

**INDUSTRIAL & COMMERCIAL HOLDINGS PLC**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2016**

**Registered No. 4024879**

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

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# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## STRATEGIC REPORT

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Over the past year we have continued to supply evidence to the process of the East Dunbartonshire Local Development Plan. The draft plan prepared by the Council has been reviewed by the Scottish Government's Planning and Environmental Appeals Division and after a series of questions, meetings and submissions the Reporters issued their findings in September. Unfortunately they were not as helpful as we had hoped.

While there is a shortfall of housing in the Local Authority area as a whole, the Reporters do not identify a shortfall in our locality. They have allocated some additional sites in the Local Authority area for development, but there is still a requirement for the Local Authority to (a) make good the rest of the shortfall to meet current identified need and (b) maintain a rolling plan to have identified sites for housing to meet forecast need for the next 5 years.

The Reporters made some minor adverse comments in respect of our site which can be countered with relatively modest modifications to the proposed layout and clarification of arrangements to manage those parts of the site that are unsuitable for development and which will remain as green belt. The Reporters comments about all of the other sites around Milngavie were much more fundamental. Our site is the best placed site in the locality for housing development.

Our site is not in one of the localities of greatest need for development of affordable housing, but is in a highly attractive area for developers.

We anticipate that in the next 12-24 months it will become apparent that the Local Authority does not have sufficient areas identified for housing development and this will provide us with an opportunity to submit a planning application, which will undoubtedly be refused by the Local Authority and need to be appealed to the Reporters. This application will put forward our site to part fill the shortfall (identified by the Reporters, but not filled by the Local Authority) and will have a site layout designed to meet the concerns raised by the Reporters in their recent report.

We have identified a local housebuilder, and are in negotiations with them to be in a position to jointly submit such a planning application.

During the year we received enquiries from two separate parties about a small strip of land inherited by the Company when it was spun out of the Creston group. This land was subsequently sold for £50,000.

On 1 June 2016, the Company issued a circular to shareholders providing details of a proposed non-renounceable underwritten 9 for 8 rights issue ('Rights Issue'). Under the Rights Issue, the Company proposed to issue up to 26,997,733 new ordinary shares of 1 pence each at par to raise gross proceeds of approximately £270,000. The Rights Issue was conditional upon the passing of a special resolution to permit the Rights Issue to proceed. On 1 July 2016, the Company convened a general meeting of shareholders to vote on the special resolution which was duly passed by shareholders. Following shareholder approval of the Rights Issue, a total of 26,997,733 new ordinary shares were issued pursuant to the Rights Issue and as a result the issued share capital of the Company increased from 23,997,985 to 50,995,718. The net proceeds of the Rights Issue, after expenses, amounting to approximately £233,000, will be used to finance the Company's efforts in re-zoning the land at Milngavie and to provide essential working capital over the medium term.

Approved by the Board on 2 December 2016 and signed on its behalf.

City Group P.L.C.  
Company Secretary

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## REPORT OF THE DIRECTORS

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The Directors submit their report and the audited accounts of the Company and the Group for the year ended 30 June 2016.

### RESULTS AND DIVIDENDS

The Group achieved a profit of £3,027 after selling a small ransom strip for £50,000 and absorbing property and development expenses and taxation (2015 – £20,175 loss). The Directors do not recommend payment of a dividend in respect of the financial year.

### PRINCIPAL RISKS AND UNCERTAINTIES

There is limited credit risk from monies held by independently rated banks.

### DIRECTORS

The Directors who have held office during the year were as follows:

C P Latilla-Campbell	L H Marshall ♦
D C Marshall	J M Robotham (Resigned 1 June 2016)
E J Beale (Appointed 1 June 2016)	

The Directors have no interests in the shares of the subsidiary company, Dougalston Limited. The interests of Directors in the Company are as follows:-

	<b>30 June 2016</b>	1 July 2015
E J Beale	-	-
C P Latilla-Campbell	-	-
L H Marshall ♦	<b>6,500</b>	6,500
D C Marshall	-	-
J M Robotham	<b>2,000</b>	2,000

♦ Mr L H Marshall died on 20 November 2016

Mr D C Marshall and Mr J M Robotham have an interest in 7,177,762 ordinary shares by virtue of their directorships and direct shareholdings in Western Selection P.L.C. Mr D C Marshall and Mr J M Robotham are both directors of Western Selection P.L.C. and Mr J M Robotham has a beneficial interest in 35,000 shares in Western Selection P.L.C. Mr C P Latilla-Campbell has a beneficial interest in 2,500,000 ordinary shares held by Buchanan Trading Inc. There have been no changes in Directors' interests since 30 June 2016.

## **SUBSTANTIAL INTERESTS**

At 2 December 2016, the Company was aware of the following interests which represented three per cent or more of the Company's issued share capital:

	<b>Number of shares</b>	<b>% of capital</b>
Western Selection P.L.C.	15,252,744	29.9
Takeoff Asset Management Ltd	8,615,842	16.9
Mr T P King	5,415,576	10.6
Buchanan Trading Inc	5,312,500	10.4
Mr E Dangoor	3,850,907	7.6
Lomond Property and Whisky Management Ltd	2,984,158	5.9
Mr D Wyley	2,125,212	4.2

## **RIGHTS ISSUE**

On 1 June 2016, the Company proposed a non-renounceable underwritten Rights Issue on a 9 for 8 basis which subsequently raised £270,000 before expenses. 26,997,733 new ordinary shares were issued on 8 July 2016 and share certificates were posted to shareholders and investors on 11 July 2016.

## **AUDITORS**

A resolution to re-appoint SRG LLP as auditors will be proposed at the Annual General Meeting of the Company, to be held on 5 January 2017, in accordance with Section 489 of the Companies Act 2006.

## **SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING**

In addition to the ordinary business referred to in Resolutions 1 to 4 of the Notice of Annual General Meeting at the end of this document, the Directors propose special business as set out in Resolutions 5 and 6 of the Notice of Annual General Meeting.

Resolution number 5 will, if passed, grant the Directors authority to allot, pursuant to Section 551 of the Companies Act 2006, £490,000 in nominal amount of the Company's authorised but unissued share capital.

Resolution number 6 deals with issues of shares for cash. Section 561 of the Companies Act 2006 requires that when the Directors propose to allot ordinary shares for cash, they must first offer such ordinary shares to existing shareholders in proportion to their existing holdings, unless powers have been previously given to the Directors under section 571 of the Act to disapply these provisions. If granted, this authority will expire at the conclusion of the next Annual General Meeting of the Company in 2017/2018.

Approved by the Board on 2 December 2016 and signed on its behalf.

City Group P.L.C.  
Company Secretary

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## CORPORATE GOVERNANCE

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The Financial Conduct Authority requires that listed companies incorporated in the UK should state in their report and accounts whether they comply with the UK Corporate Governance Code (2016) (“the Code”) and identify and give reasons for any areas of non-compliance. The Company’s ordinary shares are not listed on nor traded on any stock exchange or dealt in on the AIM market of the London Stock Exchange and accordingly no disclosures are required. This is not a statement of compliance as required by the Code and should therefore not be relied upon to give the disclosure required by the Code.

The Company follows the Code wherever it is reasonable to do so. It operates an effective board, which includes non-executive Directors. The appointment of Directors is a matter for the entire Board. Each Director is required to retire every three years in accordance with the Articles of Association.

The Company has no Audit Committee as the entire Board takes responsibility for the review of financial reporting and all material internal controls, including financial, operational controls and risk management. The responsibility on a day to day basis for maintaining a sound system of internal controls rests with the directors of City Group PLC which provides day to day administration, accounting and company secretarial services to the Group.

The Company has no Remuneration Committee because the Company has no employees and the remuneration of each Director is limited by the Articles of Association and set out in detail in the statutory accounts which are laid before shareholders in General Meeting. None of the Directors has a service contract or letter of appointment with the Company. There are no share options in issue.

The Board is aware of the requirements of the Code and the need for appropriate controls and systems to safeguard the Company’s assets. Wherever possible, appropriate controls are put in place and monitored by the Board. However full compliance with the Code is not possible nor appropriate because of the size and resource constraints within the Company and because of the relative cost benefit assessment of putting in place the additional procedures.

The Directors, after making enquiries, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis in preparing the accounts.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the Directors are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

After making enquiries and examining key areas which could give rise to significant financial exposure the Directors are satisfied that no material or significant exposures exist, other than as reflected in these financial statements, and

## **INDUSTRIAL & COMMERCIAL HOLDINGS PLC**

that the Company has adequate resources to continue its operations for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.

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

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF INDUSTRIAL & COMMERCIAL HOLDINGS PLC

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We have audited the financial statements of Industrial & Commercial Holdings PLC for the year ended 30 June 2016 which comprise the Group Profit and Loss Account, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement the Group and Parent Company Statements of Changes in Equity 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), including, FRS 102 the Financial Reporting Standard applicable in the UK and the 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 (APB'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 Strategic Report, the Report of the Directors and the Corporate Governance statement 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 the Parent Company's affairs at 30 June 2016 and of the Group profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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 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.

Trevor Clarke (Senior Statutory Auditor)  
For and on behalf of SRG LLP, Statutory Auditor  
SRG LLP  
Chartered Accountants and Statutory Auditors  
28 Ely Place  
LONDON EC1N 6AA  
2 December 2016



# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 30 June	Notes	2016 £	2015 £
Other Operating Income		49,093	5,930
Administration, Development and Property expenses		(45,719)	(26,384)
<b>Operating profit/(loss)</b>		<b>3,374</b>	<b>(20,454)</b>
Dividends receivable		-	266
Profits on disposal of land/investments		-	-
Bank interest receivable		18	13
Interest payable		(365)	-
<b>Profit/(loss) on ordinary activities before taxation</b>	5	<b>3,027</b>	<b>(20,175)</b>
Taxation	7	-	-
<b>Profit/(loss) for the financial year attributable to the equity holders</b>		<b>3,027</b>	<b>(20,175)</b>
<b>Comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the financial year attributable to the equity holders</b>		<b>3,027</b>	<b>(20,175)</b>
Basic profit/(loss) per share		0.01 p	(0.08) p

All activities derive from continuing operations.

The notes set out on pages 13 to 16 form part of these financial statements.

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## CONSOLIDATED BALANCE SHEET

At 30 June	Notes	2016 £	2015 £
<b>Fixed Assets</b>			
Investment property	9	42,125	42,125
		<b>42,125</b>	42,125
<b>Current assets</b>			
Debtors	11	36,786	-
Cash at bank		105,597	21,775
		<b>142,383</b>	21,775
<b>Creditors- falling due within one year</b>	13	<b>(134,999)</b>	(17,418)
<b>Net current assets</b>		<b>7,384</b>	4,357
<b>Total assets less current liabilities</b>		<b>49,509</b>	46,482
<b>Capital and reserves</b>			
Called up share capital	14	239,980	239,980
Share premium account	15	81,119	81,119
Profit and loss account		(271,590)	(274,617)
<b>Total equity shareholders' funds</b>		<b>49,509</b>	46,482

These accounts were approved by the Board on 2 December 2016.

Signed on behalf of the Board

E J Beale  
Director

The notes set out on pages 13 to 16 form part of these financial statements.

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

Company Number 4024879

## COMPANY BALANCE SHEET

At 30 June	Notes	2016 £	2015 £
<b>Fixed Assets</b>			
Investments in Group companies	10	160	160
		<b>160</b>	160
<b>Current assets</b>			
Debtors	11	36,786	-
Investments	12	-	-
Amounts receivable from Group Company		42,123	42,123
Cash at bank		105,597	21,775
		<b>184,506</b>	63,898
<b>Creditors;-falling due within one year</b>	13	<b>(134,999)</b>	(17,418)
<b>Net current assets</b>		<b>49,507</b>	46,480
<b>Total assets less current liabilities</b>		<b>49,667</b>	46,640
<b>Capital and reserves</b>			
Called up share capital	14	239,980	239,980
Share premium account	15	81,119	81,119
Profit and Loss Account		(271,432)	(274,459)
<b>Total equity shareholders' funds</b>		<b>49,667</b>	46,640

These accounts were approved by the Board on 2 December 2016.

Signed on behalf of the Board

E J Beale  
Director

The notes set out on pages 13 to 16 form part of these financial statements.

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 30 June	2016 £	2015 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	3,027	(20,175)
<b>Adjustments for:</b>		
Interest paid	365	-
Interest received	(18)	(13)
Dividends received	-	(266)
Decrease/(increase) in trade debtors	(36,786)	526
Increase/(decrease) in trade creditors	54,931	11,409
Profit on sale of fixed assets	(48,971)	-
Profit on sale of investments	-	(5,903)
<b>Net cash generated from operating activities</b>	<b>(27,452)</b>	<b>(14,422)</b>
<b>Cash flows from investing activities</b>		
Net proceeds from sale of tangible assets	48,971	-
Net proceeds from sale investments	-	21,173
Dividends received	-	266
Interest received	18	13
<b>Net cash from investing activities</b>	<b>48,989</b>	<b>21,452</b>
<b>Cash flows from financing activities</b>		
Share subscription advances	62,650	-
Interest paid	(365)	-
<b>Net cash used in financing activities</b>	<b>62,285</b>	<b>-</b>
	<b>83,822</b>	<b>7,030</b>
Cash and cash equivalents at beginning of the year	21,775	14,745
<b>Cash and cash equivalents at end of the year</b>	<b>105,597</b>	<b>21,775</b>

The notes set out on pages 13 to 16 form part of these financial statements.

## INDUSTRIAL & COMMERCIAL HOLDINGS PLC

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 30 June	Called up share capital £	Share premium account £	Profit and loss account £	Attributable to the equity holders £
<b>At 1 July 2014</b>	239,980	81,119	(254,442)	66,657
Loss for the year	-	-	(20,175)	(20,175)
Other comprehensive income	-	-	-	-
<b>At 30 June 2015</b>	239,980	81,119	(274,617)	46,482
Profit for the year	-	-	3,027	3,027
Other comprehensive income	-	-	-	-
<b>At 30 June 2016</b>	239,980	81,119	(271,590)	49,509

### COMPANY STATEMENT OF CHANGES IN EQUITY

	Called up share capital £	Share premium account £	Profit and loss account £	Attributable to the equity holders £
<b>At 1 July 2014</b>	239,980	81,119	(254,284)	66,815
Loss for the year	-	-	(20,175)	(20,175)
Other comprehensive income	-	-	-	-
<b>At 30 June 2015</b>	239,980	81,119	(274,459)	46,640
Profit for the year	-	-	3,027	3,027
Other comprehensive income	-	-	-	-
<b>At 30 June 2016</b>	239,980	81,119	(271,432)	49,667

The notes set out on pages 13 to 16 form part of these financial statements.

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

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### 1. **Company information**

The Company is limited by shares and incorporated in the United Kingdom. The registered office is situated at 6 Middle Street, London EC1A 7JA.

### 2. **Basis of preparation**

These financial statements have been prepared in accordance with applicable United Kingdom standards, including Financial Reporting Standard 102 – ‘The Financial Reporting Standard’ applicable in the United Kingdom and Republic of Ireland (‘FRS 102’), and with the Companies Act 2006. The accounts have been prepared on the historical cost basis.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to Note 16.

### **Going concern**

After reviewing the Company’s forecasts and projections, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company continues to adopt the going concern basis in preparing its financial statements

### 3. **Significant judgments and estimates**

The preparation of the financial statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The Directors continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, income and expenditure. The Directors base their judgement, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which the management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future years.

### 4. **Principle accounting policies**

These financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

These consolidated accounts include the results of the subsidiary company, Dougalston Limited, for the year ended 30 June 2016. Results of subsidiaries are included from their effective date of acquisition to their effective dates of disposal.

Under Section 408(3) of the Companies Act 2006, the Company is exempt from the requirement to present its own profit and loss account.

### **Investment properties**

Freehold land held for development is stated at cost.

### **Current asset investments**

Listed investments are carried at the lower of cost and net realisable value.

### **Deferred taxation**

Deferred taxation is provided on the full liability method on timing differences arising from the different treatment of items for accounts and taxation purposes which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

### **Property transactions**

Acquisitions and disposal of property are accounted for upon exchange of contracts provided completion takes place prior to the date on which the accounts are approved.

### **Liquid resources**

Liquid resources comprise cash at bank and in hand.

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

	2016 £	2015 £
<b>5. Profit/(loss) on ordinary activities before taxation</b>		
Profit/(loss) on ordinary activities before taxation is stated after charging:		
Audit fees for the Group (excluding VAT)	3,675	3,675
<b>6. Directors' emoluments and employees</b>		
The emoluments of the Directors who were the only employees of the Company were:		
C P Latilla-Campbell	3,000	3,000
D C Marshall	1,000	1,000
L H Marshall	1,000	1,000
J M Robotham	1,000	1,000
E J Beale	-	-
	<b>6,000</b>	<b>6,000</b>
The services of Messrs D C and L H Marshall were supplied by their primary employers.		
<b>7. Tax on profit/(loss) on ordinary activities</b>		
The tax (credit)/charge is based on the profit for the year and represents		
UK Corporation Tax	2016 -	2015 -
The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom at 20% (2015: 20%). The differences are explained as follows:		
Profit/(loss) on ordinary activities before tax	3,027	(20,175)
Corporation tax at 20%	605	(4,035)
Losses carried forward	-	4,035
Losses brought forward	(605)	-
<b>8. Profit/(loss) per share</b>		
Profit/(loss) per share is based on the profit/loss on ordinary activities after taxation and on 23,997,985 (2015 –23,997,985) being the weighted average number of shares in issue during the year.	0.01p	(0.08)p
<b>9. Investment property Group</b>		
Freehold property at cost, brought forward and carried forward	42,125	42,125

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

	2016 £	2015 £
<b>10. Fixed asset investments</b>		
<b>Company</b>		
<b>Shares in subsidiary undertaking</b>		
Dougalston Limited		
At cost – brought forward and carried forward	160	160

The aggregate amount of capital and reserves and the results of this undertaking for the year ended 30 June 2016 were:

	Capital and reserves £2	Profit (loss) for the year £-
<b>Dougalston Limited</b>		

Dougalston Limited, a dormant wholly-owned subsidiary company, holds the title to the Group's freehold property and is incorporated in England.

<b>11. Debtors</b>		
<b>Group and Company</b>		
Prepaid rights issue expenses	36,786	-

<b>12. Investments</b>		
<b>Group and Company</b>		
Investments held as current assets at cost	-	15,270
Disposal during year	-	(15,270)
	-	-
<b>No investments were held at 30 June 2016 (2015 - £nil).</b>		

<b>13. Creditors: amounts falling due within one year</b>		
<b>Group and Company</b>		
Shareholders rights subscriptions	62,650	-
Trade creditors	67,939	12,258
Accruals and deferred income	4,410	5,160
	134,999	17,418

<b>14. Called up, allotted and fully paid Ordinary shares of 1p</b>		
At 1 July 2015 and 30 June 2016		
23,997,985 shares	239,980	239,980

<b>15. Share premium account</b>		
At 1 July 2015 and 30 June 2016	81,119	81,119



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**16. Transition to FRS 102**

This is the first year that the Group has presented its results under FRS102. FRS 102 has been adopted for the year ended 30 June 2016. The last financial statements under the UK GAAP were for the year ended 30 June 2015. The date of transition to FRS 102 was 1 July 2014.

Below is a reconciliation of the profit and equity resulting from changes in accounting policies under FRS 102.

	At 30 June 2015	At 30 June 2014
Reconciliation of equity as previously reported	<u>46,842</u>	66,657
As reported under FRS 102	<u>49,842</u>	66,657
Reconciliation of loss as previously reported	<u>(20,175)</u>	
As reported under FRS 102	<u>(20,175)</u>	
Reconciliation of comprehensive income as previously reported	<u>                    </u>	
As reported under FRS 102	<u>                    </u>	
Other adjustments arising on transition to IFRS		

The transition from UK GAAP to FRS 102 has not had an impact on the statement of cash flows.

**17. Related parties**

The section on Related Party disclosures gives details of the interests of the Directors in any material transactions. Other than as disclosed below, and in Note 6, no Director was interested in any contract between the Directors, the Company and any other related parties which subsisted during or at the end of the financial year.

Messrs D C Marshall, L H Marshall and J M Robotham are Directors of City Group P.L.C. which received fees of £2,000 (2015: £2,000) for the provision of office, accounting and company secretarial services to the Company. There was an amount of £3,765 due to City Group P.L.C. from the Group at 30 June 2016 (2015 – due to City Group - £4,850).

**18. Related Undertakings**

In accordance with section 409 of the Companies Act 2006, a full list of related undertakings, the country of incorporation and the percentage of equity owned, directly or indirectly, as at 30 June 2016, is disclosed below:

Company	Country	Ownership
Dougalston Limited	United Kingdom	100%

**19. Post balance sheet event**

On 1 June 2016, the Company proposed a non-renounceable underwritten Rights Issue on a 9 for 8 basis to raise £270,000. 26,997,733 new ordinary shares were issued on 8 July 2016 and share certificates were posted to shareholders and investors on 11 July 2016.

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the Annual General Meeting of Industrial & Commercial Holdings PLC will be held at 6, Middle Street, London EC1A 7JA at 12:00 pm on 5 January 2017 for the following purposes:

### ORDINARY BUSINESS

1. To receive the financial statements for the year ended 30 June 2016 together with the reports of the directors and auditors thereon.
2. To re-elect as a director Mr David Courtnall Marshall who retires in accordance with the Company's Articles of Association and being eligible offers himself for re-election.
3. To elect as a director Mr Edward John Beale who has been appointed as a director since the last Annual General Meeting
4. To re-appoint SRG LLP as Auditors of the Company and to authorise the Directors to agree their remuneration.

### SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions. Resolution 5 will be proposed as an Ordinary Resolution and Resolution 6 will be proposed as a Special Resolution.

5. THAT the Board be and is hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of Section 551 of the Companies Act 2006) up to an aggregate nominal amount of £490,000 provided that this authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2017, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and that the Board may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired but otherwise in substitution for any authorities conferred on the Directors to allot relevant securities. Words or expressions defined in or for the purposes of Part 17 of the Companies Act 2006 shall bear the same meaning herein.
6. THAT subject to the passing of Resolution 5 and upon such resolution becoming effective, the Directors be and are hereby empowered pursuant to Section 571 of the Companies Act 2006 to allot equity securities (within the meaning of Section 560 of that Act) for cash pursuant to the authority conferred by Resolution 5 as if sub-section (1) of Section 561 of that Act did not apply to any such allotment provided that this power shall be limited:
  - (a) to the allotment of equity securities in connection with a rights, bonus or other similar issue in favour of shareholders and other persons entitled to participate therein where the equity securities respectively attributable to the interests of all shareholders are proportionate (as nearly as may be) to the respective number of shares held by them but subject only to such exclusions or other arrangements as the Directors may deem necessary or expedient for the purpose of dealing with fractional entitlements or legal or practical problems under the laws of or the requirements of any regulatory body or any stock exchange in any territory; and
  - (b) to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £25,492 representing 5 per cent of the issued share capital and it shall expire at the conclusion of the annual general meeting of the Company to be held in 2017, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired but otherwise it shall be in substitution for any prior authorities conferred on the Directors to allot equity securities.

By Order of the Board  
City Group P.L.C.  
Company Secretary

Registered Office  
6 Middle Street  
London EC1A 7JA  
2 December 2016

## **NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING**

### **Entitlement to attend and vote**

1. The Company specifies that only those members registered on the Company's Register at 12:00 pm on 3 January 2017, or if the Annual General Meeting is adjourned, 48 hours prior to the adjourned meeting, shall be entitled to attend and vote at the Annual General Meeting.

### **Appointment of proxies**

2. You should have received with this document a Form of Proxy. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting. . You can only appoint a proxy using the Form of Proxy and following the procedures set out in these notes and the notes to the Form of Proxy.
3. A proxy does not need to be a member of the Company but must attend the Annual General Meeting to represent you. Details of how to appoint the Chairman of the Annual General Meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. If you wish your proxy to speak on your behalf at the Annual General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy your Form of Proxy or contact the Company's Registrars, City Group P.L.C., to obtain an extra Form of Proxy on +44 (0)20 7796 9060.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolutions. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.

### **Appointment of proxy using hard copy form of proxy**

6. The notes to the Form of Proxy explain how to direct your proxy to vote on the Resolution or withhold your vote.

To appoint a proxy using the Form of Proxy, the form must be:

- completed and signed; and;
- sent or delivered to City Group P.L.C., 6 Middle Street, London EC1A 7JA; and
- received by City Group P.L.C. no later than 12:00 pm on 3 January 2017 (or if the Annual General Meeting is adjourned, 48 hours before the adjourned Annual General Meeting).

## **INDUSTRIAL & COMMERCIAL HOLDINGS PLC**

In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by a director or an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.

### **Appointment of proxy by joint members**

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register in respect of the joint holding (the first-name being the most senior).

### **Changing proxy instructions**

8. To change your proxy instructions simply submit a new Form of Proxy using the methods set out above. Note that the cut-off time for receipt of Forms of Proxy (see above) also applies in relation to amended instructions; any amended Form of Proxy received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy Form of Proxy and would like to change the instructions using another hard-copy Form of Proxy, please contact City Group P.L.C. on +44 (0)20 7796 9060.

If you submit more than one valid Form of Proxy the appointment received last before the latest time for the receipt of Forms of Proxies will take precedence.

### **Termination of proxy appointments**

9. In order to revoke a Form of Proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your Form of Proxy appointment to City Group P.L.C., 6 Middle Street, London EC1A 7JA. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by City Group P.L.C. no later than 12:00 pm on 3 January 2017.

If you attempt to revoke your Form of Proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your Form of Proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your Form of Proxy appointment will automatically be terminated.

### **Corporate representatives**

10. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

# INDUSTRIAL & COMMERCIAL HOLDINGS PLC

## FORM OF PROXY

### INDUSTRIAL & COMMERCIAL HOLDINGS PLC (the "Company")

I/We .....  
of .....

being member(s) of the above-named company hereby appoint the Chairman of the meeting, failing whom

.....  
as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held on 12:00 pm on 5 January 2017 and at any adjournment thereof.

I/We hereby authorise and instruct my/our proxy to vote as indicated below on the resolutions to be proposed at such meeting. Unless otherwise directed the proxy will vote or abstain from voting as he thinks fit.

	For	Against	Withheld
<b>Ordinary Resolutions</b>			
1. To receive the financial statements for the year ended 30 June 2016, together with the reports of the directors and auditors thereon.			
2. To re-elect Mr D C Marshall as a director.			
3. To elect Mr. E J Beale as a director.			
4. To re-appoint SRG LLP as Auditors of the Company and to authorise the Directors to agree their remuneration.			
5. To authorise the Directors to allot shares under Section 551 of the Companies Act 2006.			
<b>Special Resolution</b>			
6. To authorise the Directors to allot shares disapplying pre-emption rights.			

Dated ..... Signature .....

### NOTES

1. This Form of Proxy must be lodged at **6 Middle Street, London, EC1A 7JA** not later than 3 January 2017, with, if appropriate, the power of attorney or other authority under which it is signed or a notarially certified copy of such power of authority.
2. In the case of a corporation this Form of Proxy should be given under its Common Seal or, if none, should be signed by the attorney or officer duly authorised.
3. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the register of Shareholders in respect of the joint holding.
4. If it is desired to appoint a proxy any person other than the chairman of the meeting, the name and address of such person should be inserted in the relevant place, reference to the chairman deleted, and the alteration initialled.
5. A proxy need not be a Shareholder.

## **INDUSTRIAL & COMMERCIAL HOLDINGS PLC**

6. A member should indicate with a cross (X) in the space provided above how they wish their votes to be cast. In the absence of specific instructions their special attorney may vote as he thinks fit. The "vote withheld" option is provided to enable you to instruct your proxy not to vote on the Resolution, however, it should be noted that a vote withheld in this way is not a vote in law and will not be counted in the calculation of the proportion of votes "for" and "against" the Resolution.
7. Use of this Form of Proxy does not preclude a member from attending the meeting and voting in person.