332,919</u>	<u>476,015</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2014	2013
	£	£
Interest Received	23	381
Interest Paid	<u>(723,769)</u>	<u>(762,627)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(723,746)</u>	<u>(762,246)</u>

TAXATION

	2014	2013
	£	£
Taxation	<u>-</u>	<u>(363)</u>

CAPITAL EXPENDITURE

	2014	2013
	£	£
Payments to Acquire Tangible Fixed Assets	(131,961)	(208,166)
Receipts from Sale of Fixed Assets	<u>3,986,253</u>	<u>1,483,125</u>
Net cash inflow from capital expenditure	<u>3,854,292</u>	<u>1,274,959</u>

FINANCING

	2014	2013
	£	£
Repayment of Bank Loans	(1,922,982)	(1,156,849)
Repayment of Long-Term Amounts due to Participating Interests	<u>(1,200,000)</u>	<u>-</u>
Net cash outflow from financing	<u>(3,122,982)</u>	<u>(1,156,849)</u>

DFS PROPERTIES LIMITED AND SUBSIDIARY UNDERTAKINGS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2014

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

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2014		2013	
	£	£	£	£
Increase/(Decrease) in Cash in the Period	340,483		(168,484)	
Net Cash Outflow from Bank Loans	1,922,982		1,156,849	
Net Cash Outflow from Long-Term Amounts due to Participating Interests	<u>1,200,000</u>		<u>—</u>	
		<u>3,463,465</u>		<u>988,365</u>
Change in net debt		3,463,465		988,365
Net debt at 1 February 2013		<u>(10,466,206)</u>		<u>(11,454,571)</u>
Net debt at 31 January 2014		<u>(7,002,741)</u>		<u>(10,466,206)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Feb 2013 £	Cash flows £	At 31 Jan 2014 £
Net Cash:			
Cash in Hand and at Bank	<u>84,128</u>	<u>340,483</u>	<u>424,611</u>
Debt:			
Debt due Within 1 Year	(673,096)	522,594	(150,502)
Debt due after 1 Year	<u>(9,877,238)</u>	<u>2,600,388</u>	<u>(7,276,850)</u>
	<u>(10,550,334)</u>	<u>3,122,982</u>	<u>(7,427,352)</u>
Net debt	<u>(10,466,206)</u>	<u>3,463,465</u>	<u>(7,002,741)</u>

20. POST BALANCE SHEET EVENTS

In a letter dated 26 June 2014, the bank demanded the group member undertaking (see Note 15) pay the guaranteed sum of £364,514 outstanding. However the directors are of the opinion that the debt will not be payable by the group member undertaking. In view of this, no provision has been included in the accounts. In August 2014, the entire share capital of the 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.