

Registered Number: 09522014

Annual Report and Financial Statements
for the Year Ended 31 March 2016
For
Nuplace Limited

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

	Page
Strategic Report	1
Report of the Directors	2
Statement of Directors Responsibilities in respect of the Annual Report and Financial Statements	3
Report from the independent auditors	4
Profit and loss account and other comprehensive income	6
Balance Sheet	7
Statement of changes in Equity	8
Notes to the financial statements	9

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2016

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2016

The directors present their strategic report for the year ended 31 March 2016.

REVIEW OF BUSINESS

Nuplace Limited was incorporated on 1 April 2015. The principal activity of the company is the procurement of the construction and management of private and affordable residential property. Nuplace Limited is a wholly owned company of Telford & Wrekin Council, limited by shares. The company is financed by Telford and Wrekin Council, through a combination of equity in the form of share capital and debt finance in the form of a 30 year loan.

The year ended 31 March 2016, was the first year of operation of the company, during which period, land was acquired across two sites in the Telford and Wrekin Borough, at Fishermans Walk, Randlay and Holybush Road, Madeley. Contracts were let for the construction of 132 properties, associated groundworks and infrastructure.

In March 2016, 4 units were completed at the Fishermans Walk, Randlay development and successfully let to tenants. The construction of the remaining properties continues on schedule and property pre-lets are encouraging for the year ahead.

A small operating loss on ordinary activities before taxation was made in the year ended 31 March 2016 caused by the turnover recognised for part of the month of March 2016 relating to the completion and letting of the 4 units at Fishermans Walk being insufficient to cover the fixed cost base of the company. Interest on loan finance is capitalised during the construction period of the whole development and will be expensed once practical completion of each development site is achieved. As such, no interest has been expensed in the profit and loss account during the year ended 31 March 2016.

An operating profit on ordinary activities before taxation is forecast for the year ended 31 March 2017 following the practical completion and letting of the two initial sites within the programme.

The directors will support the development of further sites in 2016/17 with investigative work beginning on further phases of the programme.

BY ORDER OF THE BOARD



J Rowe

Director

Date: 14.12.16

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2016

REPORT OF THE DIRECTORS

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The company was incorporated on the 1 April 2015 and the principal activity of the company in the year under review was that of procurement of the construction and management of private and affordable residential property.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2016.

DIRECTORS

Directors who have held office over the year are:

K Callis	- appointed 1 April 2015
J Rowe	- appointed 1 April 2015
K Kynaston	- appointed 24 May 2015

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors report confirm that so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps he/she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITORS

Pursuant to section 487 of the company Act 2006, the auditor will deemed to be reappointed and KPMG LLP will therefore continue in office.

BY ORDER OF THE BOARD



J Rowe
Director

Date: 14.12.16

Legal Services, Darby House
Lawn Central, Telford
TF3 4NT

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2016

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

BY ORDER OF THE BOARD



J Rowe
Director

Date: 14.12.16

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NUPLACE LIMITED

We have audited the financial statements of Nuplace Limited for the year ended 31 March 2016 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

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 take advantage of the small companies' exemption from the requirement to prepare a strategic report.

 14th December 2016

Ian Pennington (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

3 Assembly Square

Britannia Quay

Cardiff

CF10 4AX

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE
INCOME FOR THE YEAR END 31 MARCH 2016**

	Note	31.03.16 £
Turnover	2	1,135
Cost of Sales		(136)
GROSS PROFIT		<u>999</u>
Administrative expenses		(34,549)
Other operating income	3	1,360
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(32,190)</u>
TAX ON LOSS ON ORDINARY ACTIVITIES	6	5,794
LOSS FOR THE FINANCIAL YEAR		<u><u>(26,396)</u></u>
OTHER COMPREHENSIVE INCOME		
Loss for the year		(26,396)
Other comprehensive income		-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u><u>(26,396)</u></u>

The results above are all derived from continuing operations.

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

BALANCE SHEET AS AT 31 MARCH 2016

		31.03.16	31.03.16
		£	£
	Note		
FIXED ASSETS			
Tangible Assets	7		11,457,871
CURRENT ASSETS			
Debtors	8	990	
Deferred Tax Asset	6	5,794	
Cash at bank and in hand	9	325,489	
		332,273	
Creditors amounts falling due within one year	10	(856,713)	
NET CURRENT ASSETS			(524,440)
TOTAL ASSETS LESS CURRENT LIABILITIES			10,933,431
Creditors amounts falling due after more than one year	11		(7,459,827)
NET ASSETS			3,473,604
CAPITAL AND RESERVES			
Called up share capital	13		3,500,000
Profit and loss account			(26,396)
SHAREHOLDERS' FUNDS			3,473,604

These financial statements were approved by the board of directors on 14th December 2016 and where signed on behalf by:



J Rowe- Director

Company Register Number: 09522014

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2016

	Called up share capital £	Profit and loss account £	Total £
As at 1st April 2015	0	0	0
Loss for the year	0	(26,396)	(26,396)
Other comprehensive income	0	0	0
Total comprehensive income for the year	0	(26,396)	(26,396)
Issue of shares	3,500,000		3,500,000
Dividends paid	0	0	0
As at 31st March 2016	3,500,000	(26,396)	3,473,604

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. Accounting Policies

Nuplace Limited is a company limited by shares incorporated and domiciled in the UK. These financial statements were prepared in accordance with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland, ("FRS102"), as issued in August 2014. The presentation currency of these financial statements is sterling. The Company's parent undertaking, Telford and Wrekin Council includes the Company in its Consolidated Financial Statements. The consolidated financial statements of Telford and Wrekin Council are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Legal Services, Darby House, Lawn Central, and Telford, TF3 ANT. In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS102 in respect of the following disclosures, related party transactions, cashflow statement and financial instruments.

1.1 Basis of preparation

The financial statements are prepared on the historical cost basis.

1.2 Going Concern

At the year end the Company has negative retained earnings of £26,396, caused by the loss for the current year. The company is funded by Telford and Wrekin Council who has confirmed financial support to fund the future activities of the company. The directors have reviewed the future plans and working capital requirements of the company and consider that it is appropriate to use the going concern concept in the preparation of the accounts.

1.3 Basic Financial Instruments

Cash and cash equivalents comprise cash balances.

1.4 Tangible Fixed Assets

Tangible fixed assets are stated at cost. Tangible fixed assets include assets under construction and capitalised interest. Interest is capitalised during the construction period of the whole development and will be expensed once practical completion of each development site is achieved. Land is considered to be an appreciating asset and is thus not depreciated.

1.5 Investment Property

Investment property is valued at cost, and recognised once the entire development has been completed, and will be revalued to market value in the year following completion. Investment properties are not depreciated as they are anticipated to appreciate in value. Gains on revaluation are recognised in other comprehensive income and accumulated in the

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2016

revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease previously recognised in profit or loss. Losses are recognised in the profit and loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset. The decrease recognised in other comprehensive income shall reduce the amount accumulated in equity under the revaluation reserve heading.

1.6 Turnover

Revenue is measured at the fair value of the consideration or receivable and represents the amount receivable for services rendered, net of returns allowed by the company.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statement.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.8 Significant judgements and estimates

The Directors do not consider any judgements or estimates have been made that have materially impacted the disclosure of the financial statements.

1.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs.

1.10 Creditors and loans

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs.

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2016

2. Turnover

	£
Investment Property Rentals	<u>1,135</u>

3. Other Operating Income

	£
Miscellaneous income	<u>1,360</u>

4. Expenses and auditors remuneration

Included in profit/(loss) account are the following:

	£
Audit of these financial statements	11,820
Taxation Compliance Service	<u>3,000</u>
	<u>14,820</u>

5. Director's Remuneration

Directors of the company received no remuneration or benefit over the year.

6. Taxation

Total tax expense recognised in the profit and loss account and other comprehensive income

Current Tax

	£
Current corporation tax on income for the period at 20%	-

Deferred Tax

Origination and reversal of timing differences	<u>(5,794)</u>
Tax on profit on ordinary activities	<u>(5,794)</u>

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

Provision for deferred tax	£
Accelerated capital allowances	29,898
Tax losses carried forward and other deductions	<u>(35,692)</u>
Total deferred tax asset	<u>(5,794)</u>

Movement in provision:

Provision at start of period	-
Deferred tax charged in the statement of comprehensive income for the period	(5,794)
Provision at end of period	<u>(5,794)</u>

Reconciliation of tax credit	£
Loss on ordinary activities before tax	(32,190)
Tax on loss on ordinary activities at Corporation Tax rate of 20.0%	(6,438)

Effects of:

Adjust closing deferred tax to average rate	644
Tax credit for the period	<u>(5,794)</u>

7. Tangible Fixed Assets

	Land	Under Construction	Capitalised Interest	Total
	£	£	£	£
Cost 1 April 2015	-	-	-	-
Additions	<u>1,850,000</u>	<u>9,442,649</u>	<u>165,222</u>	<u>11,457,871</u>
Net Book Value 31 March 2016	<u>1,850,000</u>	<u>9,442,649</u>	<u>165,222</u>	<u>11,457,871</u>

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

Security

Telford and Wrekin Council have a fixed and floating charge over Land at Fishermans Walk, Randlay Avenue, Telford and Holybush Road, Madeley, Telford, registered 12 June 2015. This charge is registered with HM Land Registry and Companies House (reference 09522014001).

8. Debtors

	£
Prepayments	990
	<hr/>

9. Cash and cash equivalents

	£
Cash and cash equivalents	325,489
	<hr/>

10. Creditors: amounts falling due within one year

	£
Trade creditors	837,478
Accruals	15,575
Amount owed to group undertakings	3,660
	<hr/>
	856,713
	<hr/>

11. Creditors: amounts falling after more than one year

	£
Trade Creditors	264,141
Long term Intergroup Loan (see note 12)	7,195,686
	<hr/>
	7,459,827
	<hr/>

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2016

12. Interest Bearing Loans

	£
Long term inter group loan	<u>7,195,686</u>

The Intra Group Loan is governed by a Facility Agreement dated 11th June 2015, between the Company and Telford and Wrekin Council. This loan is for an initial term of 30 years upon which interest is charged at 5.29% per annum. Security is given over the assets of the company via a fixed floating charge registered at HM Land Registry and Companies House on 12th June 2015.

13. Capital and Reserves

Share Capital

Allotted, Called Up and Fully Paid	£
3,500,000 £1 ordinary shares	<u>3,500,000</u>
Shares classified as liabilities	-
Shares classified as shareholders' funds	<u>3,500,000</u>

14. Capital Commitments

At the 31 March 2016 the company entered into a number of contracts for the construction of fixed assets in 2015/16 and future years estimated to costs £5,593,920.

15. Related Party Disclosure

Telford and Wrekin Council is the parent of the company and owns 100% of the share capital.

In the previous period the Company entered into a loan agreement for a secured loan facility of up to £40,000,000 with Telford and Wrekin Council. At the year end the Company has drawn down £7,195,686. Interest of £166,100 has been charged by Telford and Wrekin Council, and rolled up during the construction period. The loan is an interest only loan repayable over 30 year term.

During the year the company purchased £282,799 of services from Telford and Wrekin Council.

The total amount due to Telford and Wrekin at the balance sheet date is £7,199,346.

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2016

Ultimate Controlling Party

The ultimate controlling party and parent is Telford and Wrekin Council by virtue its 100% shareholding.

Consolidated group accounts can be obtained from Legal Services, Darby House, Lawn Central, Telford TF3 4NT.

