

Registered Number: 09522014

Annual Report and Financial Statements
For the Year Ended 31 March 2018
For
Nuplace Limited

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Strategic Report	1
Directors' Report	3
Statement of Directors' Responsibilities in respect of the Annual Report and Financial Statements	4
Report from the independent auditor to the members of Nuplace Limited	5
Profit and loss account and other comprehensive income	8
Balance Sheet	9
Statement of changes in equity	10
Notes to the financial statements	11

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their strategic report for the year ended 31 March 2018.

REVIEW OF BUSINESS

Nuplace Limited was incorporated on 1 April 2015. Nuplace is a wholly owned subsidiary of Telford and Wrekin Council, limited by shares.

The principal activity of the company is the procurement of the construction and management of private and affordable residential property for rent. In addition, the company aims to:

- Raise the standard of rental provision, both in terms of the quality of the rental homes and the landlord service.
- Deliver added value and stimulate local economic growth through supply chain engagement, offering skills and employment opportunities and working with the community.
- Develop brownfield and stalled sites in order to deliver widespread regeneration benefits.

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 2018 was the third year of operation of the company. During the year, the company acquired 3 new development sites at Blossom Walk, Hadley, (25 units), Springfields, Newport, (33 units) and Coppice Court, Snedshill, (39 units). The sites represent a mixture of two, three and four bedroom houses and two bedroom apartments, available for market and affordable rent. Construction continued at Miners Walk, Madeley and The Oaklands, Dawley, and units released were ahead of schedule, taking the number of properties completed and let at 31 March 2018 to 232. All sites are estimated to complete construction during the 2018/19 year, with the exception of Coppice Court, Snedshill which is forecast to practically complete in April 2019.

Strong management of the property portfolio lead to increased rental income for the year which totalled £1,224,800 (£655,441 2016/17), and void levels were contained at 1.95% compared to 5% in the Business Case, which was established as part of the viability assessment for the formation of the Company. The Business Case assumes a year on year increase in rent levels and as such, a review of the rental market was completed and an increase of 1.1% on relets across the portfolio was implemented from April 2018.

In accordance with the Company's accounting policy, the housing portfolios at Woodland Walk (Madeley) and Pool View (Randlay) were revalued at the year end, which has resulted in an increase in value of 14.6% over the cost of construction. This increase reflects the fact that 2017/18 is the first year that valuations have been undertaken on the basis of Market Value which reflects the "for sale" value of the property, rather than the construction cost. The increase is also reflective of buoyant market conditions with the West Midlands seeing a 5.23% increase in house prices for the year. It is likely that revaluations for 2018/19 will be more modest as the valuation process embeds and responds to predicted movements in the housing market.

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2018

During the year Nuplace received grant of £1,008,336 from Telford and Wrekin Council to part fund the construction of 33 affordable rental units at Springfields, Newport. Completion and handover of this site is expected to be in April 2018.

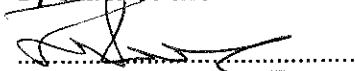
The strength of the Nuplace brand continues to grow, with sites being actively marketed for private and affordable rent. The level of reservations ahead of construction completion continues to be high. The company has established a suite of robust financial and non-financial Key Performance Indicators which are reported to Directors on a regular basis. In addition to the objectives set out above, the Company also strives to deliver added value through community interactions, offering skills and employment opportunities and supply chain engagement during the delivery of the programme with some positive outcomes being achieved in the year.

The Directors acknowledge that ongoing asset maintenance will be required to the investment properties, however, a provision in the financial statements has not been possible due to accounting standards requirements. The cost of asset maintenance in the year was £8,489, which is included in the cost of sales in the financial statements. The directors will ensure suitable reserves are held in order to meet asset maintenance obligations.

The company has reported an operating profit before interest and taxation for the year ended 31 March 2018 of £1,001,914, (2016/17: £535,554) which is in line with forecasts and expectations. The company capitalises interest on loan finance during the site's construction period, following which, interest is charged to the profit and loss account upon the site's practical completion. In line with this policy, the company has incurred interest charges on the year's profit of £660,847, (2016/17: £163,314). The company reported an operating profit after interest and taxation of £261,802 for the year, (2016/17: £301,836), which has been added to reserves.

With a growing market share of the private rented sector, and in accordance with the Business Case approved at Cabinet in June 2017, Nuplace have been exploring opportunities to diversify into the provision of specialist housing for vulnerable clients. To inform this an independent study was undertaken to provide an analysis of current and future demand for specialist accommodation for a range of possible clients over the next ten years. The study identified a number of possible development opportunities with the delivery of downsizer retirement housing and housing, suitable for people of all ages with restricted mobility, care or health needs identified as priority areas. Sites on which to deliver this accommodation, alongside general needs housing have been identified with a view to submitting planning applications in the following financial year.

By order of the Board



J Rowe Director

Date: 25 October 2018

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

DIRECTORS' REPORT

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

PRINCIPAL ACTIVITY

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 2018 (2017 : £NIL)

DIRECTORS

Directors who have held office over the year are:

K Callis

J Rowe

K Kynaston

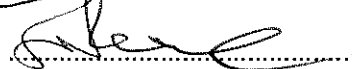
DISCLOSURE OF INFORMATION TO AUDITOR

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.

AUDITOR

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

BY ORDER OF THE BOARD



J Rowe

Director

Date: 25 October 2018

Legal Services
Darby House
Lawn Central
Telford
TF3 4JA

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

BY ORDER OF THE BOARD



J Rowe
Director

Date: 25 October 2018

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NUPLACE LIMITED

Opinion

We have audited the financial statements of Nuplace Limited ("the company") for the year ended 31 March 2018 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2018

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

The purpose of our audit work and to whom we owe our responsibilities

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.



Ian Pennington (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

23rd November 2018

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

		31.03.18	31.03.17
		£	£
	Note		
TURNOVER	2	1,224,800	655,441
Cost of Sales		(122,161)	(55,939)
GROSS PROFIT		<u>1,102,639</u>	<u>599,502</u>
Administrative expenses		(110,636)	(66,328)
Other operating income	3	9,911	2,380
OPERATING PROFIT		<u>1,001,914</u>	<u>535,554</u>
Interest receivable and similar income		1,477	-
Interest payable and similar charges	12	(660,847)	(163,314)
PROFIT BEFORE TAXATION		<u>342,544</u>	<u>372,240</u>
TAX ON PROFIT ON ORDINARY ACTIVITIES	6	(80,742)	(70,404)
PROFIT FOR THE FINANCIAL YEAR		<u>261,802</u>	<u>301,836</u>
OTHER COMPREHENSIVE INCOME			
Revaluation of tangible fixed assets		2,457,947	-
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR		<u><u>2,719,749</u></u>	<u><u>301,836</u></u>

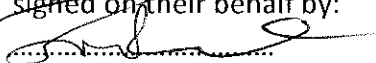
The accompanying notes form part of the financial statements

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

BALANCE SHEET AS AT 31 MARCH 2018

	31.03.18	31.03.18	31.03.17	31.03.17
	£	£	£	£
Note				
FIXED ASSETS				
Investment Properties	7	40,165,957		21,134,957
CURRENT ASSETS				
Debtors	8	10,266	3,352	
Cash at bank and in hand	9	325,258	566,789	
		<u>335,524</u>	<u>570,141</u>	
CREDITORS				
Amounts falling due within one year	10	<u>(1,576,590)</u>	<u>(320,269)</u>	
NET CURRENT (LIABILITIES)/ ASSETS		<u>(1,241,066)</u>		<u>249,872</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		38,924,891		21,384,829
CREDITORS				
Amounts falling due after more than one year	11	(26,834,350)		(14,594,779)
PROVISIONS				
Deferred Tax Liability	6	(145,352)		(64,610)
NET ASSETS		<u><u>11,945,189</u></u>		<u><u>6,725,440</u></u>
CAPITAL AND RESERVES				
Called up share capital	14	8,950,000		6,450,000
Profit and loss account		537,242		275,440
Revaluation reserve		2,457,947		-
SHAREHOLDERS' FUNDS		<u><u>11,945,189</u></u>		<u><u>6,725,440</u></u>

These financial statements were approved by the board of directors on 25th October 2018 and were signed on their behalf by:



J Rowe- Director -Company Registered Number: 09522014

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2018

	Called up share capital £	Profit and loss account £	Revaluation reserve £	Total £
As at 1 April 2016	3,500,000	(26,396)		3,473,604
Profit for the year	-	301,836		301,836
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	301,836	-	301,836
Issue of shares	2,950,000	-		2,950,000
Dividends paid	-	-	-	-
As at 31st March 2017	6,450,000	275,440		6,725,440
As at 1st April 2017	6,450,000	275,440	-	6,725,440
Profit for the year	-	261,802	-	261,802
Other comprehensive income	-	-	2,457,947	2,457,947
Total comprehensive income for the year	-	261,802	2,457,947	2,719,749
Issue of shares	2,500,000	-	-	2,500,000
Dividends paid	-	-	-	-
As at 31st March 2018	8,950,000	537,242	2,457,947	11,945,189

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2018**

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, Telford, TF3 4JA. 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, cash flow statement and financial instruments.

1.1 Basis of preparation

The financial statements are prepared on the historical cost basis, except as modified by the revaluation of investment property.

1.2 Going Concern

The financial statements are prepared on the going concern basis. The company is funded by Telford and Wrekin Council which has confirmed financial support to fund the future activities of the company for the 30 year period of the loan. The day to day running of the Company is supported by rental income, which is sufficient to meet liabilities as they fall due.

1.3 Basic Financial Instruments

Basic financial instruments within the company comprise cash and cash equivalents held at the bank, debtors and creditors.

1.4 Tangible Fixed Assets

Tangible fixed assets are stated at cost. Tangible fixed assets include investment property, assets under construction and capitalised interest. Land is considered to be an appreciating asset and is thus not depreciated. Interest incurred during the construction period of Investment Properties is added to the capital value of the property.

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2018

1.5 Investment Property

Investment property is valued at cost, and recognised once the entire development has been completed, and will be revalued annually. Investment properties are not depreciated as they are anticipated to appreciate in value. In line with FRS 102 guidance on revaluation of investment property gains/losses on revaluation are shown in the profit and loss account.

Gains/Losses on revaluation are recognised in other comprehensive income and accumulated in equity.

1.6 Turnover

Turnover is the rent receivable in the year for properties let to tenants.

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 statements. 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 Government Grants

Government grants are accounted for on a class by class basis. Grants with future performance conditions are recognised as a liability and recognised in the profit and loss account over the period of estimated useful life using the accrual model. Grants with no future performance conditions are recognised in revenue in the period received.

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

2. Turnover	2018	2017
	£	£
Investment Property Rentals	<u>1,224,800</u>	<u>655,441</u>

3. Other Operating Income	2018	2017
	£	£
Miscellaneous income	<u>9,911</u>	<u>2,380</u>

4. Expenses and auditors remuneration	2018	2017
Included in profit/(loss) account are the following:		
	£	£
Audit of these financial statements	<u>9,239</u>	<u>9,850</u>

5. Directors' Remuneration

Directors of the company received no remuneration or benefit over the year 2018 - £Nil (2017 - £Nil).

The Directors are employees of the parent organisation.

6. Taxation

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

	2018	2017
Current Tax		
	£	£
Current corporation tax on income for the period at 19%	-	-

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

	2018	2017
Deferred Tax	£	£
Origination and reversal of timing differences	<u>80,742</u>	<u>70,404</u>
Tax on profit/ (loss) on ordinary activities	<u>80,742</u>	<u>70,404</u>
	£	£
Accelerated capital allowances	168,866	106,230
Tax losses carried forward and other deductions	(23,514)	(41,620)
Total deferred tax (asset)/ liability	<u>145,352</u>	<u>64,610</u>
<i>Movement in provision:</i>		
Provision at start of period	64,610	(5,794)
Deferred tax charged in the statement of comprehensive income for the period	80,742	70,404
Provision at end of period	<u>145,352</u>	<u>64,610</u>
Reconciliation of tax charge	2018	2017
	£	£
Profit/(Loss) on ordinary activities before tax	342,544	372,240
Permanent disallowable expenses	66,085	
Prior period adjustment – permanent disallowable expenses	16,331	
Tax on Profit on ordinary activities at Corporation Tax rate of 19.0%	77,639	70,404
Tax on prior period adjustment at Corporation Tax rate of 19%	3,103	
Tax charge for the period	<u>80,742</u>	<u>70,404</u>

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

7. Tangible Fixed Assets

	Land £	Under Construction £	Investment Property £	Total £
Cost				
At 1 April 2017	250,000	3,425,168	17,459,789	21,134,957
Additions	925,340	12,584,441	3,063,272	16,573,053
At 31 March 2018	<u>1,175,340</u>	<u>16,009,609</u>	<u>20,523,061</u>	<u>37,708,010</u>
Revaluations/Impairment				
At 1 April 2017	-	-	-	-
Revaluations			2,457,947	2,457,947
At 31 March 2018	<u>-</u>	<u>-</u>	<u>2,457,947</u>	<u>2,457,947</u>
Net Book Value 31 March 2018	<u>1,175,340</u>	<u>16,009,609</u>	<u>22,981,008</u>	<u>40,165,957</u>
Net Book Value 31 March 2017	<u>250,000</u>	<u>3,425,168</u>	<u>17,459,789</u>	<u>21,134,957</u>

Included in additions is capitalised interest of £366,289 (2016/17: £455,128) on the cost of construction.

Security

Telford and Wrekin Council have a fixed and floating charge over Nuplace Limited assets registered with HM Land Registry and Companies House (reference 09522014001) on 12 June 2015. The value of these assets was £40,165,957 as at 31 March 2018, (2016/17: £21,134,957).

8. Debtors

	2018 £	2017 £
Trade Debtors	875	1,126
Amount owed by group undertaking	-	83
Prepayments	9,391	2,143
	<u>10,266</u>	<u>3,352</u>

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

9. Cash and cash equivalents	2018	2017
	£	£
Cash and cash equivalents	<u>325,258</u>	<u>566,789</u>

10. Creditors: amounts falling due within one year	2018	2017
	£	£
Trade creditors	1,404,309	297,139
Accruals	20,515	23,130
Amount owed to group undertakings	151,766	-
	<u>1,576,590</u>	<u>320,269</u>

11. Creditors: amounts falling after more than one year	2018	2017
	£	£
Trade Creditors	349,669	86,154
Deferred Income	1,008,336	
Long term Intragroup Loan (see note 16)	<u>25,476,345</u>	<u>14,508,625</u>
	<u>26,834,350</u>	<u>14,594,779</u>
	£	£
Long term intra group loan	<u>25,476,345</u>	<u>14,508,625</u>

The Intra Group Loan is governed by a Facility Agreement dated 11 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 and floating charge registered at HM Land Registry and Companies House on 12 June 2015.

Deferred income comprises £1,008,336 (2017 - £Nil) relating to a grant agreement between Nuplace Limited and Telford and Wrekin Council for the purpose of the construction of affordable rental units at Springfields, Newport (see note 13).

NUPLACE LIMITED
Annual Report and Financial Statements
31 March 2018

12. Interest Payable

	2018	2017
	£	£
Interest payable on loan	1,027,135	618,442
Interest capitalised on assets under construction (note 7)	(366,288)	(455,128)
Interest Charge	<u>660,847</u>	<u>163,314</u>

13. Government Grants

	2018	2017
	£	£
Government Grant	<u>1,008,336</u>	<u>-</u>

Grant of £1,008,336 from Telford and Wrekin Council was received during the year (2017 £nil). The grant has been provided for the construction of 33 affordable housing units on a residential site at Springfields, Newport and is governed by a S106 agreement between Nuplace Limited and Telford and Wrekin Council as local planning authority, which requires the 33 units to be held as affordable during their lifetime.

14. Capital and Reserves

Share Capital	2018	2017
	£	£
Allotted , called Up and Fully Paid		
£1 ordinary shares at 1 April	6,450,000	3,500,000
£1 ordinary shares issued in year	2,500,000	2,950,000
£1 ordinary shares at 31 March	<u>8,950,000</u>	<u>6,450,000</u>
Shares classified as liabilities	-	-
Shares classified as shareholders' funds	<u>8,950,000</u>	<u>6,450,000</u>

15. Capital Commitments

At the 31 March 2018 the company entered into a number of contracts for the construction of fixed assets in 2017/18 and future years estimated to cost £5,546,850 (2017 : £9,165,125).

16. Related Party Disclosure

The Company entered has 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 £25,476,345 (2017: £14,508,625).

NUPLACE LIMITED

Annual Report and Financial Statements

31 March 2018

Interest of £1,027,135 (2017: £618,442) has been charged by Telford and Wrekin Council. The loan is an interest only loan repayable at the end of a 30 year term.

The company purchased £496,233 (2017:£255,458) of services from Telford and Wrekin Council.

The company purchased land of £925,340 (2017:£250,000) from Telford and Wrekin Council.

The total amount due to Telford and Wrekin at the balance sheet date is £25,628,111 (2017: £14,508,542).

17. Ultimate Controlling Party

The ultimate controlling party and parent is Telford and Wrekin Council (registered office: Legal Services Darby House, Lawn Central, Telford, TF3 4JA) by virtue of its 100% shareholding.

Consolidated Group Accounts can be obtained from Nuplace Limited registered office, Legal Services, Darby House, Lawn Central, Telford TF3 4JA or Telford and Wrekin Registered Office

18. Accounting Estimates and Judgements

Investment property is valued at cost and will be revalued in the financial year following practical completion of an entire development. Investment properties are not depreciated as they are anticipated to appreciate in value.