Fprop plc
First Property Group plc

Annual Report and Accounts 2015

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First Property Group plc
is a property fund manager and investor with operations in the United Kingdom and Central Europe (mainly Poland).

Funds managed by First Property Asset Management Limited (FPAM) have ranked No.1 versus the Investment Property Databank (IPD) Central & Eastern Europe (CEE) universe for the annualised periods from the commencement of its operations in Poland in 2005 to the end of each of the years between 31 December 2008 and 31 December 2014.

"The financial year just ended has been transformational for the Group principally because of the six investments made by it and Fprop Opportunities plc (FOP) in Poland and Romania, which should yield recurring profit before unallocated overheads and tax of just over £6 million per annum. These earnings will more than replace the fee income we used to earn from the USS fund which expires in August 2015 and which at its peak amounted to some £3 million per annum"

Ben Habib
Group Chief Executive

Chief Executive's Review – page 4

Highlights 2015

Operational highlights

- The increase in profit before tax to £8.08 million (2014: £6.60 million) was largely attributable to the contribution made to earnings by:
  - Fund Management – The performance fee earned by the Group of £3.2 million (2014: nil) on profits realised by Fprop PDR.
  - Group Properties:
    i. The purchase by the Group and FOP of six properties in Poland and Romania during the year which made a contribution to the Group's profit before unallocated overheads and tax of £2.27 million (2014: nil). These acquisitions also resulted in £1.84 million of negative goodwill, a non-cash item which has been credited to the Income Statement; and

    ii. The full year contribution to profit before unallocated overheads and tax from the additional properties purchased by the Group and FOP in the previous year of £1.83 million (2014: £676,000).
- Final dividend increased to 1 penny per share (2014: 0.79 pence per share), an increase of 27%, which together with the interim dividend of 0.35 pence (2014: 0.33 pence) equates to a dividend for the year of 1.35 pence per share (2014: 1.12 pence per share).
- New fund established in January 2015 on behalf of Shipbuilding Industries Pension Scheme (SIPS) with a commitment of £125 million for an initial term of ten years targeting investments in the United Kingdom. The Group's UK efforts are now concentrated on investing this.
- Funds under management in Central and Eastern Europe (CEE) once again rated by Investment Property Databank (IPD) as the best performing versus the IPD CEE universe, now for the annualised periods from 2005 to the end of each of the years between 31 December 2008 and 31 December 2014.
- The impact of the weaker Euro versus Sterling during the year resulted in profit before tax being some £258,000 lower than it would otherwise have been.

www.fprop.com

Visit our site to find out more about First Property Group and to get up to date share information and any latest news.

Financial highlights

Profit before tax

£8.08m

+22.4%

Diluted earnings per share

6.93p

+53.0%

Total dividend per share

1.35p

+20.5%

Net assets

£31.02m

+32.2%

Cash balances

£12.24m

+8.5%

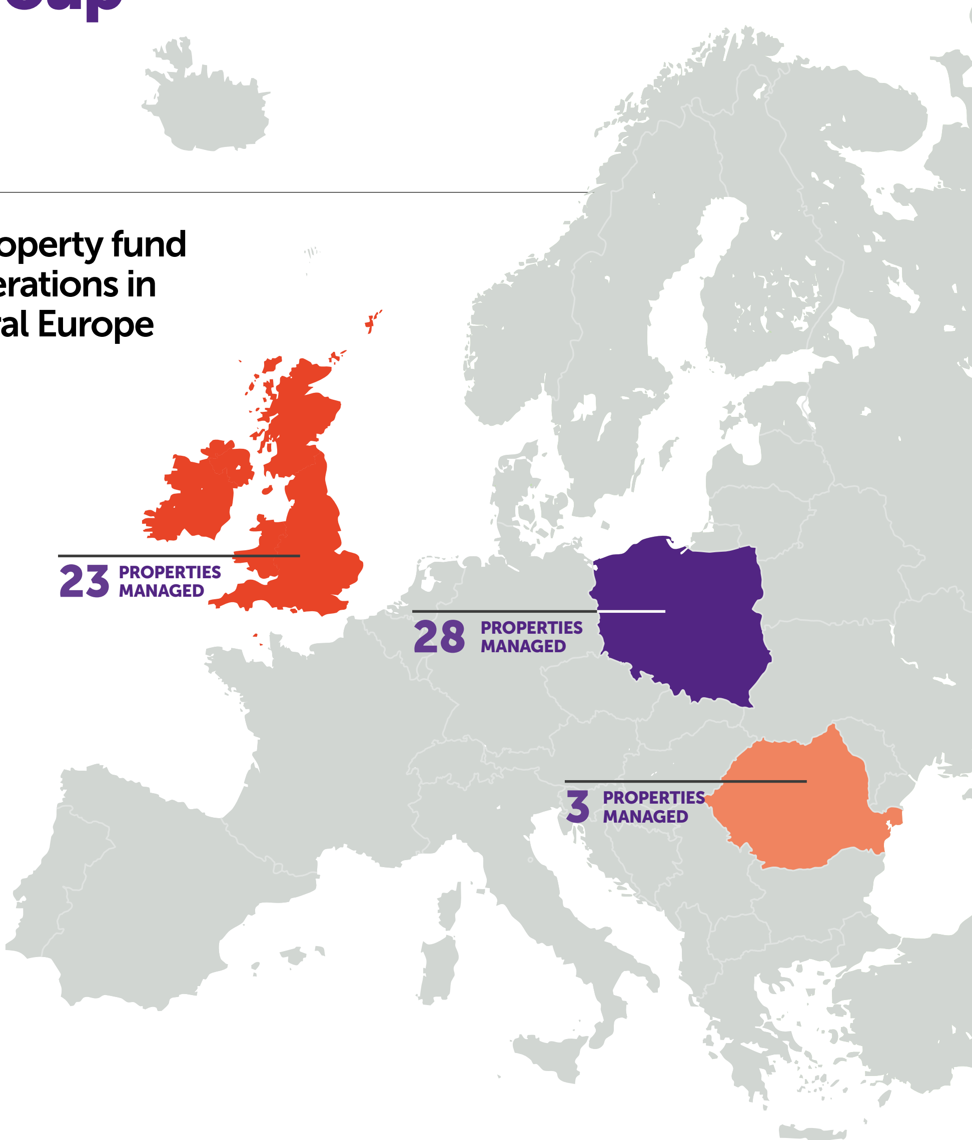
Adjusted NAV per share

35.75p

+44.2%

First Property Group at a Glance

First Property Group plc is a property fund manager and investor with operations in the United Kingdom and Central Europe (mainly Poland).



Assets under Management (including Group Properties)

£327m

-8.4%

FPAM – Profit before tax/central overheads

£4.44m

+68.8%

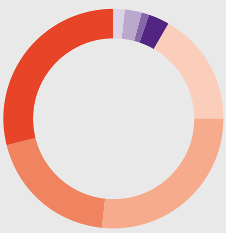
Group Properties – Profit before tax/central overheads

£6.57m

+4.0%

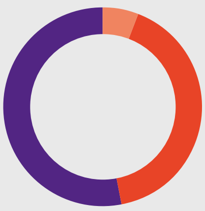
Analysis of FPAM funds under management

Segmental Analysis – By Fund



1.9%	RPT
2.4%	5PT
1.1%	PDR
3.2%	SIPS
16.6%	FOP
26.7%	Group Properties
19.3%	USS
28.8%	UK PPP

Segmental Analysis – By Investor Category



6%	HNW/Family Offices
41%	Fprop
53%	Pension Funds

Segmental Analysis – By Geography

33%	United Kingdom
2%	Romania
65%	Poland

Our Business Model

Fprop plc
First Property Group plc

Fund Management

Via its FCA regulated and AIFMD approved subsidiary, First Property Asset Management Ltd (FPAM), which earns fees from investing for third parties in property in the UK and Poland.

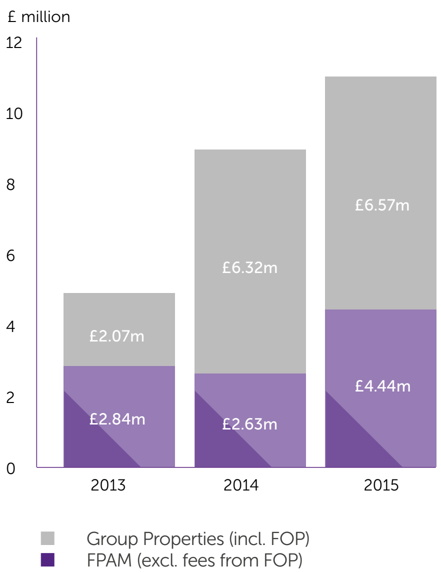
40% of profit before tax and unallocated central overheads

Group Properties

Principal investments by the Group, currently comprise:
- Six directly owned properties in Poland and Romania;
- Five properties in Poland held by Fprop Opportunities plc (FOP), an FPAM managed fund in which the Group is a 76.2% shareholder;
- Non-controlling interests in four other funds managed by FPAM

60% of profit before tax and unallocated central overheads

Operating profit by segment (prior to deduction of unallocated central overheads)



Our Investment Philosophy

- The pursuit of sustainable rental income as a priority;
- Property investment is comparatively illiquid. Illiquidity can be compensated by high sustainable rental income – achieving liquidity through income;
- Over the long term it is income and not capital value movements which largely determine total returns (source = IPD);
- Capital is more likely to be protected if investments yield a high income because income cushions possible capital value reductions;
- A fundamental approach to investing (as opposed to sentiment/momentum investing);
- An active approach to asset management, in order to increase income and in turn capital values;
- Remaining flexible; and
- Thinking from first principles.

Centrum Zana Lublin
Fund: Fprop Opportunities plc (FOP)

Zoliborz Plaza, Warsaw
Fund: Fprop Opportunities plc (FOP)

Union Park, Uxbridge
Fund: Fprop PDR LP

Chief Executive's Review

I am pleased to report final results for the twelve months ended 31 March 2015.

Financial results
Revenue earned by the Group increased to £18.52 million (2014: £18.05 million) yielding a profit before tax of £8.08 million (2014: £6.60 million). The increase in profit before tax is principally attributable to the contribution to earnings made by:

- Fund Management – the performance fee earned by the Group of £3.2 million (2014: nil) on profits realised by Fprop PDR.
- Group Properties:
  i. The purchase by the Group and FOP of six properties in Poland and Romania during the year which made a contribution to the Group's profit before unallocated overheads and tax of £2.27 million (2014: nil). These acquisitions also resulted in £1.84 million of negative goodwill, a non-cash item which has been credited to the Income Statement; and
  ii. The full year contribution to profit before unallocated overheads and tax from the additional properties purchased by the Group and FOP in the previous year of £1.83 million (2014: £676,000).

Diluted earnings per share were 6.93 pence (2014: 4.53 pence).

The Group ended the period with net assets of £31.02 million (2014: £23.46 million).

Its cash balances increased to £12.24 million (2014: £11.28 million) despite having made some £80 million of new, leveraged property investments. Of this cash, £3.26 million (2014: £4.14 million) was held by Fprop Opportunities plc (FOP), which is 76.2% owned by the Group and £573,000 (2014: £528,000) was held by Corp SA (90% owned by the Group), the property management company for Blue Tower in Warsaw.

"The Group's future earnings are substantially underpinned, its balance sheet is strong, the economies in which we operate are growing, we have investment mandates which will result in the Group's earnings growing and we are working on new interesting transactions. I therefore look to the future with excitement and confidence."

Dividend

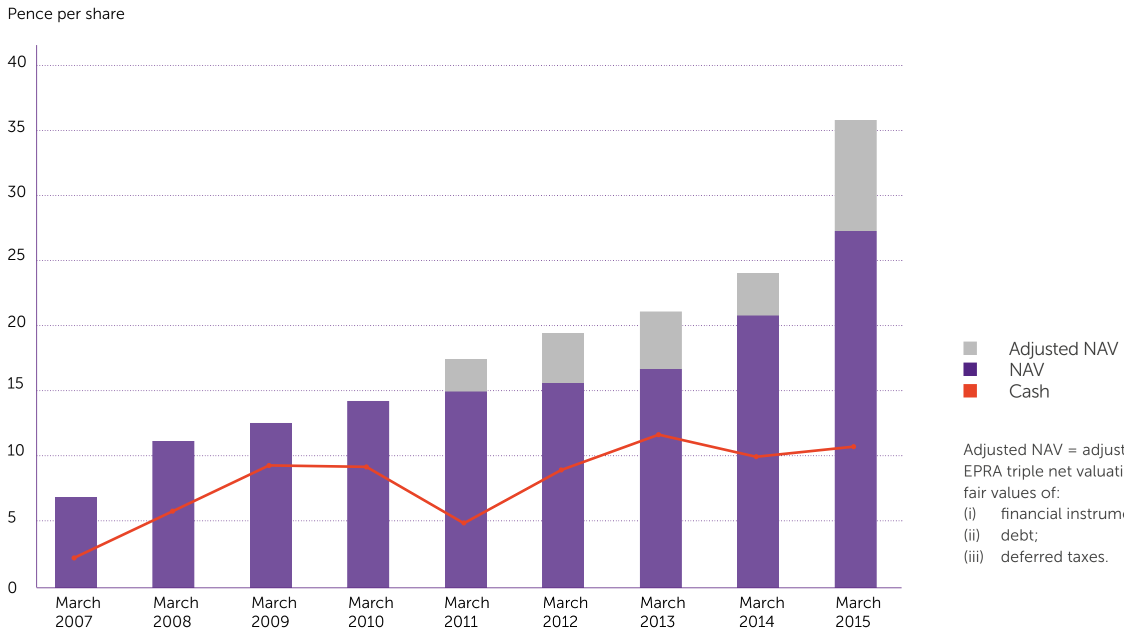
The Directors have resolved to recommend increasing the final dividend to 1 penny per share (2014: 0.79 pence per share), an increase of 27%, which together with the interim dividend of 0.35 pence per share (2014: 0.33 pence per share) equates to a dividend for the year of 1.35 pence per share (2014: 1.12 pence per share). The substantial increase in the final dividend results from the material increase in the Group's underlying recurring earnings and the Directors' confidence in the sustainability of these.

The proposed final dividend will be paid on 30 September 2015 to shareholders on the register at 21 August 2015, and is subject to shareholder approval at the forthcoming annual general meeting.

Ben Habib
Group Chief Executive

Carnegie House, Harrow
Fund: Fprop PDR LP

NAV per share FY2007–15



Adjusted NAV = adjusted to market value in line with EPRA triple net valuation methodology, which includes fair values of:
(i) financial instruments;
(ii) debt;
(iii) deferred taxes.

Review of Operations

Key points
The annualised earnings before unallocated overheads and tax of just over £6 million which the Group expects to earn from the six properties acquired by it and FOP during the year, more than replaces the fee income we used to earn from the USS fund which expires in August 2015 and which, at its peak, amounted to some £3 million per annum.

When the earnings from the six new property investments are combined with the Group and FOP's existing investments, the annualised recurring contribution to the Group's profit before unallocated overheads and tax will amount to some £9.5 million.

Our development activity in the United Kingdom, via Fprop PDR, made a contribution to the Group of £3.86 million and yielded investors in that fund a total return of £16.6 million on equity deployed of £30.35 million, translating into a net return on equity of 53% and an IRR of 98% per annum. Fprop PDR is likely to make a further contribution to profit before unallocated central overheads and tax of some £1 million for the year to 31 March 2016, resulting from transactions concluded last year. However, the Permitted Development Rights legislation is due to expire in May 2016 and we do not therefore expect any further transactions to be undertaken by Fprop PDR, unless the legislation is extended in some way.

The Group's UK efforts are now concentrated on investing the £125 million fund management mandate awarded to us by SIPS.

PROPERTY FUND MANAGEMENT
(First Property Asset Management Ltd or FPAM)
As at 31 March 2015 aggregate assets under management, calculated by reference to independent third party valuations, stood at £327 million (2014: £357 million), including some £142 million (2014: £69 million) of properties held by the Group. Of these, 33% were located in the UK, 65% in Poland and 2% in Romania. With the exception of Fprop PDR, fees are levied by FPAM by reference to funds under management excluding cash and cash commitments.

Revenue earned by this division amounted to £6.14 million (2014: £4.27 million), resulting in a profit before unallocated central overheads and tax of £4.44 million (2014: £2.63 million) and representing 40% (2014: 29%) of Group profit before unallocated central overheads and tax.

Revenue from the USS fund reduced to £1.54 million (2014: £2.5 million) as a result of disposals by the fund. Following the expiry of the USS fund management contract FPAM's fund management fee income, excluding performance fees, will amount to some £1.35 million per annum.

First Property Asset Management Ltd (FPAM) now manages eight closed-end funds, having established one new fund during the year under review. A brief synopsis of the value of assets and maturity of each of these funds is set out below:

Fund	Country of investment	Established	Fund life	Assets under management	% of total assets under management
SAM Property Company Ltd (SAM)	UK	Aug-2004	Rolling	*	*
Regional Property Trading Ltd (RPT)	Poland	Aug-2004	Aug-2020	£6.21m	1.9%
5th Property Trading Ltd (5PT)	Poland	Dec-2004	Dec-2017	£7.68m	2.4%
USS Fprop Managed Property Portfolio LP	Poland	Aug-2005	Aug-2015	£62.91m	19.2%
UK Pension Property Portfolio LP (UK PPP)	UK	Feb-2010	Feb-2017	£94.35m	28.8%
Fprop PDR LP	UK	Oct-2013	May-2018	£3.61m* (commitment of £42m)	1.1%
SIPS Property Nominee Ltd	UK	Jan-2015	Jan-2025	£10.33m (commitment of £125m)	3.2%
Sub total				**£185.09m**	**56.6%**
Fprop Opportunities plc (FOP)	Poland	Oct-2010	Oct-2020	£54.44m	16.6%
Group Properties (excluding FOP)	Poland & Romania	n/a	n/a	£87.60m	26.8%
Sub total				**£142.04m**	**43.4%**
Total				**£327.13m**	**100%**

* Not subject to recent revaluation

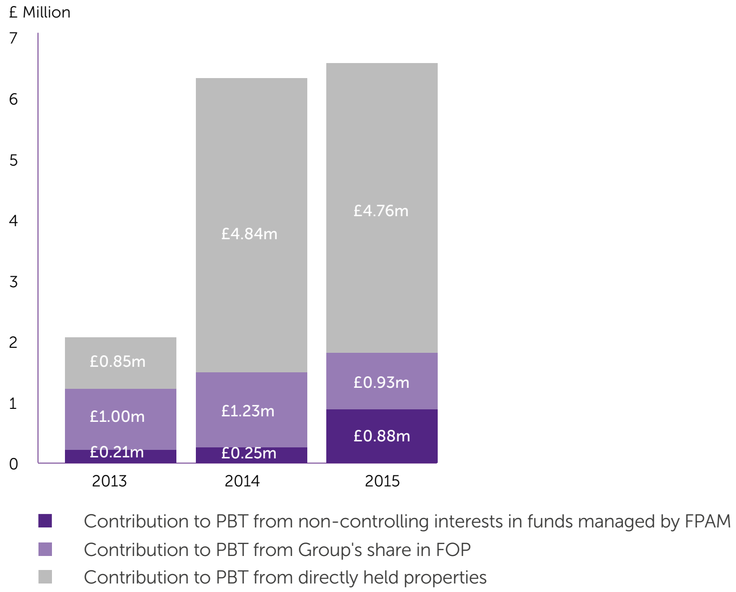
Our investments in Central and Eastern Europe (CEE) have once again been ranked No.1 by Investment Property Databank (IPD) against the IPD CEE universe, now for the annualised periods from the commencement of FPAM's operations in Poland in 2005 to the end of each of the years between 31 December 2008 and 31 December 2014.

New business

Poland – we are in preliminary discussions with potential investors to establish a new fund targeting minimum rates of return on equity invested of 15% per annum.

GROUP PROPERTIES

The Group increased its property holdings (including those held by FOP) from five to eleven during the year under review, as set out below:



Group properties	No. of properties	Book value	Market value	Contribution to Group profit before tax and overheads
Continuing				
Blue Tower, Warsaw	1	£12.64m	£14.18m	£1,461,000
FOP	4	£42.76m	£45.76m	£1,135,000
Sub total	**5**	**£55.40m**	**£59.94m**	**£2,596,000**
New investments during the year				
Poland	2	£58.00m	£66.19m	£1,263,000[1]
Romania	3	£5.08m	£7.23m	£634,000[2]
FOP	1	£8.42m	£8.68m	£369,000[3]
Sub total	**6**	**£71.50m**	**£82.10m**	**£2,266,000**
Total	**11**	**£126.90m**	**£142.04m**	**£4,862,000**

1 The contribution to Group profit from its two new property investments in Poland was for the period from 15 December 2014 to 31 March 2015.
2 The contribution to Group profit from its three new property investments in Romania was for the period from 27 July 2014 to 31 March 2015.
3 The contribution to FOP's profit (which is consolidated into the accounts of the Group) from its one new property investment in Poland was for the period from 19 September 2014 to 31 March 2015.

It is the Group's policy to carry its investments at the lower of cost or market value for accounting purposes.

Review of Operations
continued

Other property interests

Group Properties also comprises non-controlling interests in four other funds managed by FPAM, as set out in the table below.

Non-controlling interest in funds managed by FPAM at 31 March 2015

Fund	% owned by First Property Group	Book value of First Property's share in fund	Current market value of holdings	Group's share of pre-tax profit earned by fund FY2015
Investments				
UK Pension Property Portfolio LP (UK PPP)	0.9%	£893,000	£893,000	£64,000
Fprop PDR LP	4.9%	£638,000	£638,000	£630,000
Sub total		**£1,531,000**	**£1,531,000**	**£694,000**
Interest in associates				
5th Property Trading Ltd (5PT)	37.8%	£519,000	£998,000	£153,000
Regional Property Trading Ltd (RPT)	25.8%	£152,000	£177,000	£32,000
Share of results in associates		**£671,000**	**£1,175,000**	**£185,000**
Total		**£2,202,000**	**£2,706,000**	**£879,000**

Revenue from Group Properties, including FOP, amounted to £12.38 million (2014: £13.78 million), generating a profit before unallocated central overheads and tax of £6.57 million (2014: £6.32 million) and representing 60% (2014: 71%) of Group profit before unallocated central overhead and tax.

The reduction in revenue was attributable to the Group ceasing its development activities in the UK, which were instead carried out by Fprop PDR.

The increase in profit before unallocated central overheads and tax was attributable to:

i. The purchase by the Group and FOP of six properties in Poland and Romania during the year which made a contribution to the Group's profit before unallocated overheads and tax of £2.27 million (2014: nil). These acquisitions also resulted in £1.84 million of negative goodwill, a non-cash item which has been credited to the Income Statement; and

ii. The full year contribution to profit before unallocated overheads and tax from the additional properties purchased by the Group and FOP in the previous year of £1.83 million (2014: £676,000).

First Property Timeline

April 2015:
Performance data for 2014 released by IPD: FPAM funds ranked No.1 versus the IPD CEE universe for the annualised periods from the commencement of its operations in Poland in 2005 to the end of each of the years between 31 December 2008 and 31 December 2014.

January 2015:
FPAM's 11th fund established with a minimum commitment of £125 million for an initial term of 10 years with an existing pension fund client, Shipbuilding Industries Pension Scheme (SIPS), to invest in UK property.

March 2014:
FPAM compliant with Alternative Investment Fund Managers Directive (AIFMD).

November 2013:
Increased the Group's shareholding in Blue Tower, Warsaw to 48.2% and in the Tower's management company to 90%.

Case Study
Union Park, Packet Boat Lane, Uxbridge, London

Description:
- Office park in a mixed-use area beside the Grand Union Canal;
- 8x self-contained units arranged within 3x separate buildings totalling c70,000 ft^2 of net internal space + 318 car park spaces.

Business plan:
- Obtain planning consent for change of use from offices to residential via PDR;
- Enhance density of planning consent by obtaining planning permission to install dormer windows and to develop additional accommodation in the car park.

Execution:
- Aug 2014 – property purchased for £8.25 million;
- Jan 2015 – PDR obtained over entire site for 190 residential units;
- Mar 2015 – sold for £18.3 million;
- July 2015 – conditions met, transaction completed.

October 2013:
FPAM's 10th fund established with equity commitments of £41 million from clients of a leading global investment business, including £2 million co-investment by the Group, to invest in office buildings in the UK with a view to converting these to residential use.

July 2013:
Investment by the Group (directly) in two largely vacant office properties in SE England (Bracknell & Woking) for £3.4 million. Subsequently sold for £8 million in Dec 2013 and Feb 2014.

May 2013:
Returned to development activity in the UK.

Oct 2010:
FPAM's 9th fund established – Fprop Opportunities plc (FOP) – to invest in high yielding commercial property in Poland.

February 2010:
FPAM's 8th fund established with equity commitments of £105 million from 3 pension fund clients of Stamford Associates Ltd, the international investment consultancy, plus £1 million co-investment by the Group, to invest in UK commercial property.

Review of Operations
continued

Commercial property markets outlook

Poland:
GDP growth in Poland, Europe's sixth largest economy, accelerated to 3.4% in 2014 and is forecast to grow by the same amount in 2015 and 2016. Rent levels for commercial property are generally sustainable, subject to location. Capital values remain largely unchanged from their credit crunch lows and yield some 2–3% more than equivalent property in Western Europe. In addition, Poland's banking sector is well capitalised and keen to lend against property at record low interest rates.

Poland is a tangential beneficiary of the quantitative easing taking place in the euro zone, which has boosted economic activity in Germany and by association Poland; some 40% of Poland's trade is with Germany. QE has also, amongst other things, suppressed euro interest rates and the value of the euro (the currency in which most Polish commercial property transacts and in which rents are paid), translating into reduced capital values for non-euro based investors. Given this confluence of circumstances, we believe the business case for property investment in Poland to be highly compelling.

United Kingdom:
The UK was the fastest growing major advanced economy in 2014, growing at 2.8%, and is forecast by the OBR to grow by 2.5% in 2015. Consumer confidence is at a twelve year high and occupier demand for commercial property is growing across the board. This is slowly manifesting itself in increasing property values and rising rents. Investment demand, including from international investors, continues to spread into the regions.

We expect the newly elected Government to continue its efforts to loosen the planning system to enable higher rates of development. We shall be looking out in particular for any news of its intention to extend Permitted Development Rights (PDR) beyond its current scheduled expiry in May 2016.

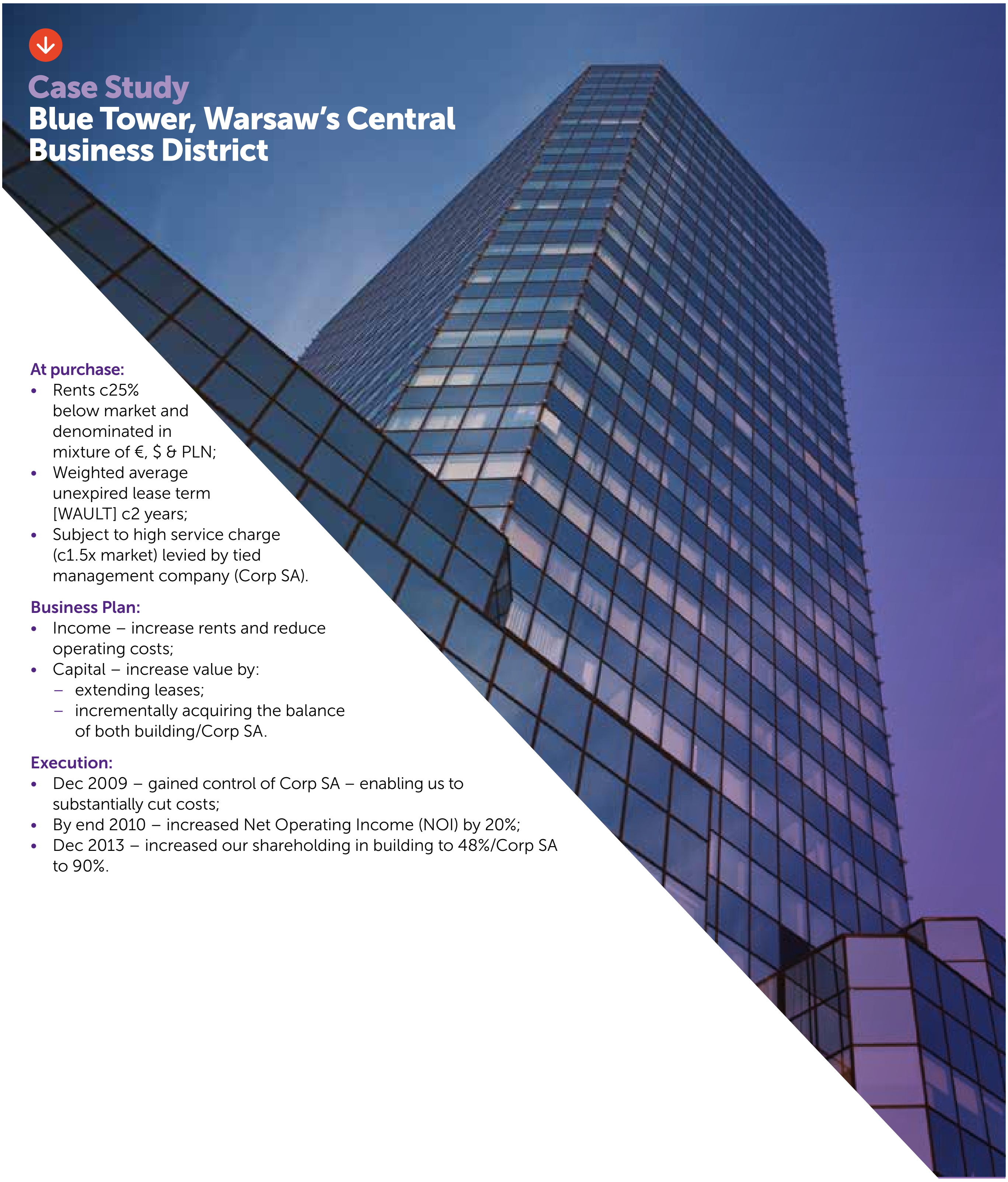
B&M Oswestry

Current trading and prospects

The financial year just ended has been transformational for the Group principally because of the six investments made by it and FOP in Poland and Romania, which should yield recurring profit before unallocated overheads and tax of just over £6 million per annum. These earnings will more than replace the fee income we used to earn from the USS fund which expires in August 2015 and which at its peak amounted to some £3 million per annum.

The Group's future earnings are substantially underpinned, its balance sheet is strong, the economies in which we operate are growing, we have investment mandates which will result in the Group's earnings growing and we are working on new investing transactions. I therefore look to the future with excitement and confidence.

Ben Habib
Chief Executive
11 June 2015



Case Study
Blue Tower, Warsaw's Central Business District

At purchase:
- Rents c25% below market and denominated in mixture of €, $ & PLN;
- Weighted average unexpired lease term [WAULT] c2 years;
- Subject to high service charge (c1.5x market) levied by tied management company (Corp SA).

Business Plan:
- Income – increase rents and reduce operating costs;
- Capital – increase value by:
  - extending leases;
  - incrementally acquiring the balance of both building/Corp SA.

Execution:
- Dec 2009 – gained control of Corp SA – enabling us to substantially cut costs;
- By end 2010 – increased Net Operating Income (NOI) by 20%;
- Dec 2013 – increased our shareholding in building to 48%/Corp SA to 90%.

Board of Directors

Ben Habib MA (Cantab)
Group Chief Executive Officer

Ben founded First Property Group plc in 2000. He is responsible for all aspects of the operations of Fprop and its fund management business. Prior to setting up Fprop, Ben was Managing Director of a private property development company, JKL Property Ltd, from 1994–2000, in which he held a 30% interest. He started his career in corporate finance at Shearson Lehman Bros. He moved in 1989 to PWS Holdings plc, a FTSE 350 Lloyd's reinsurance broker, to be its Group Finance Director. He was educated at Rugby School and Cambridge University.

George Digby ACA BA (Hons)
Chief Financial Officer and Company Secretary

George joined Fprop in 2003 and has overseen the rapid expansion of the fund management division during this period, including the development of operations in Poland. Prior to Fprop, George spent 10 years as FD of Fired Earth plc until its MBO in 1998, during which period he oversaw its listing on the London Stock Exchange, a tripling of its turnover and a doubling of its pre-tax profits. He qualified with Price Waterhouse in 1981, followed by positions with Collins Publishers and Nikon UK Ltd. After Fired Earth he set up and ran a successful accounting consultancy for five years. George brings broad financial experience to the Group. He is a member of the Institute of Chartered Accountants in England and Wales.

Alasdair Locke MA (Oxon)
Non-Executive Chairman

Alasdair is the former Executive Chairman of Abbot Group plc, an oil services company which he founded in 1992. It was listed on the London Stock Exchange from 1995 until its sale in 2008 for £906 million to Turbo Alpha Ltd, a company controlled by a US private equity fund. His early career started in investment banking at Citigroup in 1974, where he specialised in shipping and oil. Alasdair is also Chairman of Argenta Holdings plc, an unlisted holding company which trades in Lloyds of London, Chairman of Motor Fuel Group Ltd, the second largest independent petrol and convenience retailer in the UK and Non-Executive Chairman of Hardy Oil & Gas plc.

Peter Moon BSc (Econ)
Independent Non-Executive Director

Peter retired as Chief Investment Officer of Universities Superannuation Scheme (USS) in 2009 following a career steeped in the UK investment management industry. Aside from his 17 year tenure at USS, he was a member of the National Association of Pension Funds (NAPF) Investment Committee from 1990–1995, and more recently an adviser to Lincolnshire County Council and London Pension Authority. Earlier roles included investment management positions with British Airways Pensions, National Provident, Slater Walker and Central Board of Finance, Church of England. Additional directorships include Scottish American Investment Company plc (Independent NED), Arden Partners plc. (Non-Executive Chairman) and Gresham House plc (senior NED).

Directors' Report
for the year ended 31 March 2015

The Directors present their report and the audited financial statements for the year ended 31 March 2015.

Principal activities and review of the business
The principal activity of the Group is a property fund manager and investor with operations in the United Kingdom and Central Europe (mainly Poland).

The consolidated income statement is set out on page 20.

Results and dividends
The Group made a total profit before taxation of £8.08 million (2014: £6.60 million). The retained profit was £7.02 million (2014: £4.08 million) after dividend, non-controlling interest and sale of treasury shares, but before increase in the fair value of available-for-sale financial assets, and will be retained by the Group. The Directors recommend the payment of a dividend of 1 penny per share (2014: 0.79 pence) payable on 30 September 2015 to shareholders on the register at 21 August 2015, making a total for the year of 1.35 pence (2014: 1.12 pence).

Diluted earnings per share increased from 4.53 pence to 6.93 pence on the same basis.

The Group held cash of £12.24 million at 31 March 2015 (2014: £11.28 million) and borrowings of £109.71 million (2014: £51.56 million). Net assets increased to £31.02 million (2014: £23.46 million).

Business acquisitions
The Group has consolidated into these accounts four new subsidiaries following their acquisition and subsequent control during the year. Of these, one subsidiary is registered in Romania and owns three properties and the other three are based in Poland and own one office block each. Details of these acquisitions are contained in note 12 on page 37.

Employees
First Property Group employed 47 staff in total at 31 March 2015 (2014: 42); of these, 33 employees were based in Poland in the Group's Warsaw office providing essential service support to the various properties located in this area. The Group's policy is to consult and discuss with employees, through regular meetings with subsidiary company management, matters likely to affect employees' interests.

Compliance and regulations
First Property Group has one subsidiary, First Property Asset Management Limited, which is Authorised and Regulated by the Financial Conduct Authority (FCA). First Property Asset Management Limited is a provider of property fund management services to various property funds.

Corporate governance
The Directors are committed to maintaining high standards of corporate governance and, in so far as is practicable and appropriate given First Property Group's size and nature, seek to comply with the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies. The Directors have implemented such corporate governance procedures and established such committees of the Board, including Audit and Remuneration Committees, as they believe are required for the Board to comply with the terms of the Corporate Governance Code, in so far as is appropriate for a company of its size.

The Directors have also established financial controls and reporting procedures which are considered appropriate given the size and structure of the First Property Group. These are reviewed periodically.

Share capital
On 18 September 2014 the Company sold 17,202 of its own Ordinary Shares held in treasury at a price of 31.97 pence per Ordinary Share, thereby reducing the number of shares held in treasury to 1,881,755.

On 26 September 2014 the Company sold 600,000 Ordinary Shares at a price of 16.71 pence per share held in treasury to satisfy the exercise of options over 600,000 Ordinary Shares at a strike price of 16.71 pence per share. On 7 November 2014 the Company sold 100,000 Ordinary Shares at a price of 16.25 pence per share held in treasury to satisfy the exercise of options over 100,000 Ordinary Shares at a strike price of 16.25 pence per share. On 18 December 2014 the Company sold 100,000 Ordinary Shares at a price of 17.25 pence per share held in treasury to satisfy the exercise of options over 100,000 Ordinary Shares at a strike price of 17.25 pence per share.

On 6 February 2015 the Company sold 23,181 of its own Ordinary Shares held in treasury at a price of 31.80 pence per Ordinary Share, thereby reducing the number of shares held in treasury to 1,058,574.

The profit on these sale of treasury shares of £6,584 has been credited to the share premium account.

The number of voting shares in issue at 31 March 2015 was 113,792,541 Ordinary Shares. No share options were issued during the year and 100,000 lapsed. Details of share options outstanding are set out in note 23 on pages 45 to 46.

Directors and their interests

The Directors are listed below:

The beneficial interests of the Directors in the share capital of the Company at 1 April 2014, 31 March 2015 and 14 July 2015, as recorded in the register maintained by the Company in accordance with the provisions of the Companies Act, were as follows:

	Ordinary Shares of 1 pence			Option over Ordinary Shares of 1 pence		
	14/7/2015	31/3/2015	1/4/2014	14/7/2015	31/3/2015	1/4/2014
A J D Locke	8,571,990	8,571,990	8,571,990	–	–	–
P Moon	372,014	372,014	331,631	–	–	–
B N Habib	16,700,000	16,700,000	16,700,000	500,000	500,000	500,000
G R W Digby	270,000	270,000	270,000	1,000,000	1,000,000	1,000,000

1,500,000 share options were granted on 16 June 2006 at an exercise price of 15.75 pence per Ordinary Share; of these 634,920 share options were granted under the Enterprise Management Incentive arrangements and 865,080 share options were granted as Unapproved Share Options. These share options may be exercised as to one third on or after 15 June 2007, 15 June 2008 and 15 June 2009 respectively with an expiry date of 15 June 2016.

The market price of the Company's Ordinary Shares at the end of the financial year was 37.00 pence and the range of market prices during the year was between 26.50 pence and 37.00 pence.

Non-current assets

Details of intangible and tangible non-current assets and capital expenditure are shown in notes 13, 14, 15, 16 and 17 of the financial statements on pages 38 to 42.

Differences between the market and book value of interests in land held as non-current assets is contained in the Review of Operations on page 7.

Substantial shareholdings

At 14 July 2015 the Company had been notified in accordance with Chapter 5 of the Disclosure and Transparency Rules Sourcebook published by the Financial Conduct Authority that the following persons had substantial interests in the voting rights of the Company:

	Number of ordinary 1 pence shares*	Percentage of issued ordinary 1 pence shares held %
B N Habib	16,700,000	14.6
J C Kottler	15,006,783	13.1
New Pistoia Income Ltd	10,275,000	9.0
Universities Superannuation Scheme Ltd	9,550,000	8.4
A J D Locke	8,571,990	7.5

* Number of Ordinary Shares in respect of which voting rights held.

Directors' Report continued
for the year ended 31 March 2015

Creditor payment policy

The Group's current policy is to settle its liabilities to creditors within agreed credit periods whenever it is satisfied that the supplier has provided the goods and services in accordance with the agreed terms and conditions. The Group does not have a universal standard or code which deals specifically with the payment of suppliers.

The Company's average creditor period at 31 March 2015 was 33 days (2014: 34 days).

Health and safety at work

The well-being of the employees is given the highest priority throughout the Group and it is the Group's policy not only to comply with Health and Safety measures, as required by law, but to act positively to prevent injury and ill health, and damage to the environment arising from its operations.

Annual general meeting

The notice convening the Annual General Meeting to be held on Wednesday 23 September 2015, which can be found on pages 52 to 53, contains special resolutions empowering the Directors to:

1. Allot relevant securities pursuant to the authority provided by Resolution 6 up to a maximum nominal amount of £380,604 (representing 33.33% of the issued Ordinary Share capital of the Company, less the number of Ordinary Shares held in treasury), provided that such Ordinary Shares may only be issued outside the pre-emption provisions contained in the Companies Act 2006 where such shares are:
   (i) issued in connection with a rights offer (Resolution 7(a)); or
   (ii) issued for cash or transferred from treasury and the nominal value of all Ordinary Shares so issued or transferred does not exceed £228,385 (representing 20% of the issued Ordinary Share capital of the Company, less the number of Ordinary Shares held in treasury) (Resolution 7(b)).

   Given the growth stage of the Company and the Group, the resolution being proposed is a means of ensuring that the Directors have the ability to take advantage of opportunities becoming available, rapidly and without undue transaction costs.

2. Purchase of up to 10% of its own issued Ordinary Shares of 1 pence each (Resolution 8).

The Directors now propose that the Company be authorised to purchase a maximum of 11,419,254 Ordinary Shares of 1 pence each (representing just under 10% of the Company's issued Ordinary Share capital as at 14 July 2015) within the limits described in Resolution 7 contained in the notice of the Annual General Meeting. It is intended that purchases will only be made on the AIM of The London Stock Exchange. This should not be taken to imply that Ordinary Shares will be purchased. The Directors will only exercise the authority to purchase the Company's own Ordinary Shares if to do so would be in the best interests of its shareholders generally.

The Ordinary Shares acquired in this way would either be cancelled with a resultant reduction in the number of Ordinary Shares in issue, or the Directors may elect to hold them in treasury pursuant to the relevant provisions in the Companies Act 2006.

Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under a company's employees' share scheme. Once held in treasury, a company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Furthermore, no dividend or other distribution of a company's assets may be made to the company in respect of the treasury shares.

Statement of Directors' responsibilities

The Directors are responsible for preparing the strategic report and the financial statements in accordance with applicable laws and regulations. The Directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial period and of the profit and loss of the Group for that period having regard to the commercial substance of transactions. The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The Directors confirm that suitable accounting policies have been used and applied consistently, except as discussed in note 1 on page 26 in order to adopt new accounting standards, and that reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the year ended 31 March 2015. The Directors also confirm that applicable accounting standards have been followed, that the financial statements have been prepared on a going concern basis and that the integrity of the Group's website has been maintained.

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

Information published on the Internet is accessible in many countries with different legal requirements relating to the preparation and dissemination of financial statements. UK legislation governing the preparation and dissemination of financial segments may therefore differ from that in other jurisdictions.

Statement of disclosure to the Auditor

After due enquiry the Board hereby confirms that each Director has taken the steps they ought to have taken as a Director to acquaint themselves with any relevant audit information and that all such information has been communicated to the auditors. So far as each Director is aware, there is no information, which would be needed by the Company's auditors in connection with preparing their audit report and of which the auditors are not aware.

By order of the Board

George R W Digby
Company Secretary

14 August 2015

Strategic Report
for the year ended 31 March 2015

Review of the business
This business review is contained in both the Chief Executive's Review on pages 4 to 5 and the Directors' Report, including comments on the position of the Group at the end of the financial period. The Key Performance Indicators and Principal Risks and Uncertainties laid out in note 26 on pages 47 to 50 also form part of this review.

Key performance indicators
There are four main key performance indicators for the Group, all of which are financial:
- Funds under management;
- Group turnover;
- Operating profit; and
- Earnings per share.

These key performance indicators and the segmental performance on revenue, overheads and operating margins are reviewed in the Chief Executive's Review.

Risk identification and management
The identification, control and monitoring of risks facing the business remain management priorities and steps continue to be taken to improve further our risk management procedures.

Economic risk
There are four main economic risks that could affect the Group's performance:
- A major slowdown in the economics of the UK and Poland;
- A major weakening in the Euro and Polish Zloty;
- An extended period of interest rate tightening in the EU; and
- A slump in UK and Polish commercial property values.

The Group has, where possible, implemented actions to mitigate some of the effects of these risks. A detailed review of the Group's performance, financial results, future development and prospects is contained within the Chief Executive's Review.

Financial risk management
The Group's operations expose it to a variety of financial risks that include the effects of changes in interest rate risk, liquidity risk, debt market prices, and foreign exchange risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company and these are outlined in note 26 to the accounts.

Independent Auditor's Report
to the Members of First Property Group plc

We have audited the financial statements of First Property Group plc for the year ended 31 March 2015 which comprise the Group and Parent Company Balance Sheet, the Group Income Statement, the Group Statement of Other Comprehensive Income, the Group and the Parent Company Cash Flow Statements, 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company financial statements, as applied in accordance with the provision of the Companies Act 2006.

Respective responsibilities of Directors and Auditor
As explained more fully in the Directors' Responsibilities Statement set out on pages 16 to 17, 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.

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's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 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 Chief Executive's Report, the Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements. 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 of the Parent Company's affairs as at 31 March 2015 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Rodney Style ACA (Senior Statutory Auditor)
For and on behalf of Haines Watts
Chartered Accountants and Statutory Auditors
Oxford

14 August 2015

Consolidated Income Statement
for the year ended 31 March 2015

	Notes	Year ended 31 March 2015 Total results £'000	Year ended 31 March 2014 Total results £'000
Revenue			
– existing operations		**14,325**	17,004
– business acquisitions		**4,198**	1,041
		18,523	18,045
Cost of sales		**(3,156)**	(5,800)
Gross profit		**15,367**	12,245
Recognition of negative goodwill on refinancing of subsidiary	12	**1,123**	–
Recognition of negative goodwill on acquisition of subsidiaries	12	**716**	–
Fair value adjustment to investment properties		**(876)**	–
Operating expenses		**(6,925)**	(5,019)
Operating profit		**9,405**	7,226
Share of results in associates		**185**	190
Distribution income		**694**	63
Reclassification of fair value gains on available-for-sale assets previously recognised in equity		**–**	35
Loss on disposal of asset held for resale		**–**	(7)
Interest income		**145**	148
Interest expense		**(2,346)**	(1,057)
Profit before tax	3	**8,083**	6,598
Tax credit/(charge)	8	**328**	(962)
Profit for the year		**8,411**	5,636
Attributable to:			
Owners of the parent		**8,172**	5,281
Non-controlling interest		**239**	355
		8,411	5,636
Earnings per share			
Basic	11	**7.21p**	4.75p
Diluted	11	**6.93p**	4.53p

Consolidated Separate Statement of Other Comprehensive Income
for the year ended 31 March 2015

	Year ended 31 March 2015 Total results £'000	Year ended 31 March 2014 Total results £'000
Profit for the year	**8,411**	5,636
Other comprehensive income		
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on retranslation of foreign subsidiaries	**272**	(128)
Reclassification of fair value gains on available for sale financial assets to profit and loss	**–**	(35)
Revaluation of available-for-sale financial assets	**37**	–
Total comprehensive income for the year	**8,720**	5,473
Total comprehensive income for the year attributable to:		
Owners of the parent	**8,505**	5,327
Non-controlling interests	**215**	146
	8,720	5,473

All operations are continuing.

Company income statement
The Company is taking advantage of the exemption in s.408 of The Companies Act 2006 not to present its individual income statement and related notes that form a part of these approved financial statements.

Balance Sheets
as at 31 March 2015

	Notes	2015 Group £'000	2015 Company £'000	2014 Group £'000	2014 Company £'000
Non-current assets					
Goodwill	14	**153**	**–**	153	–
Investment properties	13	**114,262**	**–**	48,759	–
Property, plant and equipment	15	**43**	**–**	65	–
Investments in Group undertakings	16	**–**	**3,192**	–	3,192
Interest in associates	17	**671**	**101**	675	101
Other financial assets	17	**1,531**	**1,531**	1,706	1,706
Other receivables	19	**283**	**10,649**	400	15,071
Deferred tax assets	22	**3,803**	**–**	839	–
Total non-current assets		**120,746**	**15,473**	52,597	20,070
Current assets					
Inventories – land and buildings	18	**12,639**	**–**	12,304	–
Current tax assets		**236**	**–**	76	–
Trade and other receivables	19	**5,744**	**1,662**	4,135	19
Cash and cash equivalents		**12,240**	**5,667**	11,279	1,855
Total current assets		**30,859**	**7,329**	27,794	1,874
Current liabilities					
Trade and other payables	20	**(8,134)**	**(5,732)**	(4,224)	(6,452)
Financial liabilities	21	**(11,788)**	**–**	(4,349)	–
Current tax liabilities		**(108)**	**–**	(247)	–
Total current liabilities		**(20,030)**	**(5,732)**	(8,820)	(6,452)
Net current assets		**10,829**	**1,597**	18,974	(4,578)
Total assets less current liabilities		**131,575**	**17,070**	71,571	15,492
Non-current liabilities					
Financial liabilities	21	**(97,925)**	**–**	(47,212)	–
Deferred tax liabilities	22	**(2,631)**	**–**	(897)	–
Net assets		**31,019**	**17,070**	23,462	15,492
Equity					
Called up share capital	23	**1,149**	**1,149**	1,149	1,149
Share premium		**5,505**	**5,505**	5,498	5,498
Foreign exchange translation reserve		**(618)**	**–**	(914)	–
Investment revaluation reserve		**(49)**	**(49)**	(86)	(86)
Share-based payment reserve		**203**	**203**	203	203
Retained earnings		**23,735**	**10,262**	16,717	8,728
Equity attributable to the owners of the parent		**29,925**	**17,070**	22,567	15,492
Non-controlling interest		**1,094**	**–**	895	–
Total equity		**31,019**	**17,070**	23,462	15,492

The financial statements were approved and authorised for issue by the Board of Directors on 14 August 2015 and were signed on its behalf by:

George Digby
Director

Consolidated Statement of Changes in Equity
for the year ended 31 March 2015

Group	Share capital £'000	Share premium £'000	Share–based payment reserve £'000	Foreign exchange translation reserve £'000	Purchase of own shares £'000	Investment revaluation reserve £'000	Retained earnings £'000	Non–controlling interest £'000	Total £'000
At 1 April 2014	1,149	5,498	203	(914)	(310)	(86)	17,027	895	23,462
Profit for the period	–	–	–	–	–	–	8,411	–	8,411
Fair value (or revaluation) gains on available-for-sale assets to profit or loss	–	–	–	–	–	37	–	–	37
Movement on foreign exchange	–	–	–	296	–	–	–	(24)	272
Sale of treasury shares	–	7	–	–	137	–	–	–	144
Non-controlling interest	–	–	–	–	–	–	(239)	239	–
Dividends paid	–	–	–	–	–	–	(1,291)	(16)	(1,307)
At 31 March 2015	**1,149**	**5,505**	**203**	**(618)**	**(173)**	**(49)**	**23,908**	**1,094**	**31,019**
At 1 April 2013	1,149	5,492	203	(995)	(603)	(51)	12,947	401	18,543
Profit for the period	–	–	–	–	–	–	5,636	–	5,636
Fair value (or revaluation) gains on available-for-sale assets to profit or loss	–	–	–	–	–	(35)	–	–	(35)
Movement on foreign exchange	–	–	–	81	–	–	–	(209)	(128)
Sale of treasury shares	–	6	–	–	293	–	–	–	299
Non-controlling interest	–	–	–	–	–	–	(355)	355	–
Decrease in non-controlling interest	–	–	–	–	–	–	–	(63)	(63)
Increase in non-controlling interest	–	–	–	–	–	–	–	507	507
Dividends paid	–	–	–	–	–	–	(1,201)	(96)	(1,297)
At 31 March 2014	**1,149**	**5,498**	**203**	**(914)**	**(310)**	**(86)**	**17,027**	**895**	**23,462**

Company Statement of Changes in Equity
for the year ended 31 March 2015

Company	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Investment revaluation reserve £'000	Purchase of own shares £'000	Retained earnings £'000	Total £'000
At 1 April 2014	1,149	5,498	203	(86)	(310)	9,038	15,492
Profit for the period	–	–	–	–	–	2,688	2,688
Fair value (or revaluation) gains on available-for-sale assets to profit or loss	–	–	–	37	–	–	37
Sale of treasury shares	–	7	–	–	137	–	144
Share options issued	–	–	–	–	–	–	–
Dividend paid	–	–	–	–	–	(1,291)	(1,291)
At 31 March 2015	**1,149**	**5,505**	**203**	**(49)**	**(173)**	**10,435**	**17,070**
At 1 April 2013	1,149	5,492	203	(51)	(603)	6,270	12,460
Profit for the period	–	–	–	–	–	3,969	3,969
Fair value (or revaluation) gains on available-for-sale assets to profit or loss	–	–	–	(35)	–	–	(35)
Sale of treasury shares	–	6	–	–	293	–	299
Share options issued	–	–	–	–	–	–	–
Dividend paid	–	–	–	–	–	(1,201)	(1,201)
At 31 March 2014	1,149	5,498	203	(86)	(310)	9,038	15,492

Foreign exchange translation reserve
The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign Group companies. This reserve is not distributable.

Share-based payment reserve
The Group grants certain of its employees rights to its equity instruments as part of its share-based payment incentive plans. The value of these rights has been charged to the income statement and has been credited to the share-based payment reserve (which is a distributable reserve).

Purchase of own Ordinary Shares
The cost of the Company's Ordinary Shares purchased by the Company for treasury purposes is held in this reserve. The reserve is non-distributable.

Investment revaluation reserve
The change in fair value of the Group's available-for-sale financial assets is held in this reserve, and is non-distributable.

Consolidated Cash Flow Statements
for the year ended 31 March 2015

	Notes	2015 Group £'000	2015 Company £'000	2014 Group £'000	2014 Company £'000
Cash flows from operating activities					
Operating profit		**9,405**	**(419)**	7,226	1,221
Adjustments for:					
Depreciation of investment property, and property, plant & equipment	13&15	**384**	**–**	31	–
(Profit)/loss on sale of associates and subsidiaries		**–**	**–**	–	(18)
Fair value adjustment on investment properties		**876**	**–**	–	–
Negative goodwill	12	**(1,839)**	**–**	–	–
Share-based payments		**–**	**–**	–	–
(Increase)/decrease in inventories		**(258)**	**–**	(4,474)	–
(Increase)/decrease in trade and other receivables		**(486)**	**2,779**	(2,604)	(7,846)
Increase/(decrease) in trade and other payables		**577**	**(720)**	1,547	2,593
Other non-cash adjustments		**84**	**–**	203	(36)
Cash generated from operations		**8,743**	**1,640**	1,929	(4,086)
Taxes paid		**(826)**	**(19)**	(552)	–
Net cash flow from operating activities		**7,917**	**1,621**	1,377	(4,086)
Cash flow from/(used in) investing activities					
Purchase of investments	17	**(353)**	**(353)**	(849)	(849)
Purchase of investments in group undertaking		**–**	**–**	–	(592)
Proceeds from disposal of available-for-sale assets	17	**565**	**565**	–	–
Proceeds from sale of financial assets		**–**	**–**	28	28
Capital expenditure on investment properties	13	**(383)**	**–**	(46)	–
Proceeds from sale of shares in associates		**–**	**–**	23	23
Cash paid on acquisitions of new subsidiaries	12	**(4,638)**	**–**	(4,415)	–
Cash and cash equivalents received on acquisitions of new subsidiaries	12	**3,055**	**–**	786	–
Purchase of non-controlling interest		**–**	**–**	(126)	–
Purchase of investment property		**–**	**–**	(555)	–
Purchase of property, plant & equipment		**(14)**	**–**	(60)	–
Interest received	4	**145**	**145**	148	57
Dividends from associates	17	**189**	**189**	107	107
Distributions received		**694**	**2,826**	63	2,630
Net cash flow from investing activities		**(740)**	**3,372**	(4,896)	1,404
Cash flow (used in)/from financing activities					
Proceeds from issue of shares to non-controlling interest		**–**	**–**	507	–
Proceeds from non-controlling interest shareholder loan in subsidiary		**–**	**–**	1,206	–
Repayment of shareholder loan in subsidiary		**(293)**	**–**	(107)	–
Proceeds from bank loan		**3,547**	**–**	3,136	–
Repayment of bank loan		**(4,574)**	**–**	(387)	–
Repayment of finance lease		**(1,202)**	**–**	(463)	–
Sale of shares held in Treasury		**144**	**144**	299	299
Interest paid		**(2,266)**	**(34)**	(1,029)	(38)
Dividends paid		**(1,291)**	**(1,291)**	(1,201)	(1,201)
Dividends paid to non-controlling interest		**(16)**	**–**	(96)	–
Net cash flow (used in)/from financing activities		**(5,951)**	**(1,181)**	1,865	(940)
Net increase in cash and cash equivalents		**1,226**	**3,812**	(1,654)	(3,622)
Cash and cash equivalents at the beginning of the year		**11,279**	**1,855**	12,979	5,477
Currency translation gains/losses on cash and cash equivalents		**(265)**	**–**	(46)	–
Cash and cash equivalents at the end of the year		**12,240**	**5,667**	11,279	1,855

Notes to the Financial Statements
for the year ended 31 March 2015

1. Basis of preparation and presentation of financial statements
The financial statements for both the Group and parent Company have been prepared in accordance with applicable International Financial Reporting Standards (IFRS), IFRS Interpretations Committee (IFRIC) Interpretations as adopted by the EU and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared on the historical cost basis, except for items carried at fair value in accordance with IAS 39. These financial statements are presented in Sterling since that is the currency in which the Group and parent Company transact a substantial part of their business and it is the currency considered most convenient for shareholders. Different functional currencies are used in the Group and these are set out in note 26 on page 47.

Standards and interpretations effective in the current period
The following standards and interpretations have been applied for the first time in these financial statements. None of them have had material impact on these financial statements.
- IFRS 10 Consolidated financial statements;
- IFRS 11 Joint arrangements;
- IFRS 13 Fair value measurement;
- IAS 12 Disclosure of interests in other entities;
- IAS 28 (Revised) Investments in associates and joint ventures;
- IAS 27 (Revised) Separate financial statements;
- Amendment to IFRS 10, 11 and 12 Transition guidance;
- Amendments to IFRS 10, IFRS 12 and IAS 27: Investment entities;
- Amendments to IAS 32, Offsetting financial assets and liabilities;
- Amendments to IAS 36, Recoverable amount disclosures for non-financial assets;
- Amendment to IAS 39, Novation of derivatives and continuation of hedge accounting.

New standards and interpretations
As of the date of approval of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:
- IFRIC Interpretation 21: Levies (effective for p/c on or after 17 June 2014);
- Amendment to IAS 19 Defined benefit plans: Employee contributions (effective for p/c on or after 1 February 2015);
- Annual improvements to IFRS 2010–2012 (mostly effective for p/c on or after 1 February 2015);
- Annual improvements to IFRS 2011–2013 (effective for p/c on or after 1 January 2015);
- IFRS 14 Regulatory deferral accounts (effective for p/c on or after 1 January 2016);
- Amendments to IAS 16 and IAS 38 Acceptable methods of depreciation (effective for p/c on or after 1 January 2016);
- Amendments to IAS 11 Accounting for acquisitions in joint operations (effective for p/c on or after 1 January 2016);
- Amendments to IAS 16 and IAS 41 Bearer plants (effective for p/c on or after 1 January 2016);
- Amendments to IAS 27 Equity method in separate financial statements (effective for p/c on or after 1 January 2016);
- Amendments to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture (effective for p/c on or after 1 January 2016);
- Amendments to IFRS 10, IFRS 12 and IAS 28 Investment entities: Applying the consolidation exemption (effective for p/c on or after 1 January 2016);
- Amendments to IAS 1 Disclosure initiative (effective for p/c on or after 1 January 2016);
- Annual improvements to IFRS 2012–2014 (effective for p/c on or after 1 January 2016);
- IFRS 15 Revenue from contracts with customers (effective for p/c on or after 1 January 2017);
- IFRS 9 Financial instruments (effective for p/c on or after 1 January 2018).

Some of these standards and amendments have not yet been endorsed by the EU which may cause their effective dates to change.

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group. The Group does not intend to apply any of these pronouncements early.

2. Significant accounting policies

The principal accounting policies set out below have, unless otherwise stated, been applied consistently by the Group and the Company to each period presented in these financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary undertakings which it controls, made up to 31 March 2015. Intra-Group balances, sales and profits are eliminated fully on consolidation.

There are three consolidated subsidiaries within the Group with non coterminous accounting year ends. These companies have 31 December accounting year ends and for consolidation purposes the accounts are extracted from the audited figures for the year to 31 December 2014 and the management accounts for the three month period to 31 March 2015.

On acquisition of a subsidiary of business, all of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. The results of subsidiary undertakings have been included from the dates of acquisition and up to the dates of disposal, being the dates that control passes.

Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in conformity with adopted IFRS's requires management to make judgments, estimates and assumptions that affect the application of policies on reported amounts of assets, liabilities, income and expenses. These estimates and assumptions are based on experience and other relevant factors, but will seldom equal the subsequent actual results. Key judgments management have made are contained in the accounting policies and notes to the financial statements, being:

- Impairment review of investments and goodwill;
- Estimation of residual values of investment property;
- Estimation of fair value of other investments;
- Valuation of share-based payments;
- Recognition of deferred tax liabilities;
- Recoverability of deferred tax assets;
- Reviewing contracts for percentage of completion; and
- Estimation of accrued income and costs.

The Group has evaluated these estimates and judgments that have been made thereon and concluded that there is no significant risk of them causing a material adjustment to their carrying values within the next financial year.

Goodwill

Goodwill is stated at cost less, where appropriate, impairment in value. Under IFRS 3, para 55, annual impairment tests are mandatory for goodwill and, as such, have been carried out. Goodwill arising on consolidation represents the excess of the fair value of the consideration over the fair value of the net assets acquired.

Investments in subsidiaries

In the Company balance sheet investments in subsidiaries are held at cost less adequate provisions, where necessary, for impairments to value.

Investments in associates

The Group's share of profits less losses of associates is included in the consolidated income statement, and the Group's share of their net assets is included in the consolidated balance sheet. Entities in which the Group is in a position to exercise significant influence but does not have the power to control are defined as associates. The Group adopts the cost model in respect of investment properties owned by associates in order to be consistent with the Group's accounting policy for investment properties. The Company's accounting policy is to include the interest in associates at cost subject to an annual impairment review.

Impairment

The carrying values of the Group's non-financial assets, excluding goodwill, are reviewed at each reporting date to determine whether there are any indications that an asset may be impaired. If there are any indications of impairment, the assets' recoverable value is estimated and any impairment loss, measured against its carrying value, is recognised in the income statement.

Notes to the Financial Statements continued for the year ended 31 March 2015

2. Significant accounting policies continued

Property, plant and equipment

Property, plant and equipment are stated at their purchase cost, together with any incidental costs of acquisition, or fair value on acquisition, less accumulated depreciation and where appropriate, provision for impairment. Depreciation is calculated so as to write off property, plant and equipment, less their estimated residual values, on a straight-line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Computer equipment	33.33
Office equipment	33.33
Motor vehicles	25.00
Short leasehold improvements	33.33

The residual values and useful lives of all property, plant and equipment are reviewed and adjusted if appropriate at each financial year end.

Investment properties

Investment properties are properties held for long term rental income or for capital appreciation or both. Acquisitions through direct asset purchases are initially held at cost including related transaction costs. The Group has adopted the cost model of valuation for investment properties so that after initial recognition, investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses.

Inventories – land and buildings

Trading properties held for resale are stated at the lower of purchase cost, together with incidental costs of acquisition and any subsequent development costs, and net realisable value. The latter is assessed by the Group having regard to suitable valuations performed by third party, external valuers.

Finance leases

Assets owned under finance leases have been included at cost under investment property, and property, plant and equipment and depreciated accordingly. Payments in respect of finance leases have been apportioned between the finance charge and the reduction of the outstanding liability, so as to produce a constant periodic rate of interest.

Operating leases

Costs in respect of operating leases are recognised as an expense in the income statement on a straight-line basis over the lease term. Any incentives to enter operating leases are recognised as a reduction of the rental expense over the lease term on a straight-line basis.

Taxation

The tax expense represents the sum of the current tax payable and movements in deferred tax during the year.

Current taxation

The current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expense that are taxable or deductable in other years or that may never be taxable or deductable. The Group's liability for current tax is calculated using tax rates that have been enacted by the reporting date.

Deferred taxation

Deferred taxation is provided in full, on all temporary differences which result in an obligation at the reporting date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they are recognised based on current tax rates and law. Temporary differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements.

A net deferred tax asset is regarded as recoverable and is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient taxable profits in the foreseeable future from which the reversal of the underlying temporary differences can be deducted. Management carry out a review of such items at the reporting date.

2. Significant accounting policies continued

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Revenue recognition

Revenue recognition in the income statement depends on the type of revenue concerned, and excludes VAT. Rental income is recognised over the period of the lease. Income from sale of properties is recognised on unconditional exchange of contracts. Management and administration fees are recognised in the income statement as they are earned. Performance fees are recognised when the performance period has ended and the performance calculation can be performed with reasonable certainty. Transaction fees are recognised once the relevant transaction has completed. Interest income and expense is recognised on an accruals basis. The above policies on revenue recognition result in both deferred and accrued income.

Operating profit

Operating profit as stated in the consolidated income statement is described as the profit derived from sales revenue less cost of sales, operating expenses and other items incurred during normal operating activities.

Share-based payments

The Group issues options over the Company's equity to certain employees and these are professionally measured for fair value at the date of grant, using the Black-Scholes-Merton model. This fair value is fully expensed in the year that the share option vests and is credited to the share-based payment reserve shown under equity and reserves in the balance sheet. Managements' best estimates of leavers, price volatility and exercise restrictions have been used in the valuation method.

Foreign currencies

At entity level, transactions denominated in foreign currencies are translated into the functional currency at the exchange rate ruling on the date the transaction is recorded. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the reporting date and the resultant exchange differences are recognised in the income statement unless they form part of the net investment in which case they are recognised in the separate statement of other comprehensive income.

On consolidation the results of overseas subsidiaries are translated into Sterling at the average exchange rate for the period and all their assets and liabilities are translated into Sterling at the exchange rate ruling at the reporting date.

In the cash flow statement, cash flows denominated in foreign currencies are translated into Sterling at the average exchange rate for the period.

On consolidation exchange differences arising from the translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve in equity. On disposal of a foreign operation these accumulated gains or losses are reclassified to profit or loss.

Financial instruments

The Group's financial assets and liabilities are recorded in the balance sheet at historic cost or fair value. Income and expenditure arising on financial instruments is recognised on an accruals basis and taken to the income statement in the financial period in which it arises.

Trade receivables

Trade receivables are measured at initial recognition at fair value. Subsequently, they are measured at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. The allowance recognised is measured as a difference between the carrying amount of the asset and the recoverable amount.

Notes to the Financial Statements continued
for the year ended 31 March 2015

2. Significant accounting policies continued

Investments

Investments are recognised on the contract date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned and are initially measured at cost, including transaction costs. Assets available for sale are held at fair value. Any changes to the fair value are recognised in other comprehensive income, if material, and accumulated in a separate reserve in equity. All equity investments are designated on initial recognition as available-for-sale.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, term deposits and other short term, liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities, except for borrowing costs incurred in respect of development and trading property, which are included in acquisition costs of the asset.

Bank borrowing

Interest bearing bank loans and overdrafts are recorded as the proceeds are received, net of direct issue costs. Interest charges are accounted for on an accruals basis in the income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise. Borrowing costs incurred in respect of the purchase of trading properties are capitalised together with other acquisition costs of the property and are amortised over the period of the loan.

Trade payables

Trade payables are initially measured at fair value. Subsequently they are measured at amortised cost.

Equity instruments

Equity instruments issued by the Company are recorded as the proceeds which are received, net of direct issue costs.

Business combinations

Acquisitions of subsidiaries are accounted for using the purchase method. This method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities are included in the consolidated balance sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies.

3. Segmental reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Directors and for which discrete financial information is available.

The property fund management segment is organised into separate funds operating across all the Group's chosen geographic areas. It enjoys a recurring income from managing commercial property on behalf of its various fund investors. A table of funds managed is listed in this report in the Chief Executive's statement.

The group properties segment comprises the revenues and profits from the Group's trading in its own properties. Rental and service charge income from the properties owned by the Group is included in this segment. The profits and losses of trading in these properties can be volatile depending on the frequency and size of sale and by its nature, unpredictable. At the year-end this segment owned one property, held at cost in inventories under current assets and five properties, held within investment properties under non-current assets.

3. Segmental reporting continued

A new segment arose in 2010/2011, with the launch of the new Polish fund, Fprop Opportunities plc (FOP) in October 2010. The Group owns 76.2% of this fund through seed capital with the intention of raising further third party investment from co–investees, thereby diluting its stake to a minority interest holding. Management has concluded that it does not suit the criteria for existing segments and that for the purposes of transparency and clarity it should be reported as a separate segment called Group fund properties (FOP). At the year end, this segment owned five properties held at cost within investment properties under non-current assets.

Head office costs and overheads that are common to all segments are shown separately under unallocated central costs.

Interest income is allocated to a separate segment where there is a non-controlling interest. All other surplus cash is managed centrally and is netted off against unallocated central overheads.

Assets, liabilities and costs that relate to Group central activities have not been allocated to business segments.

Segment Reporting 2015

	Property fund management £'000	Group properties and other co-investments £'000	Group fund properties FOP £'000	Unallocated central overheads £'000	**Total £'000**
External revenue					
– Existing operations	6,140	2,968	5,217	–	**14,325**
– Sale of inventory	–	–	–	–	**–**
– Business acquisitions	–	3,479	719	–	**4,198**
Total	**6,140**	**6,447**	**5,936**	**–**	**18,523**
Depreciation and amortisation	(18)	(360)	(6)	–	**(384)**
Operating profit	4,435	5,454	2,454	(2,938)	**9,405**
Share of results in associates	–	185	–	–	**185**
Distribution income	–	694	–	–	**694**
Interest income	–	36	89	20	**145**
Interest payable	–	(730)	(1,616)	–	**(2,346)**
Profit/(loss) before tax	**4,435**	**5,639**	**927**	**(2,918)**	**8,083**
Analysed as:					
Before performance fees and related items	1,605	4,489	2,272	(963)	**7,403**
Recognition of negative goodwill on refinancing of subsidiary	–	1,123	–	–	**1,123**
Recognition of negative goodwill on acquisition of subsidiaries	–	716	–	–	**716**
Fair value adjustment to investment properties	–	–	(876)	–	**(876)**
Depreciation	–	(357)	–	–	**(357)**
Performance fees	3,365	–	–	–	**3,365**
Staff incentives	(535)	(194)	(184)	(1,955)	**(2,868)**
Realised foreign currency loss	–	(138)	(285)	–	**(423)**
Total	**4,435**	**5,639**	**927**	**(2,918)**	**8,083**
Assets – Group	1,633	84,478	58,522	6,301	**150,934**
Share of net assets of associates	–	979	–	(308)	**671**
Liabilities	(289)	(72,437)	(45,666)	(2,194)	**(120,586)**
Net assets	**1,344**	**13,020**	**12,856**	**3,799**	**31,019**
Additions to non-current assets					
Property, plant and equipment	8	–	–	–	**8**
Investment properties	–	66,909	8,864	–	**75,773**
Investments	–	353	–	–	**353**

Notes to the Financial Statements continued for the year ended 31 March 2015

3. Segmental reporting continued

Segment Reporting 2014

	Property fund management £'000	Group properties and other co-investments £'000	Group fund properties FOP £'000	Unallocated central overheads £'000	**Total £'000**
External revenue					
– Continuing operations	4,268	2,440	2,246	–	**8,954**
– Sale of inventory	–	8,050	–	–	**8,050**
– Business acquisitions	–	–	1,041	–	**1,041**
Total	4,268	10,490	3,287	–	**18,045**
Depreciation and amortisation	(21)	(7)	(3)	–	**(31)**
Operating profit					
– Existing operations	2,630	5,010	1,388	(2,413)	**6,615**
– Business acquisitions	–	–	611	–	**611**
Total	2,630	5,010	1,999	(2,413)	**7,226**
Share of results in associates	–	190	–	–	**190**
Profit on disposal of asset held for resale	–	–	–	28	**28**
Dividend income	–	63	–	–	**63**
Interest income	–	76	40	32	**148**
Interest payable	–	(251)	(806)	–	**(1,057)**
Profit/(loss) before tax	2,630	5,088	1,233	(2,353)	**6,598**
Analysed as:					
Before performance fees and related items	2,592	5,157	1,288	(830)	**8,207**
Performance fees	451	–	–	–	**451**
Staff incentives	(413)	(69)	(55)	(1,523)	**(2,060)**
Realised foreign currency gain	–	–	–	–	**–**
Total	2,630	5,088	1,233	(2,353)	**6,598**
Assets – Group	1,241	16,983	54,890	6,602	**79,716**
Share of net assets of associates	–	983	–	(308)	**675**
Liabilities	(884)	(10,935)	(43,587)	(1,523)	**(56,929)**
Net assets	357	7,031	11,303	4,771	**23,462**
Additions to non-current assets					
Property, plant and equipment	41	19	–	–	**60**
Investment properties	–	–	28,717	–	**28,717**
Investments	–	849	–	–	**849**

3. Segmental reporting continued

Geographic analysis	Revenue 2015 £'000	Revenue 2014 £'000	Non-current assets 2015 £'000	Non-current assets 2014 £'000
UK	**3,773**	9,595	**2,229**	2,424
Poland	**13,673**	8,450	**109,351**	48,934
Romania	**1,077**	–	**5,080**	–
	18,523	18,045	**116,660**	51,358

4. Interest income/expense

	2015 £'000	2014 £'000
Interest income – bank deposits	**63**	130
Interest income – other	**82**	18
Total interest income	**145**	148
Interest expense – property loans	**(1,730)**	(523)
Interest expense – bank and other	**(80)**	(28)
Finance charges on finance lease	**(536)**	(506)
Total interest expense	**(2,346)**	(1,057)

5. Employee information

The average monthly number of persons (including Executive Directors) employed during the year was:

	2015 Number	2014 Number
Management	**9**	9
Property operations	**15**	15
Technical operations	**24**	20
	48	44

An analysis of staff costs is set out below:

	2015 £'000	2014 £'000
Wages and salaries	**4,664**	3,758
Social security costs	**261**	226
Share-based payments	**–**	–
	4,925	3,984

Notes to the Financial Statements continued
for the year ended 31 March 2015

6. Directors' remuneration and emoluments

	2015 £'000	2014 £'000
Basic pay	**479**	463
Pension	**13**	13
Fees	**56**	56
Benefits	**17**	17
Exercise of share options	**–**	130
Annual incentive arrangements	**1,911**	1,523
	2,476	2,202

Annual incentive arrangements

For 2014 and 2015 the Company operated an incentive plan (the Growth Securities Ownership Plan (GSOP)) for the Executive Directors related to growth in profit before tax.

The remuneration of the Directors was as follows:

	Salary & benefits £'000	Annual incentives £'000	Exercise of share options £'000	Fees £'000	2015 £'000	2014 £'000
A J D Locke	–	–	–	28	**28**	28
P Moon	–	–	–	28	**28**	28
B N Habib	345	1,622	–	–	**1,967**	1,722
G R W Digby	164	289	–	–	**453**	424
	509	1,911	–	56	**2,476**	2,202

There are no retirement benefits accruing to Directors (2014: none) under money purchase pension schemes.

7. Profit on ordinary activities before taxation

	2015 £'000	2014 £'000
Profit on ordinary activities before taxation is stated after charging:		
– Depreciation charge on property, plant and equipment	**27**	31
– Net foreign exchange losses/(gains)	**453**	(12)
– Staff costs (see note 5)	**4,925**	3,984
Auditors' remuneration		
– Group audit (Company £65,000 (2014: £48,000))	**177**	154
– Non-audit fees (bureau services – Romania)	**8**	6
– Operating lease rentals	**49**	49
– Rental income from investment properties	**8,083**	2,636
– Direct operating expenses arising from investment property that generated rental income during the period	**2,591**	787
– Direct operating expenses arising from investment property that did not generate rental income	**2,312**	501
– Cost of inventories	**258**	4,474

8. Tax expense

	2015 £'000	2014 £'000
Analysis of charge in the period		
Current tax	**(525)**	(761)
Deferred tax	**853**	(201)
Total tax charge for period	**328**	(962)

The tax charge includes actual current and deferred tax.

Brought forward tax losses, have been utilised and partially offset against profits arising in the UK. These tax losses were not previously recognised as a deferred tax asset due to insufficient foreseeable taxable income being earned in the UK.

As a result of the above the effective tax rate for the Group is -4.1% (2014: 15%).

The deferred tax credit is largely attributable to the acquisitions of the beneficial interest in Corktree and Gdynia Podolska during the year. This has been created as a result of the nil value paid for the deferred tax asset on acquisition. The deferred tax asset has been restricted to two years worth of profits.

Factors affecting the tax charge for the period

The effective rate of tax applicable to the profit in the period is lower than the standard rate of corporation tax. The differences are explained as follows:

	2015 £'000	2014 £'000
Profit/(loss) on ordinary activities before tax	**8,083**	6,598
Profit/(loss) on ordinary activities multiplied by the standard rate of 21% (2014: 23%)	**1,697**	1,518
Effects of:		
– Expenses not deductible for tax purposes	**7**	2
– Depreciation in excess of capital allowances on plant and equipment	**3**	(7)
– Movement on deferred tax unprovided	**39**	(364)
– Effect of overseas mainstream tax rates	**(16)**	(54)
– Other adjustments (including overseas tax allowable depreciation on property)	**(1,205)**	(334)
Total tax charge for the period	**525**	761

Provision for deferred tax

	2015		2014	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Depreciation in excess of capital allowances	**(3)**	**–**	(6)	–
Tax losses carried forward	**695**	**695**	653	653
Other differences	**–**	**–**	–	–
Unrecognised deferred tax asset	**692**	**695**	647	653

The Directors have concluded that there is insufficient evidence to support the recoverability of this asset from future taxable profits and therefore have not recognised this asset in the balance sheet. UK deferred tax has been calculated at a rate of 21% versus 21% for 2014.

Notes to the Financial Statements continued
for the year ended 31 March 2015

9. Parent Company result for the year

As permitted by section 408 of the Companies Act 2006, the Company's income statement has not been included in these financial statements. The Company's retained profit for the year was £1,534,000 (2014: £3,061,000).

10. Dividend on Ordinary Shares

	2015 £'000	2014 £'000
Interim dividends paid during the year 2015: 0.35 pence (2014: 0.33 pence)	**398**	367
Final dividend paid for the year ended 31 March 2014: 0.79 pence per share (2013: 0.75 pence per share)	**893**	834
	1,291	1,201

The total dividend for the current year ended 31 March 2015 of 1.35p (2014: 1.12p) will be subject to shareholder approval at the Annual General Meeting to be held on 23 September 2015.

11. Earnings per share

	2015	2014
Basic earnings per share	**7.21p**	4.75p
Diluted earnings per share	**6.93p**	4.53p

	£'000	£'000
Basic earnings	**8,172**	5,281
Diluted earnings assuming full dilution	**8,187**	5,298

The following numbers of shares have been used to calculate both the basic and diluted earnings per share:

	2015 Number	2014 Number
Weighted average number of Ordinary Shares in issue (used for basic earnings per share calculation)	**113,348,847**	111,265,093
Number of share options assumed to be exercised	**4,850,000**	5,750,000
Total number of Ordinary Shares used in the diluted earnings per share calculation	**118,198,847**	117,015,093

The following earnings have been used to calculate both the basic and diluted earnings per share:

	2015 £'000	2014 £'000
Basic earnings per share		
Basic earnings	**8,172**	5,281
Diluted earnings per share		
Basic earnings	**8,172**	5,281
Notional interest on share options assumed to be exercised	**15**	17
Diluted earnings	**8,187**	5,298

	2015	2014
Net assets per share	**26.30p**	20.00p
Adjusted Net assets per share	**35.75p**	24.80p

11. Earnings per share continued

The following numbers have been used to calculate both the net assets and adjusted net assets per share:

	Number	Number
Net assets per share		
Number of shares in issue at year end	**113,792,541**	112,952,158

	£'000	£'000
Net assets excluding non-controlling interest	**29,925**	22,567

	Number	Number
Adjusted net assets per share		
Number of shares in issue at year end	**113,792,541**	112,952,158
Number of share options assumed to be exercised	**4,850,000**	5,750,000
Total	**118,642,541**	118,702,158

	Number	Number
Adjusted net assets per share		
Net assets excluding non-controlling interest	**29,925**	22,567
Adjustments for market value of assets and debt	**12,488**	6,869
Total	**42,413**	29,436

12. Business acquisitions

First Property Group plc made three acquisitions:

- On 15 January 2014 the Group acquired a beneficial interest in the entire issued share capital in Felix Development SRL. On 27 July 2014 the Group took control of Felix Development SRL following the successful refinancing and the Company was subsequently consolidated into the accounts. Felix owns three properties located in Romania; and
- On 15 December 2014 the Group acquired a beneficial interest in the entire issued share capital in Corktree Sp. z o.o. and Gdynia Podolska Sp. z o.o. for €2.65m and €2.25m respectively. Both Corktree's and Gdynia Podolska's main assets are office buildings in Poland.

The Group's subsidiary Fprop Opportunities plc (FOP) made one further acquisition during the year. On 19 September 2014 it acquired a beneficial interest in the share capital in Zinga Poland Sp. z o.o. for €378,000. Zinga's main asset is an office block in Warsaw, Central Poland.

Following all four purchases a total of £1.84m of negative goodwill was generated and has been credited to the income statement. The gains on the acquisitions of the beneficial interests in Gydnia Podolska and Corktree were generated as a result of timing differences between fixing the consideration and completion.

Notes to the Financial Statements continued
for the year ended 31 March 2015

12. Business acquisitions continued

	Felix £'000	Zinga £'000	Gdynia Podolska £'000	Corktree £'000	**31 March 2015 £'000**
Acquisitions net assets acquired at fair value					
Cash	437	310	1,501	807	**3,055**
Trade and other receivables	151	439	1,029	1,129	**2,748**
Bad debt provision	(49)	(1)	–	(81)	**(131)**
Share in subsidiary	–	–	–	19	**19**
Investment property	5,547	8,846	33,137	27,860	**75,390**
Trade and other payables	(369)	(204)	(389)	(972)	**(1,934)**
Tax liabilities	(53)	(52)	(52)	99	**(58)**
Financial liabilities	(3,566)	(9,013)	(32,204)	(26,401)	**(71,184)**
Tenant deposits	(440)	(29)	(885)	(74)	**(1,428)**
Fair value of goodwill	(1,123)	(2)	(392)	(322)	**(1,839)**
Foreign exchange reserve	–	–	–	–	**–**
Total purchase price paid in cash	535	294	1,745	2,064	**4,638**
Cash paid on acquisitions	(535)	(294)	(1,745)	(2,064)	**(4,638)**
Cash and cash equivalents acquired on purchases	437	310	1,501	807	**3,055**
Acquisitions net of cash and cash equivalents acquired	(98)	16	(244)	(1,257)	**(1,583)**

13. Investment properties

Investment properties owned by the Group, and indirectly via FOP are stated at cost less depreciation and accumulated impairment losses. The properties were valued by CBRE, Polish Properties and BNP Paribas at the Group's financial year-end at €176.73 million (2014: €63.96 million), the Sterling equivalent at closing foreign exchange rates being £127.86 million (2014: £52.88 million). The Directors have taken a decision to depreciate the value of the Gdynia Podolska property in the accounts of First Property Group plc over the lease term to which that property is subject. In the Director's opinion the property's estimated residual value at the end of the period of ownership will be lower than its current carrying value. No other property has been depreciated as their estimated residual values are expected to be higher than their current carrying value.

	2015 Group £'000	2014 Group £'000
Investment properties		
1 April	**48,759**	20,349
Business acquisitions	**75,390**	28,116
Capital expenditure	**383**	46
Purchase additions	**–**	555
Depreciation	**(357)**	–
Fair value adjustment	**(876)**	–
Foreign exchange translation	**(9,037)**	(307)
At 31 March	**114,262**	48,759

14. Goodwill

	2015 Group £'000	2014 Group £'000
1 April	**153**	114
Additions	**–**	39
At 31 March	**153**	153

The Directors have carried out an annual impairment test and concluded that no impairment write down is necessary because the estimated recoverable amount was higher than the value stated. The estimated recoverable amount was determined using the "value in use" basis. The "value in use" basis was calculated by applying a price earnings multiple of four to the average of the past three years earnings and next year's forecast earnings, which is based on information consistent with external sources.

15. Property, plant and equipment

Group 2015	Computer equipment £'000	Office equipment £'000	Motor vehicles £'000	Short leasehold improvements £'000	Total £'000
Cost					
At 1 April 2014	190	39	25	37	291
Foreign currency translation	(9)	(2)	(2)	–	(13)
Additions	6	2	–	–	8
Disposals	(13)	(2)	–	–	(15)
At 31 March 2015	174	37	23	37	271
Depreciation					
At 1 April 2014	132	34	25	35	226
Foreign currency translation	(6)	(2)	(2)	–	(10)
Charge for year	26	–	–	1	27
Disposals	(13)	(2)	–	–	(15)
At 31 March 2015	139	30	23	36	228
Net book value at 31 March 2015	35	7	–	1	43

Group 2014	Computer equipment £'000	Office equipment £'000	Motor vehicles £'000	Short leasehold improvements £'000	Total £'000
Cost					
At 1 April 2013	134	38	26	37	235
Foreign currency translation	(2)	–	(1)	–	(3)
Additions	59	1	–	–	60
Disposals	(1)	–	–	–	(1)
At 31 March 2014	190	39	25	37	291
Depreciation					
At 1 April 2013	119	29	24	27	199
Foreign currency translation	(1)	(1)	(1)	–	(3)
Charge for year	15	6	2	8	31
Disposals	(1)	–	–	–	(1)
At 31 March 2014	132	34	25	35	226
Net book value at 31 March 2014	58	5	–	2	65

The Company had no property, plant or equipment (2014: nil). The Group holds no property plant and equipment under a finance lease.

16. Investments in Group undertakings

The Company has the following investments in consolidated subsidiaries:

	2015		2014	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Investments in Group undertakings – shares at cost	**–**	**3,192**	–	3,192
	–	**3,192**	–	3,192

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17. Investments in associates and other financial assets

The Group and the Company have the following investments:

	2015 Group £'000	2015 Company £'000	2014 Group £'000	2014 Company £'000
a) Associates				
At 1 April	**675**	**101**	615	106
Disposals	**–**	**–**	(23)	(5)
Share of associates profit after tax	**185**	**–**	190	–
Dividends received	**(189)**	**–**	(107)	–
At 31 March	**671**	**101**	675	101

The disposal in 2014 represents a partial disposal of the Group's holdings in Regional Property Trading Ltd.

The Group's investment in associates is held at cost plus its share of post acquisition profits assuming the adoption of the cost model for accounting for investment properties under IAS 40 and comprises the following:

	2015 Group £'000	2015 Company £'000	2014 Group £'000	2014 Company £'000
Investments in associates				
5th Property Trading Ltd	**827**	**48**	863	48
Regional Property Trading Ltd	**152**	**53**	120	53
	979	**101**	983	101
Less: Group share of profit after tax withheld on sale of property to an associate in 2007	**(308)**	**–**	(308)	–
	671	**101**	675	101

If the Group had adopted the alternative fair value model for accounting for investment properties, the carrying value of the investment in associates would have increased by £504,000 (2014: £775,000) to £1,175,000 (2014: £1,450,000).

	2015 Group £'000	2015 Company £'000	2014 Group £'000	2014 Company £'000
b) Other financial assets and investments				
At 1 April	**1,706**	**1,706**	892	892
Additions	**353**	**353**	849	849
Disposals	**(565)**	**(565)**	(35)	(35)
Net increase in fair value	**37**	**37**	–	–
At 31 March	**1,531**	**1,531**	1,706	1,706

The Group holds two unlisted investments in funds managed by it. Both are held at fair value, using the market approach to valuations. All of the assets have been classified as available for sale. Fair value for the unlisted investment has been arrived at by applying the Group's percentage holding in this investment of the fair value of their net assets. The addition and disposal during the year all relates to the investment in the PDR fund.

17. Investments in associates and other financial assets continued

The principal investments of the Group at 31 March 2015 are as follows:

	Principal activities	% of Ordinary Shares held by Company %	% of Ordinary Shares held by Subsidiary %
Group undertakings			
UK			
First Property Asset Management Limited	– Property asset management	100	–
IP Finance Limited (to be dissolved)	– Property finance	100	–
First Property General Partner (PDR) Limited	– General partner of property fund	100	–
First Property Sterling General Partner Limited	– General partner of property fund	100	–
First Property General Partner Limited	– General partner of property fund	51	–
First Property Retail Centres Limited (to be dissolved)	– Property services	100	–
Fprop Corktree Limited (formerly Old Westminster Limited)	– Property holding company	100	–
FPGP Limited (formerly Edenfield Ltd)	– Property holding company	100	–
Fprop Developments Ltd (to be dissolved)	– Property holding company	100	–
Poland			
First Property Poland Sp. z o.o.	– Property investment and management	100	–
Scaup Sp. z o.o.	– Property investment and management	100	–
Ross Sp. z o.o.	– Property investment and management	100	–
Corp SA	– Property services management	–	90
Ross 2 Sp. z o.o.	– Property services management	100	–
Ross 3 SP. z o. o.	– Property holding company	100	–
Corktree Sp. z o.o.	– Property holding company	–	100*
Corktree Fprop Sp. z o.o.	– Property holding company	–	100*
Gdynia Podolska Sp. z o.o.	– Property holding company	–	100*
Romania			
First Property Asset Management Romania SRL		95	5
Felix Development SRL		100	–
Group companies owned by Fprop Opportunities plc (FOP)			
UK			
Fprop Opportunities plc	– Property fund	76	–
Fprop Opportunity Lodz Limited	– Property holding company	–	100
Fprop Opportunity Krasnystaw Limited	– Property holding company	–	100
Fprop Opportunities Lodz II Limited	– Property holding company	–	100
Fprop Opportunity Lublin Limited	– Property holding company	–	100
Fprop Opportunity Ostrowiec Limited	– Property holding company	–	100
Fprop Zinga Limited	– Property holding company	–	100
Poland			
Fprop Lodz Sp. z o.o.	– Property holding company	–	100
Fprop Krasnystaw Sp. z o.o	– Property holding company	–	100
Fprop Lodz 2 Sp. z o.o.	– Property holding company	–	100
Lublin Zana Sp. z o.o. (formerly USS Fprop Poland 2 Sp. z o.o.)	– Property holding company	–	100
Galeria Ostrowiec Sp. z o.o. (formerly USS Fprop 4 Sp. z o.o.)	– Property holding company	–	100
Fprop Ostrowiec Sp. z o.o. (formerly USS Fprop Poland 4 Sp. z o.o.)	– Property holding company	–	100
Zinga Fprop Sp. z o.o.	– Property holding company	–	100
Zinga Poland Sp. z o.o.	– Property holding company	–	100
Zinga Fprop Poland Sp z o.o.	– Property holding company	–	100

* Beneficial interest.

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for the year ended 31 March 2015

17. Investments in associates and other financial assets continued

		Principal activities	% of Ordinary Shares held by Company %	Subsidiary %
Associates and other investments				
UK				
Regional Property Trading Limited	–	Property fund	26	–
5th Property Trading Limited	–	Property fund	38	–
UK Pension Property Portfolio LP	–	Nominee	1	–
Fprop PDR LP	–	Property fund	5	–
Poland				
E&S Estates Poland Sp. z o.o.	–	Property fund	–	13
5th Property Poland Sp. z o.o.	–	Property fund	–	38
Dormant nominee companies in which the Group has no beneficial interest				
First Property Sterling General Partner (Nominee 1) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 2) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 3) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 4) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 5) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 6) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 7) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 8) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 9) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 10) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 11) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 12) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 13) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 14) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 15) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 16) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 17) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 20) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 21) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 22) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 23) Limited	–	Nominee	–	100
First Property Sterling General Partner (Nominee 24) Limited	–	Nominee	–	100
FPROP PDR (Nominee) 1 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 2 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 3 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 4 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 5 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 6 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 7 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 8 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 9 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 10 Limited	–	Nominee	–	100
FPROP PDR (Nominee) 11 Limited	–	Nominee	–	100
SIPS Property Nominee Limited	–	Nominee	–	100

The above companies are incorporated and registered in England and Wales unless stated and operate principally in their countries of incorporation/ registration.

Ross 3 Sp. z o.o., First Property Sterling General Partner Limited and First Property General Partner Limited, have not been consolidated for the reason that they are not material to the Group.

18. Inventories – land and buildings

	2015		2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Directly held Group properties for resale at cost				
1 April	**12,304**	**–**	8,591	–
Purchases	**–**	**–**	4,428	–
Capital expenditure	**258**	**–**	46	–
Disposals	**–**	**–**	–	–
Foreign exchange translation	**77**	**–**	(761)	–
At 31 March	**12,639**	**–**	12,304	–

The Group's total interest in Blue Tower is 48.2% with a fair value of £14.18 million (2014: £16.21 million).

19. Trade and other receivables

	2015		2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Current assets				
Trade receivables	**2,304**	**–**	4,036	–
Less provision for impairment of receivables	**(649)**	**–**	(731)	–
Trade receivables net	**1,655**	**–**	3,305	–
Other receivables	**3,147**	**54**	502	–
Prepayments and accrued income	**942**	**1,608**	328	19
	5,744	**1,662**	4,135	19
Non-current assets				
Other receivables	**283**	**–**	400	–
Amounts owed by subsidiaries and other undertakings	**–**	**10,649**	–	15,071

The Directors consider that the carrying amount of net trade receivables approximates to their fair value.

In the opinion of the Directors the Group is not exposed to any one material credit risk, as the Group has many tenants spread across a number of industry sectors.

20. Trade and other payables

	2015		2014	
	Group £'000	Company £'000	Group £'000	Company £'000
Current liabilities				
Trade payables	**2,605**	**15**	1,139	16
Amounts due to subsidiary undertaking and associates	**–**	**3,725**	–	4,187
Other taxation and social security	**580**	**–**	289	687
Other payables and accruals	**4,938**	**1,992**	2,780	1,562
Deferred income	**11**	**–**	16	–
	8,134	**5,732**	4,224	6,452

21. Financial liabilities

	2015 £'000	2014 £'000
Current liabilities		
Bank loans	**9,382**	3,840
Finance leases	**2,406**	509
	11,788	4,349
Non-current liabilities		
Loan repayable by subsidiary (FOP) to third party shareholders	**1,936**	2,229
Bank loans	**50,610**	32,322
Finance leases	**45,379**	12,661
	97,925	47,212

	2015 £'000	2014 £'000
Total obligations under bank loans and finance leases		
Repayable within one year	**11,788**	4,349
Repayable within one and five years	**57,928**	35,106
Repayable after five years	**39,997**	12,106
	109,713	51,561

Loans repayable by FOP to third party shareholders are repayable in October 2020.

Seven bank loans and three finance leases (all denominated in foreign currencies) totalling £107,777,000 (2014: £49,332,000) included within financial liabilities are secured against investment properties owned by the Group and Fprop Opportunities plc (FOP) and the property owned by the Group shown under inventories. These bank loans and finance leases are otherwise non-recourse to the Group's assets.

Minimum finance lease payments in respect of finance leases are as follows:

Finance lease liabilities

	2015		2014	
	Group	Parent	Group	Parent
Less than one year	**3,287**	**–**	953	–
Between two and five years	**43,693**	**–**	13,746	–
Later than five years	**4,951**	**–**	–	–
Future finance charges on future finance lease payments	**(4,146)**	**–**	(1,529)	–
	47,785	**–**	13,170	–

The analysed present value of finance lease liabilities is as follows:

	2015		2014	
	Group	Parent	Group	Parent
Less than one year	**2,406**	**–**	509	–
Between two and five years	**19,061**	**–**	12,661	–
Later than five years	**26,318**	**–**	–	–
	47,785	**–**	13,170	–

22. Deferred tax

Deferred tax assets and liabilities are attributable to the following items:

	2015			2014		
	Group net assets £'000	**Group assets £'000**	**Group liabilities £'000**	Group net liabilities £'000	Group assets £'000	Group liabilities £'000
Accrued interest payable	**(1,280)**	**254**	**(1,534)**	(295)	170	(465)
Accrued income	**(62)**	**23**	**(85)**	(88)	–	(88)
Foreign bank loan	**1,244**	**1,379**	**(135)**	357	508	(151)
Investment properties and inventories	**1,088**	**1,936**	**(848)**	(160)	–	(160)
Other temporary differences	**182**	**211**	**(29)**	128	161	(33)
	1,172	**3,803**	**(2,631)**	(58)	839	(897)

Relevant Group companies are making taxable profits.

The movement in deferred tax assets and liabilities during the year:

	2015			2014		
	Group net assets £'000	**Group assets £'000**	**Group liabilities £'000**	Group net liabilities £'000	Group assets £'000	Group liabilities £'000
At 1 April	**(58)**	**839**	**(897)**	173	562	(389)
Credit/(charge) in the year:						
Existing operations	**602**	**819**	**(217)**	296	482	(186)
Business acquisitions	**251**	**651**	**(400)**	(497)	–	(497)
Foreign exchange translation	**377**	**1,494**	**(1,117)**	(30)	(205)	175
At 31 March	**1,172**	**3,803**	**(2,631)**	(58)	839	(897)

23. Called-up share capital

	2015 £'000	2014 £'000
Authorised		
240,000,000 (2014: 240,000,000) Ordinary Shares of 1 pence each	**2,400**	2,400
Issued and fully paid		
114,851,115 (2014: 114,851,115) Ordinary Shares of 1 pence each of issued share capital, of which 1,058,574 Ordinary Shares (2014: 1,898,957) are held in treasury	**1,149**	1,149

	Ordinary Shares number	Treasury shares number	Share options number
1 April 2014	112,952,158	1,898,957	5,750,000
Exercise of share options	800,000	(800,000)	(800,000)
Issue of shares to Non-Executive Director	40,383	(40,383)	–
Lapse of share options	–	–	(100,000)
31 March 2015	**113,792,541**	**1,058,574**	**4,850,000**

	Ordinary Shares number	Treasury shares number	Share options number
1 April 2013	111,153,755	3,697,360	7,500,000
Exercise of share options	1,750,000	(1,750,000)	(1,750,000)
Issue of shares to Non-Executive Director	48,403	(48,403)	–
Lapse of share options	–	–	–
31 March 2014	112,952,158	1,898,957	5,750,000

23. Called-up share capital continued

The Company had 4,850,000 options over Ordinary Shares outstanding at 31 March 2015 (2014: 5,750,000), including those noted in Directors' interests in the Directors' Report. Once these share options are exercised, the Ordinary Shares issued will rank pari passu with the existing Ordinary Shares.

Year of grant	Exercise price (p)	Exercise period	**2015 Numbers**	2014 Numbers
2004/05	16.50	July 2007 to July 2014	**–**	100,000
2006/07	15.75	June 2007 to June 2016	**583,333**	583,333
2006/07	15.75	June 2008 to June 2016	**583,333**	583,333
2006/07	15.75	June 2009 to June 2016	**583,334**	583,334
2006/07	15.25	April 2007 to April 2016	**–**	33,333
2006/07	15.25	April 2008 to April 2016	**–**	33,333
2006/07	15.25	April 2009 to April 2016	**–**	33,334
2006/07	17.25	Dec 2007 to Dec 2016	**66,666**	166,666
2006/07	17.25	Dec 2008 to Dec 2016	**166,667**	166,667
2006/07	17.25	Dec 2009 to Dec 2016	**166,667**	166,667
2006/07	16.25	Dec 2007 to Dec 2016	**–**	33,333
2006/07	16.25	Dec 2008 to Dec 2016	**–**	33,333
2006/07	16.25	Dec 2009 to Dec 2016	**–**	33,334
2006/07	17.00	Jan 2008 to Jan 2017	**–**	166,666
2006/07	17.00	Jan 2009 to Jan 2017	**–**	166,667
2006/07	17.00	Jan 2010 to Jan 2017	**–**	166,667
2008/09	11.50	Feb 2010 to Feb 2019	**333,333**	333,333
2008/09	11.50	Feb 2011 to Feb 2019	**333,333**	333,333
2008/09	11.50	Feb 2011 to Feb 2019	**333,334**	333,334
2009/10	16.50	Dec 2011 to Dec 2019	**566,666**	566,666
2009/10	16.50	Dec 2011 to Dec 2019	**566,667**	566,667
2009/10	16.50	Dec 2011 to Dec 2019	**566,667**	566,667

During the year no share options were granted, 800,000 were exercised and 100,000 lapsed. 934,920 share options have been issued under the HMRC Enterprise Management Incentive Scheme, with the remaining 3,915,080 share options issued under the Company's Unapproved Share Option Scheme.

24. Contractual commitments

The Group has contractual commitments at 31 March 2015 amounting to £1,745,000 (2014: £1,152,000) which are expected to be expended over the next twelve months.

25. Financial commitments

At 31 March 2015 the Group had total commitments under non-cancellable operating leases payable as follows:

	Land and buildings 2015 £'000	Land and buildings 2014 £'000
Total amounts due		
– within a year	**24**	49
– between one and five years inclusive	**234**	24
	258	73

The liability relates to one operating lease for the office in London. The Group has three finance leases that are described in note 26.

On 1 July 2015 the Group has entered into a new three year operating lease for the office in London for a total of £233,875.

26. Financial instruments and risk management

The Group and Company's financial instruments comprise or have comprised cash and liquid resources, including trade receivables, trade payables and short term deposits derived from its operations. The primary objective of these financial instruments is to finance the Group and Company's operations.

Objective, policies and strategies

The main areas of the Group's exposure to risk are interest rates, liquidity, foreign exchange and credit. The Group's policy does not permit entering into speculative trading of financial instruments and this policy has continued to be applied throughout the year.

Interest rate risk

The Group is exposed to interest rate risk on its short term cash balances, deposits and also its bank borrowings.

The Group regularly reviews market rates of interest to ensure that beneficial rates are secured on its cash and short term deposits, so that maximum returns are being achieved.

The Group policy is to consider on a case by case basis whether or not to enter into interest rate swaps, options and forward rate agreements to manage interest rate exposures, in the event that long or short term finance is in place. Interest rate fixes and caps are utilised to mitigate this risk on both bank loans and finance leases if they are not a requirement of the borrowing agreement at the outset of the agreement.

Liquidity risk

The Group prepares monthly budgets, cash flow analyses and forecasts, which enable the Directors to assess the levels of borrowings, required in future periods. This detail is used to ensure that appropriate facilities are put in place to finance the future planned operations of the Group.

Budgets and projections will be used to assess any future potential investment and the Group will consider the existing level of funds held on deposit as part of the process to assess the nature and extent of any future funding requirement.

Market risk

Currency risk

The Group is exposed to currency risk through its overseas operations. Wherever possible overseas investment is financed in the local currency so that exposure to currency markets is limited. The Group regularly reviews the pertinent currency rates and calculates and reports the currency exposure on a monthly basis. Under the Group's foreign currency risk management policy hedging instruments can be used to hedge a proportion of specific items as specified in IAS 39.

The tables below show the extent to which the Group has residual assets and liabilities in currencies other than Sterling at the balance sheet date. Foreign exchange differences on translation of these assets and liabilities are taken to the foreign exchange translation reserve in the balance sheet.

	Net foreign currency monetary assets/liabilities			
Functional currency of operations	Polish Zloty Poland £'000	US Dollar Poland £'000	Romanian Leu Romania £'000	Total £'000
2015				
Sterling Equivalent	**(56,096)**	**1,835**	**(3,042)**	**(57,303)**
2014				
Sterling Equivalent	19,810	1,512	26	21,348

All UK Group companies use Sterling as their functional currency. Ross Sp. z o.o. has the US Dollar as its functional currency and all other Polish Group companies use the Polish Zloty. Both Romanian Group companies use the Romanian New Leu as their functional currency.

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26. Financial instruments and risk management continued

Sensitivity analysis

The following table illustrates the effect on the income statement and items that are recognised directly in equity that would result from possible movements in interest rates and foreign exchange rates before the effect of tax.

	2015 Income statement £'000	2014 Income statement £'000	**2015 Equity £'000**	2014 Equity £'000
Interest rate sensitivity analysis				
UK interest rate + 1%	**78**	88	**78**	88
EURO interest rate + 1%	**(566)**	(281)	**(566)**	(281)
US Dollar interest rate + 1%	**(69)**	(62)	**(69)**	(62)
RON interest rate + 1%	**(26)**	–	**(26)**	–
PLN interest rate + 1%	**(4)**	(18)	**(4)**	(18)
	(587)	(273)	**(587)**	(273)
Foreign currency sensitivity analysis				
EURO exchange rate +5%	**178**	61	**3,209**	690
US Dollar exchange rate +5%	**32**	35	**106**	90
RON exchange rate +5%	**27**	(1)	**(103)**	1
PLN exchange rate +5%	**188**	95	**985**	95
	425	190	**4,197**	876

The interest rate sensitivity analysis has been determined based on the exposure to interest rates for cash, bank loans and finance leases. The analysis is prepared assuming the amounts at the balance sheet date were outstanding for the whole year.

The foreign currency sensitivity analysis includes all foreign currency balance sheet items and adjusts their translation at the period end for a 10% change in foreign currency rates.

Credit risk

The Group's principal financial assets are bank deposits, bank current account balances, and trade and other receivables which represent the Group's maximum exposure to credit risk in relation to financial assets. It is the policy of the Group to present the amount for trade and other receivables net of allowances for doubtful debts, estimated by the Group's management based on prior experience and making due allowance for the prevailing economic environment.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Group uses a number of banks thereby spreading this exposure over a number of counterparties.

Financial assets

The interest rate profile of the Group's financial assets at 31 March 2015 and 31 March 2014 was as follows:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing £'000	Total £'000
Other receivables due after one year	–	–	–	–
Cash	6,286	–	–	6,286
Short term deposits	–	5,954	–	5,954
At 31 March 2015	**6,286**	**5,954**	**–**	**12,240**
Other receivables due after one year	–	–	–	–
Cash	4,683	–	–	4,683
Short term deposits	–	6,596	–	6,596
At 31 March 2014	4,683	6,596	–	11,279

The fair value of the financial assets is considered to be their book value.

26. Financial instruments and risk management continued

Floating rate financial assets earn interest at floating rates based on LIBOR.

Fixed rate short term deposits at 31 March 2015 were £5,954,000 (31 March 2014: £6,596,000).

Financial liabilities

The interest rate profile of the Group's financial liabilities at 31 March 2015 and 31 March 2014 was as follows:

	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing £'000	Total £'000
Bank loans	29,600	30,392	–	59,992
Finance lease obligations	47,785	–	–	47,785
Other financial liabilities	–	–	1,936	1,936
At 31 March 2015	**77,385**	**30,392**	**1,936**	**109,713**
Bank loans	36,162	–	–	36,162
Finance lease obligations	10,070	3,100	–	13,170
Other financial liabilities	–	–	2,229	2,229
At 31 March 2014	46,232	3,100	2,229	51,561

The Group's debt maturity other than short term trade creditors and accruals at 31 March 2015 and 31 March 2014 was as follows:

	Bank loans £'000	Finance lease £'000	Other financial liabilities £'000	Total £'000
In one year or less	9,382	2,406	–	11,788
Between one and five years	38,867	19,061	–	57,928
Over five years	11,743	26,318	1,936	39,997
At 31 March 2015	**59,992**	**47,785**	**1,936**	**109,713**
In one year or less	3,840	509	–	4,349
Between one and five years	22,445	12,661	–	35,106
Over five years	9,877	–	2,229	12,106
At 31 March 2014	36,162	13,170	2,229	51,561

Loans repayable by FOP to third party shareholders are repayable in October 2020.

Seven bank loans and three finance leases (all denominated in foreign currencies) totalling £107,777,000 (2014: £49,332,000) included within financial liabilities are secured against investment properties owned by the Group and Fprop Opportunities plc (FOP) and the property owned by the Group shown under inventories. These bank loans and finance leases are otherwise non-recourse to the Group's assets.

Notes to the Financial Statements continued
for the year ended 31 March 2015

26. Financial instruments and risk management continued

Bank loans £'000	Matures	Denominated		Capital repayments	Interest repayments
6,953	2015	US Dollar	Non-recourse	$17,675 per month	Annualised rate of one month USD LIBOR plus a margin of 2.83%
3,071	2029	Euro	Non-recourse	€13,700 per month	Annualised rate of six month EURIBOR plus an all in margin of 2.90%
2,529	2033	Euro	Non-recourse	€12,000 per month	3% over three month EURIBOR
8,362	2020	Euro	Non-recourse	€138,000 per quarter	50% of the loan – 3.45% over one month EURIBOR and other 50% fixed at 4.1% for three years
11,977	2019	Euro	Non-recourse	€129,000 per quarter	82% of the loan – 3.4% plus three month EURIBOR and other 18% fixed at 4.245% plus three month EURIBOR
24,055	2018	Euro	Non-recourse	€350,000 per quarter	Payable quarterly fixed at 2.49%
3,045	2024	Euro	Non-recourse	€144,900 per quarter	Annualised rate of three month EURIBOR plus an all in margin of 4.5% Margin
59,992					

Finance leases £'000	Matures	Denominated		Capital repayments	Interest repayments
11,079	2017	Euro	Non-recourse	€59,284 per month	Payable monthly on a floating rate based on an annualised rate of one month EURIBOR plus an all in margin of 2.68%
29,644	2021	Euro	Non-recourse	€173,190 per month	Payable monthly on a floating rate based on an annualised rate of one month EURIBOR plus a margin of 1.30%
7,062	2024	Euro	Non-recourse	€44,806 per month	Annualised rate of one month EURIBOR plus an all in margin of 3.20%
47,785					

Borrowing facilities
At 31 March 2015 the Group had £nil committed borrowing facilities available (31 March 2014: nil undrawn).

27. Related party transactions
First Property Group plc is the parent Company of the Group and the ultimate controlling party. Although the parent Company does not trade it does incur the costs of the Board of Directors and other unallocated central costs. The parent Company also provides finance for funding to member companies of the Group on an unsecured basis. No provision has been charged to income for outstanding balances between the parent Company, its subsidiaries and its associates; and no guarantees given.

27. Related party transactions continued

During the year, Group companies entered into the following transactions with the parent Company, its subsidiaries and its associates.

Related party transactions for the Group	2015 £'000	2014 £'000
Property management fees to associates	**142**	153
Amounts owed by associates at year-end	**22**	31

Related party transactions for the Company	£'000	£'000
Management charge to subsidiaries	**150**	320
Management charge paid to subsidiaries	**200**	–
Profit share charged to subsidiaries	**–**	3,230
Dividends received from subsidiaries during the year	**1,672**	2,562
Net funding transactions with subsidiaries	**7,214**	2,598
Shareholder loan interest receivable from subsidiaries during the year	**125**	37
Shareholder loan interest payable to subsidiaries during the year	**34**	38
Amounts owed by subsidiaries at year-end	**10,649**	15,071
Amounts owed to subsidiaries and associates at year-end	**3,725**	4,187

Key management compensation	£'000	£'000
Short term employee benefits (see note 6)	**2,476**	2,072
Share-based payment (see note 6)	**–**	130

Key managers are the Group Directors.

All transactions were made in the ordinary course of trading or funding of the Group's continuing activities.

All loans made by the Company to UK subsidiary companies totalling £9,058,000 (2014: £9,006,000) are unsecured and are interest free. All loans made by the Company to non-UK subsidiaries totalling £7,897,000 (2014: £1,679,000) are unsecured but interest bearing at commercial rates of interest.

Five year financial summary

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Continuing operations					
Profit before tax	8,083	6,598	3,543	3,969	2,950
Performance fees	3,365	451	–	–	–
Net (borrowings)/cash	(95,537)	(38,053)	(10,772)	(13,747)	(16,738)
Net cash flow from operating activities	7,917	1,377	5,440	4,166	3,154
Net assets (excluding non-controlling interest)	29,925	22,567	18,142	17,087	16,377
Basic earnings per share	7.21p	4.75p	2.31p	2.88p	2.02p
Dividend per share	1.35p	1.12p	1.08p	1.08p	1.06p
Dividend cover	5.3	4.2	2.1	2.7	1.9
Adjusted NAV per share	35.75p	24.80p	21.10p	19.45p	17.44p

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING (the "Meeting") of FIRST PROPERTY GROUP PLC (the "Company") will be held at Cavalry and Guards Club, 127 Piccadilly, London, W1J 7PX on 23 September 2015 at noon for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following resolutions, each of which will be proposed as an Ordinary Resolution:

1. To receive and adopt the Directors' Report and Accounts for the year ended 31 March 2015.

2. To declare and approve a final dividend of 1.00 pence per Ordinary Share of 1 pence each ("Ordinary Share") which makes a total dividend of 1.35 pence per Ordinary Share for the year.

3. To reappoint George Digby as a Director who retires in accordance with Article 97 of the Company's Articles of Association ("Articles") and is entitled to be reappointed in accordance with Article 97 of the Articles.

4. To reappoint Haines Watts as Auditors of the Company to hold office from the conclusion of the meeting until the conclusion of the next General Meeting of the Company at which accounts are laid.

5. To authorise the Directors to determine the remuneration of the Auditors.

Special Business

To consider and, if thought fit, pass the following resolution, which will be proposed as an Ordinary Resolution:

6. That the Directors be and are hereby generally and unconditionally authorised and empowered pursuant to and in accordance with Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares and/or grant rights to subscribe for or to convert any security into shares ("Rights") up to an aggregate nominal amount of £380,604 being 33.33 per cent of the issued share capital of the Company as at 14 July 2015, less shares in treasury, such authority to expire on the earlier of the next Annual General Meeting of the Company held after the date on which this resolution is passed and the date fifteen months after the passing of this resolution, save that the Company may at any time before such expiry make an offer or enter into an agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

   This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot shares or grant Rights but without prejudice to any allotment of shares or grant of Rights already made, offered or agreed to be made pursuant to such authorities.

To consider and, if thought fit, pass the following resolutions, each of which will be proposed as a Special Resolution:

7. That the Directors be and are hereby generally authorised in accordance with Sections 570 and 573 of the Act to allot equity securities (as defined in Section 560 of the Act) of the Company either pursuant to the authority conferred by Resolution 6 above or by way of a sale of treasury shares as if Section 561(1) of the Act did not apply to any such allotment, provided that this authority shall be limited to:

   a. the allotment of equity securities in connection with an offer by the way of rights in favour of the holders of equity securities in proportion (as nearly as may be possible) to the respective number of Ordinary Shares held by them, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems in respect of overseas holders or otherwise; and

   b. the allotment of equity securities for cash or sale by the Company of treasury shares (otherwise than pursuant to Resolution 7 (a)) up to a maximum aggregate nominal amount of £228,385.

   and this authority shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company held after the date on which this resolution is passed and the date fifteen months after the passing of this resolution save that the Company may make an offer or enter into an agreement before such expiry which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to such offer or agreement as if the authority conferred hereby had not expired.

   This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot equity securities but without prejudice to any allotment of equity securities already made, offered or agreed to be made pursuant to such authorities.

8. That in accordance with Article 57 of the Articles and Chapter 4 of Part 18 of the Act and subject to the following provisions of this resolution, the Company be and is hereby generally and unconditionally authorised (pursuant to Section 701 of the Act) to make market purchases (within the meaning of section 693(4) of the Act) of any of its own Ordinary Shares on such terms and in such manner as the Directors may from time to time determine provided that:

   a. the maximum number of Ordinary Shares authorised to be acquired is 11,419,254 (representing just under 10 per cent of the Company's issued Ordinary Share capital as at 14 July 2015);

   b. the minimum price which may be paid for each Ordinary Share is 1 pence (exclusive of expenses);

   c. unless a tender or partial offer is made to all holders of the Ordinary Shares on the same terms, the maximum price (exclusive of expenses) which may be paid for each Ordinary Share shall not exceed, in respect of a share contracted to be purchased on any day, the higher of:
      (i) 5 per cent above the average of the middle market quotation of an Ordinary Share of the Company taken from the AIM Appendix to The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the contract of purchase is made; and
      (ii) the higher of the price of the last independent trade and the highest current independent bid for the Company's shares on the market where the purchase is carried out;

   d. the Company may enter into one or more contracts to purchase Ordinary Shares under this authority before this authority expires which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts;

   e. this authority will (unless renewed, varied or revoked) expire at the conclusion of the next Annual General Meeting of the Company held after the date on which this resolution is passed or, if earlier, on the date twelve months from the date of passing this resolution.

Date: 14 August 2015

By Order of the Board

George R W Digby
Company Secretary

Registered Office:
32 St James's Street
London
SW1A 1HD

Notes to the Notice of Annual General Meeting

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specified that only those members registered on the Company's register of members by:
   - 6.00 pm on 21 September 2015 or,
   - if this meeting is adjourned, at 6.00 pm on the day two business days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. 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 Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. If you have not received a proxy form and intend to vote by proxy at the Meeting please contact Jill Holmes at 32 St James's Street, London, SW1A 1HD as soon as possible.

3. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section.

4. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

5. 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 the proxy form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. Failure to specify the number of shares to which each proxy appointment relates or specifying more shares than the number of shares held by you at the time set out in note 1 above will result in the proxy appointments being invalid.

6. 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 resolution. 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 Meeting.

Appointment of proxy using hard copy proxy form

7. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

   To appoint a proxy using the proxy form, the form must be:
   - completed and signed;
   - sent or delivered to the Company's Registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
   - received by Capita Asset Services no later than 48 hours before the meeting.

   CREST members should use the CREST electronic proxy appointment service and refer to note 8 below in relation to the submission of a proxy appointment via CREST.

   In the case of a member which is a company, the proxy form 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 proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

   In each case the proxy appointment must be received not less than 48 hours before the time for the holding of the Meeting or adjourned meeting together (except in the case of appointments made electronically through CREST) with any authority (or notarially certified copy of such authority) under which it is signed.

Appointment of proxies through CREST

8. As an alternative to completing the hardcopy proxy form, CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from http://www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

    In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's agent (ID: RA 10) by not later than 48 hours prior to the time appointed for the Meeting or adjourned meeting. For this purpose, the time of the receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

    CREST members and, where applicable, their CREST sponsors or voting service provider should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such actions as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

    The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Appointment of proxy by joint members

9. 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 of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

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

    Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

    If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

11. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. 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 Capita Asset Services not less than 48 hours before the time for holding the Meeting or adjourned meeting.

Notes to the Notice of Annual General Meeting
continued

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your 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 proxy appointment will automatically be terminated.

Corporate representatives

12. 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.

Issued shares and total voting rights

13. As at midday on 14 July 2015, the Company's issued share capital comprised 114,192,541 Ordinary Shares of 1 pence each and 658,574 treasury shares. Each Ordinary Share (except the treasury shares) carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company at midday on 14 July 2015 is 114,192,541.

Communication

14. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):
    - calling the Capita Asset Services shareholder helpline on 0871 664 0300 or, if calling from outside the UK on +44 208 639 3399 (calls cost 10 pence per minute plus network extras). The helpline is available between the hours of 9.00am and 5.30pm Monday to Friday excluding public holidays;

    or
    - First Property Group plc on 0207 340 0270 available 24 hours a day, seven days a week.

    You may not use any electronic address provided either:
    - in this notice of Annual Meeting; or
    - any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

Directors and Advisers

Directors
Alasdair J D Locke
(Non-Executive Chairman)

Peter G Moon
(Non-Executive Director)

Benyamin N Habib
(Chief Executive)

George R W Digby
(Chief Financial Officer)

Company Secretary
George R W Digby

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SW1H 9JA
Registered No. 02967020

As from 21 August 2015:
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SW1A 1HD

Website: www.fprop.com

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Oxford
OX5 2DH

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Capita Asset Services
The Registry
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