

## Valuation Report

Eagle House  
Lakeside Business Park  
Broadway Lane  
South Cerney  
Gloucestershire  
GL7 5XL

On behalf of The GBC Pension Scheme

As at 28 July 2016

5&6 Wood Street  
Bath  
BA1 2JQ

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## 1 Executive Summary

The following provides a brief synopsis only and should be read in conjunction with the main body of the Report, the Assumptions and Recommendations contained therein.

### 1.1 Client

The GBC Pension Scheme c/o Cranfords

### 1.2 Property

Eagle House, Lakeside Business Park, Broadway Lane, South Cerney, Glos GL7 5XL.

### 1.3 Summary Description

A detached modern (built 2015) warehouse / industrial unit with office component (total GIA 2,065.54m<sup>2</sup>; 22,234ft<sup>2</sup>), secure yard and on-site parking for 33 cars on a single site extending to 0.375 hectares (0.927 acres).

The Property is let to ProLabs UK and currently producing £146,107pax on near FRI terms.

### 1.4 Tenure

Long leasehold subject to tenancy.

### 1.5 Principal Valuation Considerations

#### Strengths

- Discrete curtilage; Registered Title.
- New build, detached unit; specification; eaves height; thermal & energy efficiencies.
- Secure on-site parking and yard.
- Let on near FRI equivalent terms.
- Income security (to 2022 break date); Tenant Company covenant.
- Modern Business Park with near full occupancy.

#### Weaknesses

- Long leasehold (but mitigated by 999 year Term & peppercorn rent).
- Built up site (landfilled).
- Location; secondary / rural; not a regional employment centre.
- Rent fixed for Term (i.e. to 2028).
- Tenant break option in 2022.

#### Recommendations

- Verification of Title assumptions (s20).
- Verify Planning assumptions re decontaminative works (s15.1 & s18.3).

### 1.6 Valuation

**Market Value 1 (MV1):** £1,610,000 (One Million Six Hundred and Ten Thousand Pounds)  
Long leasehold; subject to tenancy.

**Valuation Uncertainty:** please note our comments at s26 of this Report.

Valuation prepared as at 28 July 2016 for pension fund purposes.

Valuer(s): Graham B H James MRICS FAAV (Partner) RICS Registered Valuer.

Peer Review: C Winnett MA (Cantab) DipArb MRICS FAAV FCI Arb (Partner) RICS Registered Valuer.

Carter Jonas LLP Reference: J0001990

## 2 Client ('Client')

The GBC Pension Scheme  
c/o Cranfords  
The Pavilions  
Cranford Drive  
Knutsford  
Cheshire  
WA16 8ZR

Client Reference: n/a  
Client Contact: Andy Johnson

Neither the whole nor any parts of the Report nor any reference to it may be included in any published document, circular or statement nor published in any way without the Valuer's written approval of the form and content in which it may appear.

## 3 Instructions ('Instructions')

Our Report for pension fund purposes is submitted on the basis of our Terms of Engagement agreed with you (**Appendix 1**).

Our Valuation Report is prepared in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2014 incorporating the IVSC International Valuation Standards (the 'Red Book').

This Report may be investigated by the RICS for the purposes of the administration of the Institution's conduct and disciplinary regulations.

This Report is provided for the stated purpose and for the sole use of the named Client. It will be confidential to the Client and its professional advisors. The Valuer accepts responsibility to the Client alone that the Report has been prepared with the skill, care and diligence reasonably to be expected of a competent Chartered Surveyor but accepts no responsibility whatsoever to any parties other than the Client. Any such parties rely upon the Report at their own risk.

We shall rely upon information provided by the Client and / or the Client's legal or other professional advisors relating to tenure, leases and all other relevant matters.

## 4 Identification and Status of the Valuer ('Valuer')

This valuation has been undertaken by Graham B H James MRICS FAAV (Partner) for and on behalf of Carter Jonas LLP.

We confirm that the Valuer has no known material connection or involvement with the subject of the valuation or the Client.

The Valuer is an RICS Registered Valuer and is in a position to provide an objective and unbiased valuation. The Valuer has sufficient current local knowledge of the particular market together with the skills and understanding required and is competent to undertake the valuation.

## 5 The Subject of the Valuation (the 'Property')

Eagle House, Lakeside Business Park, Broadway Lane, South Cerney, Gloucestershire GL7 5XL.

The Property is a warehouse / industrial unit (Use Classes B1, B2 and B8).

We understand the Property is held as an investment.

## 6 Basis of Value

Market Value (MV) as defined in VPS4 of the 'Red Book' being *'the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'*

## 7 Valuation Date

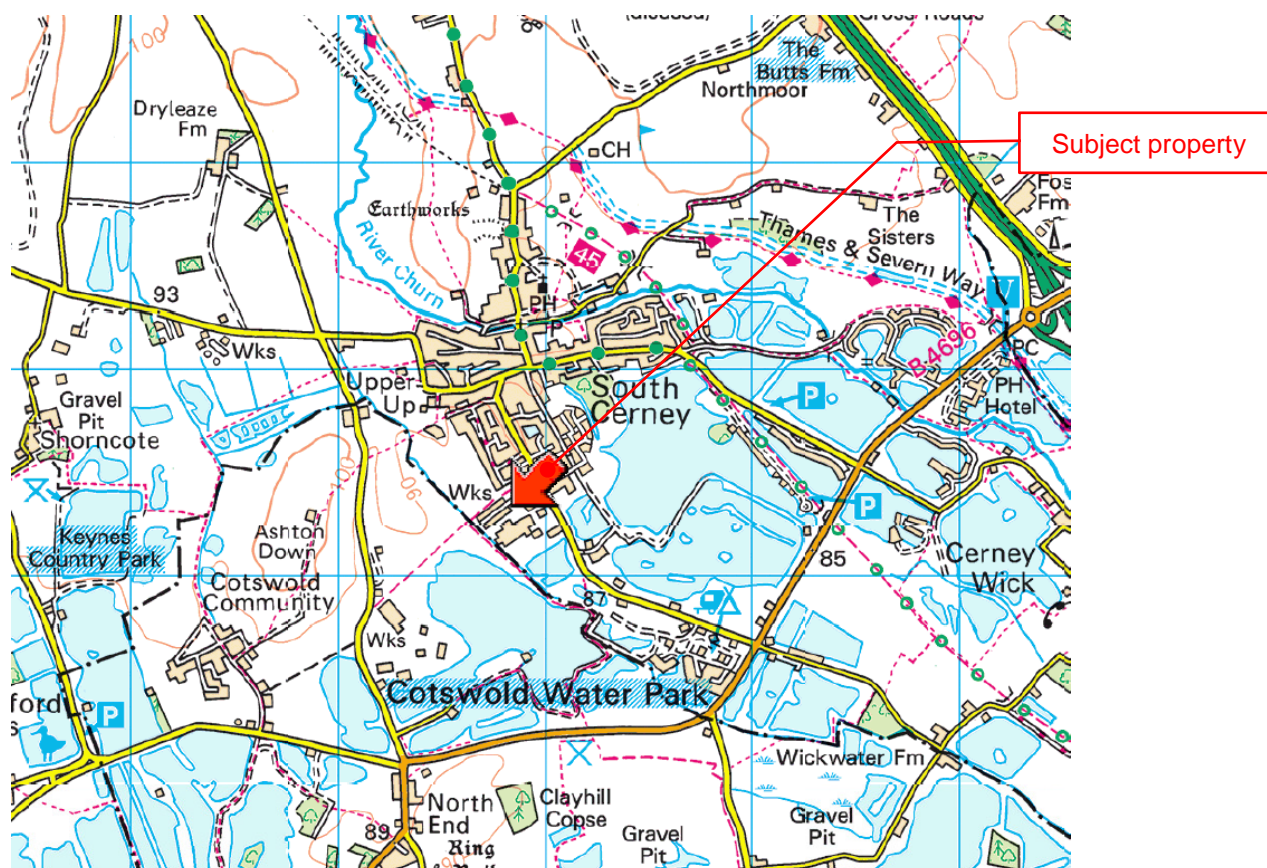
Our valuation is as at 28 July 2016. It should be noted that values change over time and a valuation given on a particular date may not be valid on an earlier or later date.

## 8 Inspection

The Property was inspected on 28 July 2016. We were given full access by a representative of the tenant. The weather was overcast with light rain.

We have assumed there have been no changes in the physical characteristics of the Property between the date of inspection and the publication of the Report.

## 9 Location



The Location Plan (source: Promap) reproduced above is for context only; it is not to scale.

The property is located on a modern purpose built business park (Lakeside Business Park) at the southern edge of the village of South Cerney. The Business Park is on the west side of and accessed



from Broadway Lane (adopted road), the estate's service road not being adopted and privately maintained. Nearby occupiers include Pakeman Catto and Carter, and Bosch Rexroth Ltd. Within the larger business park there is a diverse mix of local and regional occupiers.

South Cerney is a local centre / commuter village with a basic range of amenities these supplemented by the larger towns of Cirencester (market town; 6km) and Swindon (regional employment centre; 15km). The Cotswold Water Park adjoins the village and provides a wide range of leisure based activities / businesses.

The A419 (Gloucester / M5 to Swindon / M4) trunk road is c.3km distant. There are mainline railway stations at Kemble (5km) and Swindon.

For immediate demographic context the Property is within the Cotswold 010B neighbourhood which has a resident population of 2,394 in 1,020 households (source: 2011 Census). In the Index of Multiple Deprivation 2015 the neighbourhood is ranked 26,848 out of 32,844 in England where 1 is the most deprived.

## 10 Description

A detached modern (built 2015) warehouse / industrial unit with office component (total GIA 2,065.54m<sup>2</sup>; 22,234ft<sup>2</sup>), secure yard and on-site parking for 33 cars on a single site extending to 0.375 hectares (0.927 acres).

The Property is let to ProLabs UK and currently producing £146,107pax.

The extent of the Property is indicated on the site plan (HMLR Official Copy of Title Plan) attached at **Appendix 2**.

Photographs taken at the time of our inspection are attached at **Appendix 3**.

## 11 Construction and Specification

The site is level with level access to / from the estate service road and, in part, raised up above the level of adjacent properties. Where raised up it is supported by rock gabions. An open concrete storm water drain is positioned between the estate road and the site's boundary fence. Access is over a culvert.

The warehouse / industrial unit was built in 2015 to a generic design. It is detached, 'L' shaped and of insulated steel portal frame construction with loading canopy, having full height profile metal sheet clad elevations and similarly clad roof incorporating c.20% skylights. Windows and personnel doors are triple glazed powder coated aluminium casements.

The warehouse provides an open plan, interconnecting (2 sections) full height workspace. There is a sealed, reinforced, single level ground floor slab throughout. There are 4 level access loading bays each with motorised panel roller shutter doors (w 4.39m h 5.49m). In addition there are independent steel pedestrian doors / fire exits. The internal eaves height is 6.50m rising to c.8.25m at the ridge. Natural illumination is supplemented by surface mounted LED fittings. Space heating is provided by Powrmatic gas fired warm air heaters (2).

Within the main workspace there is a 2 storey component providing staff room, staff leisure facilities, shower and WC's. This is fully fitted with suspended ceilings. Heating is provided by a Gloworm combination boiler via a wall mounted wet radiator system.

The main office and ancillary component is 2 storey with a full height firebreak separating it from the warehouse. It is fully fitted for office (mainly first floor) and laboratory use to include air conditioning (fitted by Tenant), carpet and sheet vinyl floor finishes. The walls are plastered and painted. The ground floor has suspended ceilings and the first floor is open to the ridge. There is LED lighting throughout. The majority of the ground floor does not have natural lighting.

There is an intruder alarm with PIR detectors, fire alarm and smoke detectors, CCTV site coverage and secure access (electronic key pad) between internal areas.

The yard and parking area has a brick paviour surface with parking bays marked. Boundaries are demarcated by 3.00m galvanised steel palisade fence with automated gate entry on the estate road frontage, building elevations and lower level palisade fence / rock gabions on the remaining boundaries. The culvert over the storm water drain has a concrete surface.

The Valuation includes plant and machinery, fixtures and fittings which would normally form an integral part of the building.

## 12 Accommodation

The accommodation available at the Property is as follows:

Floor / Use	m <sup>2</sup>	ft <sup>2</sup>
<u>Ground Floor</u>		
Warehouses / workshop, lab room, reception, photography room, meeting room, kitchen / staff room, gym, boiler room, server room, WCs and showers.	1,623.46	17,475
<u>First Floor</u>		
Offices (meeting rooms and kitchenette), staff games room and television room.	442.08	4,759
<b>Total Gross Internal Area (GIA)</b>	<b>2,065.54</b>	<b>22,234</b>

The above are derived from measurements taken on site.

The total site area is 0.375 hectares (0.927 acres) and the built site coverage estimated to be 40%.

The site area has been calculated electronically using digital mapping.

All measurements are approximate and calculated in accordance with the RICS Property Measurement (incorporating International Property Measurement Standards) 1<sup>st</sup> Edition May 2015.

## 13 Services

Electricity	Mains; 3 phase
Water	Mains
Foul Drainage	Mains
Gas	Mains
Broadband / Telephone	Connected

Written confirmation has not been obtained from the service providers and we are unable to Report on condition or offer any warranty.

## 14 Apparent State of Repair

This Report in no way relates to, or gives warranties as to, the condition of the structure, foundations, soil and services. Our valuation has taken account of the general condition of the Property as observed from the valuation inspection.

Due regard has been paid to the apparent state of repair and condition of the Property, but a building survey has not been undertaken. We have not inspected roof voids or those parts of the Property

which are covered, unexposed or inaccessible. Therefore, we are unable to Report that the Property is structurally sound or is free from any defects. We have made an assumption that the Property is free from structural faults, design defects, rot, infestation and adverse toxic chemical treatments other than as mentioned herein.

At the date of inspection, the buildings appeared to be in a generally reasonable state of repair commensurate with their age and use. No urgent or significant defects or items of disrepair were noted which would give rise to substantial expenditure in the foreseeable future or which fall outside the scope of the normal annual maintenance programme were visible from this limited form of inspection.

Subject to appropriate ongoing maintenance and repair the building(s) can reasonably be expected to have a minimum economic lifespan of 25 years.

## **15 Contamination / Environmental Issues**

### **15.1 Contamination**

We have been instructed not to make any investigations, in relation to the presence or potential presence of contamination in land or buildings, and to assume that if investigations were made to an appropriate extent then nothing would be discovered sufficient to affect value. We have not carried out any investigation into past uses, either of the Property or any adjacent land, to establish whether there is any potential for contamination from such uses or sites, and have therefore assumed that none exists. Should it be established that contamination does exist, this might reduce the value now reported.

The site is built up, part being filled. The Cotswold District Council recycling depot also adjoins. It is to be relocated.

This report assumes implementation of planning permission 15/00686/FUL to be fully compliant, all remediation works completed in accordance with Condition 4.

### **15.2 Other Environmental Factors**

The Property is shown by the Environment Agency ([www.environment-agency.gov.uk](http://www.environment-agency.gov.uk)) 'Flood Map for Planning' to be outside of the indicative floodplain.

Radon gas is a naturally occurring radioactive gas which is normally associated with areas based upon granite rock subsoils. The area in which the subject Property is situated has not been identified by Public Health England as one in which there is a high risk of radon gas entering properties.

Noting the limits to our inspection no Japanese Knotweed or Giant Hogweed was evident within the boundary of the Property.

### **15.3 Hazardous and Deleterious Materials**

Many building components contain asbestos but these can be difficult to identify particularly if encapsulated. There are significant health hazards associated when ingesting dust containing asbestos fibres. Once asbestos based materials have been identified, care should be taken to avoid their disturbance or removal. Such work should only be undertaken by a licensed asbestos contractor and this can be a significant cost.

The Control of Asbestos Regulations 2012 requires asbestos to be managed in non-domestic premises. The practical effect of this is the imposition of a legal duty on every employer in non-domestic premises to make an assessment (the Asbestos Survey) as to whether asbestos is present or is liable to be present and if so to prepare a plan and for managing the health risks arising (the Management Plan) and keep this up to date as necessary.



As the building is newly constructed after 1999, when asbestos containing materials were banned we have assumed that no asbestos has been used in its construction.

We have assumed that no other deleterious or hazardous materials have been used in the construction of the Property or subsequently incorporated.

## **16 Statutory Enquiries**

### **16.1 Fire Risk Assessment**

The Regulatory Reform (Fire Safety) Order 2005 (SI 2005 No. 1541) came into effect on 1 October 2006. This requires the responsible persons for all non-domestic properties to prepare a Fire Risk Assessment (FRA).

During our inspection we were advised that an FRA had been completed and we assume that the recommendations therein have been implemented.

### **16.2 Equality Act 2010**

The Equality Act 2010 has replaced Part 3 of the Disability Act 2005. It imposes a duty on employers and businesses offering a service to the public to make reasonable changes to practices and procedures to enable disabled people to do their jobs, or remove or alter any feature that makes it impossible or unreasonably difficult for a disabled person to make use of the service provided. The duty of compliance rests with the occupier.

During our inspection we were advised that a Disability Discrimination Audit had been completed and we assume that the recommendations therein have been implemented.

We noted there to be level access to all ground floor areas and the ground floor to be at a single level throughout. There is stair access only to the first floor offices. There is a disabled persons WC.

### **16.3 Energy Performance Certificate**

In England and Wales the Government has implemented the Energy Performance of Buildings Directive requiring Energy Performance Certificates (EPC) to be made available for all properties (with limited exceptions), residential and commercial, when bought, sold or rented. The Certificate is valid for ten years and includes an Energy Efficiency Rating between A (most efficient) and G.

We have obtained a copy (**Appendix 4**) of the EPC from [www.ndepcregister.com](http://www.ndepcregister.com) which states the Property to be rated C.

## **17 Local Authority**

Cotswold District Council  
[www.cotswold.gov.uk](http://www.cotswold.gov.uk)

## **18 Planning**

### **18.1 Planning Enquiries**

We have made online enquiries of the Local Planning Authority and in so doing have assumed that all information obtained is correct and accurate.

### **18.2 Local Planning Policy**

The Cotswold District Local Plan 2001-2011 was adopted in April 2006, replacing the Local Plan adopted in August 1999. The majority of the current Local Plan's policies are saved indefinitely or until they are replaced by the emerging Local Plan 2011-2031 and associated documents.

The following policies directly affect the subject Property:

- Development Boundaries (Policy 18).
- Employment Area (Policy 24).

The above are supportive of the B Class Use in this location.

### 18.3 Planning Permissions / Listings

We summarise below the relevant planning history as per the Local Planning Authority website:

- 15/00686/FUL is a planning permission dated 19 May 2015 for '*erection of Industrial unit B1, B2, and B8 use*'. This has been implemented. Condition 3 states that the application site shall be used only for B1, B2 and/or B8 use (s) and for no other purpose(s). Condition 4 refers to remediation works.
- 15/03035/COMPLY is a planning permission dated 12 July 2016 '*erection of Industrial unit B1, B2, and B8 use - compliance with conditions 4 (contamination) and 7 (samples)*'.

Copies of the above decision notices are attached under **Appendix 5**.

There appear to be no more recent decision notices or applications pending determination.

The National Heritage List for England ([www.historicengland.org.uk](http://www.historicengland.org.uk)) shows the Property is not within the curtilage of a building listed as a building of special architectural or historic interest.

We have assumed that the lawful use of the Property at the date of our inspection was Use Classes B1, B2 and B8 (business, general industry, and storage or distribution).

### 18.4 Potential for Change of Use

We do not consider there to be an alternative use for which a planning consent would be forthcoming which would generate a value higher than that now reported.

## 19 Local Taxation

We have ascertained from the Valuation Office Agency (VOA) website that the entry in the 2010 Rating List at the Valuation date is as follows:

Assessment no.: 7004133906000  
Description: Warehouse and premise  
Rateable Value: £102,000

The current multiplier, for the financial year 2016/17, is 49.3p. The rates payable may be subject to relief and / or phasing provisions.

The Rating (Empty Properties) Act 2007 introduced legislation resulting in the owners of vacant premises becoming liable for business rates after an initial void relief period of 6 months for industrial premises or 3 months for other Property types. There are some exceptions to include Listed buildings and premises with a very low rateable value.

## 20 Tenure

We are instructed to value the long leasehold interest in the Property subject to an occupational lease.

We have obtained the Official Copy of Register of Title and Title Plan (Title No GR283082; **Appendix 2**). The short form long lease summary is given as:

Date: 29 August 2004  
Term: 999 years  
Commencing: 29 August 2004

We have not sighted a copy of the completed long lease. We understand the permitted use to be Use Classes B1, B2 & B8 or a road haulage depot or any other Use approved by the Landlord. For the purpose of this report we have assumed it not to impose any unduly onerous restrictions on use and the rent a peppercorn, if demanded. Your legal adviser should verify this.

We have obtained a copy (attached at **Appendix 6**) of the completed occupational lease from [www.landregistry.org.uk](http://www.landregistry.org.uk), the principal terms of which are summarised below:

Date of Lease	04 January 2016
Landlord	Glenn Brooks as Trustee of the GBC Pension Scheme
Tenant	Prolabs (UK) Limited
Demise	Eagle House, Lakeside Business Park
Term	12 Years
Commencing	04 January 2016 (expiring 03 January 2028)
Repairs	Tenant full repairing liability except that the roof and inherent defects are excluded
Insurance	Landlord insures the building and tenant reimburses the premium by way of an Insurance Rent.
User	Within Use Class B1 and B8
Alienation	Assignment of the whole only, sub-let as a whole or part, with Landlords written consent; not to be unreasonably withheld or delayed. The Tenant may share occupation of the Property with any company that is a member of the same group (within the meaning of section 42 of the 1954 Act) as the Tenant for as long as that company remains within that group.
Current Rent	£146,107pa excl.
Rent Review	None in Term.
Break Clause	Tenant only; 03 January 2022 subject to 6 months prior written notice.
Security of Tenure	Within the security of tenure provisions of the LTA 1954 (s.24-28).
Service Charge	Tenant to pay a due proportion of costs for repairing the estate road and service media serving the property etc.

There appear to be no 3<sup>rd</sup> Party rights of way through the curtilage.

We have assumed that the property has a full and unencumbered right of way over the estate road subject to payment of the estate charge.

We have not inspected the deeds of the Property and for the purposes of our valuation have assumed that they contain no onerous terms, restrictions, covenants, encumbrances or outgoings that would adversely affect the usual value and that good title can be shown.

We have assumed that the Property and its value are unaffected by any matters which will be revealed by a local search and replies to the usual enquiries, or by any statutory notice, and that neither the Property nor its condition, nor its use, nor its intended use is or will be unlawful.

## 21 VAT and Taxation

We have not made any adjustments to reflect any liability to taxation that may arise on disposal, nor for any costs associated with disposal incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposal.

We have not been able to ascertain the VAT status of the Property and have accordingly assumed that VAT would not be payable on the values now Reported.

## 22 Current Reinstatement Cost

- Not requested.

## 23 Special Assumptions

As agreed with the Client the following Special Assumption(s) have been made:

- None instructed.

## 24 Summary of Recommendations

- Verify Title assumptions (s20).
- Verify Planning assumptions re decontaminative works (s15.1 & s18.3).

## 25 Market Conditions

The persistent lack of speculative development has been a key factor in maintaining a short supply to the marketplace. Some developer's will start to capitalise on this but the rental return relative to build costs is still a constraint to bringing new space forward. A substantive change in supply in the regional market place seems unlikely in the short to midterm.

Investor demand has improved; there is greater investor willingness to move up the risk curve which should result in improved capital growth. The short market supply and perception of better value have been key to this.

There are 'improved' levels of funding for new or good quality secondhand investments compliant with modern building regulations in sustainable locations. Whilst interest in secondary and older stock has 'improved' there is still a significant discount relative to the upper end of the market. This disparity seems likely to remain, values in the lower end of the market becoming more linked to the potential for redevelopment.

At a local level (Swindon and wider catchment) the lack of land supply and limited speculative new build development is the predominant feature of the market. This, in generic terms, is supportive of pricing and will likely encourage refurbishment of second hand stock. There remains a supply of dated, secondary / tertiary premises a number of which are likely to require retro-fitting to become compliant within minimum EPC requirements.

South Cerney will rank below Swindon as an employment location, the latter being a principal regional employment centre aligned to the M4. As a 'secondary' location Market Value and Market Rents in South Cerney are more responsive (less robust) to prevailing UK economic conditions. The recent recessionary period demonstrated this. Market conditions and occupier demand have since improved and are, at the valuation date, relatively buoyant. Whilst rents are increasing, incentives are, not surprisingly, still in decline with rarely more than four to six weeks granted per guaranteed year of the lease. The recent letting of the subject property reflects the upper end of the rent spectrum for type and location. Units situated in South Cerney and Cirencester, although considered to be a secondary location to Swindon, are in fact, becoming more popular due to relative affordability.

For wider context the Q2 2016 RICS UK Commercial Property Market Survey shows *a significant deterioration in market sentiment following the Brexit vote. The heightened sense of caution is visible across both investment and occupier sides of the market, with uncertainty pushing rental and capital value projections into negative territory. Whether or not the adverse hit to sentiment is a knee-jerk reaction that will unwind as the result is digested, or the start of a more prolonged downturn, remains to be seen.*

*On a UK-wide basis, occupier demand failed to rise for the first time since 2012. The headline net balance fell from +21% previously to a reading of zero in Q2. Declines were reported in the office and retail areas of the market but demand proved somewhat more resilient across the industrial sector. The regional breakdown shows the occupier demand gauge moderated across all parts of the country, although the shift was most noticeable in London. Alongside this, availability remains constricted, with the supply of leasable space more or less unchanged in the office and retail sectors during Q2, while industrial availability continued to decline.*

*Worries over a potential hit to business confidence, caused by political and economic uncertainty, appear to be reflected in respondents' rental outlook. This is especially the case over the shorter term. Indeed, the headline three month rent expectations net balance dropped from +26% to -7% in Q2. The office and retail sectors experienced the steepest decline, with the reading for both now comfortably in negative territory. In the industrial sector, although the net balance softened notably, it remains positive given the very tight supply and demand conditions. When the results are disaggregated, the rental outlook is most negative in London. Over the next twelve months, rents are projected to fall by around 3% at the all-sector level. Within this, rents across the secondary retail sub market are expected to come under the most significant downward pressure.*

*The weakness in demand is perhaps even more visible on the investment side of the market. During Q2, the investment enquiries series fell sharply, posting a net balance of -16% (down from +25% in Q1). What's more, all traditional sectors covered in the survey experienced a drop-off in investor interest. Foreign investor demand declined at an even greater rate, as the net balance fell to -27%. While respondents in virtually all parts of the UK noted a decline in overall investment enquiries, the trend was again most pronounced in London. In fact, at -41%, the investment enquiries gauge for the capital was the weakest since 2009.*

*Back at the UK-wide level and, despite a softening demand backdrop, the supply of property for investment purposes still remains tight. Indeed, investable stock reportedly declined for an eighth consecutive quarter. In keeping with trends over much of the past two years, the lack of supply remains most apparent in the industrial sector. Even though low supply will provide a certain degree of support to prices, respondents do now expect capital values to fall over the year ahead across almost all areas of the market. Prime industrial assets are the sole exception, where the outlook is flat for the time being. At the other end of spectrum, values in the secondary retail and office segments are expected to see the steepest decline, recording a net balance of -29% and -23% respectively.*

*In London, twelve month capital value expectations are steeped in negative territory across the board. A net balance of -35% more surveyors anticipate a decline in all-property prices over the next year. As recently as the fourth quarter of last year, a balance of +73% more respondents expected capital values to rise (rather than fall) on a twelve month basis. Elsewhere, twelve month price projections are mostly negative across secondary markets while respondents expect prime segments to hold up a little better. At the three year time horizon, however, all areas (with the exception of Scotland and London) are projected to see capital values return growth.*

*Although opinions are mixed, the largest share of respondents across the UK (36%) feel the market is now in the early stages of a downturn. All parts of the UK saw an increase in the proportion of contributors sensing the market is turning down. London exhibits the highest proportion, with 54% of respondents taking this view.*

*In an extra question included in the Q2 survey, respondents were asked their views on the potential impact of the changes to Stamp Duty contained in the March 2016 budget (a new marginal system was introduced). Across the UK, the majority of contributors (57%) feel the change is likely to have little impact on transaction volumes, while 24% believe it could reduce volumes. Only 4% expect the policy to boost transactions, with 15% unsure either way. In the capital, the proportion who feel the new regime will reduce transactions came in a little higher than the national average, at 43%. That said, a significant share (42%) think it will have little impact. When asked if the higher tax payable on property purchases over £1.05million will be reflected in lower deal prices, 50% responded 'Yes', 31% answered 'No', and 19% did not know. The West Midlands (70%), Northern Ireland (65%) and the*

*South East (61%) displayed the highest proportion of respondents who sense the higher tax burden will reduce deal prices.*

## 26 Valuation Approach and Reasoning

The comparable approach has been adopted with due regard to the investment methodology.

The following open market transactions have been considered to establish the parameters of this report:

### Freehold & Long Leasehold Investment Sales

- 16 Edinburgh Way, Leafield Industrial Estate, Corsham: a detached modern industrial unit on a 1.3acre site. GIA 16,802ft<sup>2</sup>. Let in 2010 on a 10 year lease. The rent was reviewed in 2015 for £75,000pax equating to £4.94 / ft<sup>2</sup>. The investment is under offer in July 2016 for £950,000 reflecting a NIY 7.47%. *Let to a strong covenant.*
- Units 7-8, 10-11 & 14-15 Cirencester Office Park: Modern 3 storey office building, NIA 9,986ft<sup>2</sup>. Allocated parking. Unexpired leases for 3-9 years, part let to BAE Systems International. Total passing rent of £146,064pax. Sold Q2 2015 for £1,620,000 reflecting NIY 8.49%. *Offices in Cirencester.*
- Bumpers Way, Bumpers Farm Trading Estate, Chippenham, SN14: Detached industrial / warehouse of 42,293ft<sup>2</sup> let to a single tenant with a passing rent of £232,850pax. Sold Q2 2015 for £2,750,000 reflecting a NIY of 8.00%.
- Unit B Athena Avenue, Swindon SN2 8DX. Modern mid-terrace trade counter unit within an established employment area. GIA: 11,947ft<sup>2</sup> plus parking. Let to Screwfix Direct Ltd on an FRI lease expiring May 2021 at £58,810pax, subject to 8 months' rent free June 2016 to January 2017. Sold (Q3 2014) for £680,000 reflecting NIY: 7.38% (after deduction of rent free period).
- Bumpers Way, Bumpers Farm Trading Estate, Chippenham, SN14: Detached industrial / warehouse of 50,041ft<sup>2</sup> let to a single tenant for 10 years with a passing rent of £175,000pax. Sold Q4 2013 for £1,350,000 reflecting a NIY of 12.23%. Slightly dated as a comparable.

### Lettings

- Subject property: Let in January 2016 for £146,107 reflecting £6.57 per ft<sup>2</sup> (overall).
- Unit C11 Lakeside Business Park, South Cerney: Modern terrace light industrial unit GIA 2,034ft<sup>2</sup>. Allocated parking. Let Q4 2015 on a 3 year lease for £12,015pax reflecting £5.91 per ft<sup>2</sup>.
- Unit 4, Cirencester Business Park, Cirencester: An older mid-terrace single storey workshop and offices. GIA 4,045ft<sup>2</sup>. 8 no. car parking spaces. Let Q4 2015 for £20,000pax reflecting £4.95 per ft<sup>2</sup>.
- Unit 4, Global Business Park, Cirencester: New build industrial unit in an established employment area. GIA: 2,980ft<sup>2</sup>. Let (Q2 2015) at £24,000pax equating to £8.05 per ft<sup>2</sup>.
- Unit 3, Chesterton Link, Cirencester: Modern end-terrace trade counter / warehouse. Situated in an edge-of-town location. GIA: 2,120ft<sup>2</sup>. Let (Q4 2014) at £12,750pax equating to £5.71 per ft<sup>2</sup>.
- Unit 4, The Corinium Centre, Love Lane Industrial Estate, Cirencester: Modern semi-detached industrial unit. GIA 14,677ft<sup>2</sup>. Let (Q3 2014) at £66,000pax equating to £4.50 per ft<sup>2</sup>.

Noting the above the relative property attributes are considered to be:

### Strengths



- Discrete curtilage; Registered Title.
- New build, detached unit; specification; eaves height; thermal & energy efficiencies.
- Secure on-site parking and yard.
- Let on near FRI equivalent terms.
- Income security (to 2022 break date); Tenant Company covenant.
- Modern Business Park with near full occupancy.

#### Weaknesses

- Long leasehold (but mitigated by 999 year Term & peppercorn rent).
- Built up site (landfilled).
- Location; secondary / rural; not a regional employment centre.
- Rent fixed for Term (i.e. to 2028).
- Tenant break option in 2022.

Prolabs (UK) Limited (Company No.: 08196598) was incorporated on 30 August 2012. It is principally engaged in the wholesale of computers, computer peripheral equipment and software. It has a current credit rating of 76 / 100 (Very Low Risk) and a credit limit of £150,000 (Creditsafe Report attached at **Appendix 7**).

The above noted we have calculated Market Value as follows:

Rent receivable	£146,107	Reflects £6.57 / ft <sup>2</sup> overall; considered to be realistic for a new build unit however on the higher end of the scale when noting it is fixed for the whole Term.
YP at 8.50%	<u>11.7647</u>	Reflective of identified 'strengths & weaknesses'; moved out to reflect rent being fixed to 2028.
	£1,718,905	
Less Purchaser's Costs	(£30,940)	@ 1.8%
Less SDLT	<u>(£75,445)</u>	slab rates
	£1,612,520	
Market Value 1 (MV1)	£1,610,000	Rounded; NIY 8.55%; GIY 9.07%

MV1 assumes an unconditional sale i.e. no additional restrictions on use, overage or development uplift clause. If imposed these could reduce the realisable value.

**Valuation Uncertainty:** Following the EU referendum held on 23 June 2016 concerning the UK's membership of the EU, a decision was taken to exit. We are now in a period of uncertainty in relation to many factors that impact the property investment and letting markets. Since the Referendum date it has not been possible to gauge the effect of this decision by reference to transactions in the market place. The probability of our opinion of value exactly coinciding with the price achieved, were there to be a sale, has reduced. We would, therefore, recommend that the valuation is kept under regular review and that specific market advice is obtained should you wish to effect a disposal.

## 27 Valuation

### Market Value 1 (MV1) – long leasehold subject to occupational lease

We are of the opinion that subject to the Assumptions in this Report the Market Value as at the valuation date was £1,610,000 (One Million Six Hundred and Ten Thousand Pounds) exclusive of VAT.

**Valuation Uncertainty:** please note our comments at s26 of this Report.

This Report and valuation has been carried out by Graham B H James MRICS FAAV (Partner) RICS Registered Valuer qualified for the purpose.



.....



..... Peer reviewed by Clare E M Winnett MA (Cantab) DipArb MRICS FAAV  
(Partner) a RICS Registered Valuer

For and on behalf of Carter Jonas LLP  
Date of Report: 02 August 2016  
Carter Jonas LLP Reference: J0001990

**Appendix 1**

Terms of Engagement; countersigned copy

# Carter Jonas

5 & 6 Wood Street  
Bath  
BA1 2JQ

The GBC Pension Scheme  
c/o Cranfords  
The Pavilions  
Cranford Drive  
Knutsford  
Cheshire  
WA16 8ZR

T: 01225 747247  
F: 01225 747259

Your ref: n/a  
Our ref: gbhj

By email only [emma.d@cranfords.biz]

20 July 2016

Dear Emma

## COMMERCIAL PROPERTY VALUATION

**Client:** The GBC Pension Scheme  
**Property:** Eagle House, Lakeside Business Park, Broadway Lane, South Cerney, Gloucestershire, GL7 5XL  
**Purpose:** Pension fund  
**Interest:** Long leasehold  
**Type / Use:** Warehouse (Use Class B8) with offices (Use Class B1a)

Further to our recent correspondence with Mr Glenn Brooks we write as requested by him, to confirm this firm's instructions to undertake a valuation of the above detailed property. The valuation will be completed in accordance with the appropriate sections of the current RICS Professional Standards (PS) and RICS Global Valuation Practice Statements (VPS) contained in the RICS Valuation – Professional Standards 2014 incorporating the IVSC International Valuation Standards (the 'Red Book').

As discussed, this firm's fee will be £1,250 plus VAT. We reserve the right to charge interest at the rate of 2% per month (or at the statutory rate for business clients if greater), on all amounts that are overdue for payment for a period exceeding 14 days from the date of the invoice.

We are required to confirm the following details prior to submission of our Report. We would be grateful if you could sign the enclosed copy of this letter and return it to us. Please note that we will be unable to release the Report until this has been received.

### 1. Basis of Value

Market Value (MV) as defined in VPS4 of the 'Red Book' being *'the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'*

Market Rent (MR) as defined in VPS4 of the 'Red Book' being *'the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'*

### 2. Valuation Date

Date of inspection (28 July 2016).

3. Status of the Valuer and Disclosure of Involvements

The valuation will be undertaken by Graham B H James MRICS FAAV (Partner) for and on behalf of Carter Jonas LLP.

We confirm that the Valuer has no known material connection or involvement with the subject of the valuation or the client.

The Valuer is an RICS Registered Valuer and is in a position to provide an objective and unbiased valuation. The Valuer has sufficient current local knowledge of the particular market together with the skills and understanding required and is competent to undertake the valuation.

4. Currency to be Adopted.

£ GBP

5. Assumptions or Departures

In preparing the report, unless otherwise stated by the Valuer, the following assumptions will be made which the Valuer shall be under no duty to verify:

- 5.1 No harmful or hazardous material has been used in the construction of the property or has since been incorporated and that there is no contamination in or on the ground, and it is not landfilled ground.
- 5.2 That good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing.
- 5.3 That the property and its value are unaffected by any matters which would be revealed by a local search and replies to the usual enquiries, or by any statutory notice, and that neither the property, nor its condition, nor its use, nor its intended use, is or will be unlawful.
- 5.4 That inspection of those parts that have not been inspected would not reveal a material defect nor cause the Valuer to alter the valuation materially.
- 5.5 Unless otherwise stated, that no contaminative or potentially contaminative uses have ever been carried out on the property and that there is no potential for contamination of the subject property from past or present uses of the property or from neighbouring property.
- 5.6 Unless stated to the contrary we shall assume that all uses evident at the time of our inspection are fully authorised and are not in contravention of any planning permission or any condition(s) and that all necessary statutory requirements including, but not limited to, planning, building regulations, environmental, employment, fire, health and safety have been complied with.
- 5.7 There have been no changes in the physical characteristics of the property between the date of our inspection and the publication of our report.
- 5.8 The valuation will only take into account those items of plant and machinery which primarily provide services to the land and buildings and which the open market regards as an integral part of the property.

6. Special Assumptions

None instructed.

7. Extent of Investigations

The Valuer will carry out inspections and investigation to the extent necessary to produce a valuation, which is professionally adequate for its purpose.

Unless agreed otherwise with the client:

- 7.1 The Valuer will undertake a visual inspection of so much of the exterior and interior of the property as is accessible with safety and without undue difficulty, as can be seen whilst standing at ground level within the boundaries of the site and adjacent public / communal areas and whilst standing at the various floor levels, which the Valuer considers reasonably necessary to provide the Valuation, having regard to its purpose.
- 7.2 The Valuer will have regard to the apparent state of repair and condition of the property but would not carry out a building survey nor inspect roof voids, raise boards, move anything or those parts of the property, which have been covered, unexposed or inaccessible. Such parts will be assumed to be in good repair and condition. The Valuer will not be under a duty to use a moisture detecting meter or arrange for the testing of electrical, heating, plant or other services.
- 7.3 If the Valuer's inspection suggests that there may be material hidden defects the Valuer will so advise and may exceptionally defer submitting a final report until the results of further investigations are available.
- 7.4 We will rely upon public access website and verbal information obtained from the relevant local planning or municipal authority which will be assumed to be correct. No responsibility can be accepted for any misstatement of omission in information supplied to us at the time of our enquiries. No formal search of planning registers will be made. We will provide details on entries in the valuation lists but will not advise as to the current validity of the District Valuer's assessment, nor any potential liability for retrospective payments.
- 7.5 The report will not identify the existence of contamination unless, by agreement with the client, reports thereon from others have been obtained and made available to the Valuer, who will have no liability in respect thereof. If, however, the Valuer in the course of the Valuation inspection concludes that there may be material contamination, the Valuer will report this to the client with a view to a decision being taken as to whether the Valuers instructions are to be amended.
- 7.6 We will not provide an assessment of reinstatement costs for insurance against fire and other perils.

#### 8. Nature and Source of Information to be relied upon

The Valuer shall, unless otherwise expressly agreed, rely upon information provided by the client and / or the client's legal or other professional advisors relating to tenure, leases and all other relevant matters.

The Valuer accepts no responsibility or liability for the true interpretation of the client's legal title in the property.

#### 9. Consent to Publication

Neither the whole nor any parts of the report nor any reference to it may be included in any published document, circular or statement nor published in any way without the Valuer's written approval of the form and content in which it may appear.

#### 10. Limitations

The report will be provided for the stated purpose and for the sole use of the named client. It will be confidential to the client and their professional advisors. The Valuer accepts responsibility to the client alone that the report will be prepared with the skill, care and diligence reasonably to be expected of a competent Chartered Surveyor but accepts no responsibility whatsoever to any parties other than the client. Any such parties rely upon the report at their own risk.



This contract is subject to English Law. Both Parties submit to the jurisdiction of the English Courts.

## 11. Complaints Procedure

Carter Jonas LLP is regulated by the RICS. A copy of the Carter Jonas LLP Complaints Handling Procedure can be made available on request.

## 12. Professional Indemnity Insurance (PII)

Carter Jonas LLP has PII cover in accordance with RICS requirements..

## 13. Compliance

This report may be investigated the RICS for the purposes of the administration of the Institution's conduct and disciplinary regulations.

## 14. Duty of Care

You acknowledge that any duty of care which an individual Chartered Surveyor / Valuer would otherwise owe to you, whether he / she be a partner, associate or an employee of Carter Jonas LLP, is specifically excluded on the basis that you are entirely relying on the duties owed to you by Carter Jonas LLP, Chartered Surveyors, as a well established professional practice.

## 15. Data Protection

We will collect and use certain personal information (including, but not limited to, name, address, contact and property details) relating to you and your advisers in the course of providing our Services. We will treat such information as confidential and will only disclose it to third parties as necessary or advisable in the course of the Services. If you believe that the information that we hold about you is incorrect please contact us. You are entitled to request a copy of the information we hold about you, but we may charge a fee for complying with your request.

## 16. Financial Advice

Nothing in the valuation or advice we provide to you shall constitute financial advice or assistance.

If you have any queries please do not hesitate to contact me.

Kind regards.


Yours sincerely



**Graham B H James MRICS FAAV**  
Partner & RICS Registered Valuer

E: [graham.james@carterjonas.co.uk](mailto:graham.james@carterjonas.co.uk)  
T: 01225 747276  
M: 07801 666108

I / we instruct Carter Jonas LLP to undertake a Valuation on the terms detailed within this letter:

Signed  ..... for and on behalf of Client  
Name ANDY JOHNSON ..... FOR AND ON BEHALF OF CRANFORDS TRUSTEES  
Address 1 THE PAVILIONS ..... LIMITED  
CRANFORD DRIVE .....  
KNUTSFORD, WA16 8LR .....  
Date 22/07/2016 .....

## **Appendix 2**

### HMLR Official Copies of Register of Title & Title Plan



## Official copy of register of title

Title number GR283082

Edition date 07.06.2016

- This official copy shows the entries on the register of title on 29 JUL 2016 at 08:57:24.
- This date must be quoted as the "search from date" in any official search application based on this copy.
- The date at the beginning of an entry is the date on which the entry was made in the register.
- Issued on 29 Jul 2016.
- Under s.67 of the Land Registration Act 2002, this copy is admissible in evidence to the same extent as the original.
- This title is dealt with by Land Registry, Gloucester Office.

## A: Property Register

This register describes the land and estate comprised in the title. Except as mentioned below, the title includes any legal easements granted by the registered lease but is subject to any rights that it reserves, so far as those easements and rights exist and benefit or affect the registered land.

GLOUCESTERSHIRE : COTSWOLD

- 1 (28.06.2005) The Leasehold land shown edged with red on the plan of the above Title filed at the Registry and being Eagle House, Lakeside Business Park, South Cerney, Cirencester (GL7 5XL).
- 2 (28.06.2005) Short particulars of the lease(s) (or under-lease(s)) under which the land is held:  
Date : 29 August 2004  
Term : 999 years from 29 August 2004  
Parties : (1) Glenwood House and Investments Limited  
(2) Jon Shipman and Karen Shipman  
(3) Standard Life Trustee Company Limited
- 3 (28.06.2005) There are excepted from the effect of registration all estates, rights, interests, powers and remedies arising upon, or by reason of, any dealing made in breach of the prohibition or restriction against dealings therewith inter vivos contained in the Lease.
- 4 (28.06.2005) The landlord's title is registered.
- 5 Unless otherwise mentioned the title includes any legal easements granted by the registered lease(s) but is subject to any rights that it reserves, so far as those easements and rights exist and benefit or affect the registered land.
- 6 (25.01.2016) A new title plan based on the latest revision of the Ordnance Survey Map has been prepared.

## B: Proprietorship Register

This register specifies the class of title and identifies the owner. It contains any entries that affect the right of disposal.

Title absolute

## B: Proprietorship Register continued

- 1 (07.06.2016) PROPRIETOR: GLENN BROOKS of 2 Orchid Close, Swindon SN25 3ST as Trustee of the GBC Pension Scheme and CRANFORDS TRUSTEES LIMITED (Co. Regn. No. 09771053) of 2 Orchid Close, Swindon SN25 3ST and of 1 The Pavilions, Cranford Drive, Knutsford, Cheshire WA16 8ZR as Trustees of The GBC Pension Scheme.
- 2 (12.03.2015) The price stated to have been paid on 6 March 2015 was £200,000.
- 3 (12.03.2015) RESTRICTION: No disposition by a sole proprietor of the registered estate (except a trust corporation) under which capital money arises is to be registered unless authorised by an order of the court.
- 4 (12.03.2015) The Transfer to the proprietor contains a covenant to observe and perform the covenants referred to in the Charges Register and of indemnity in respect thereof.
- 5 (12.03.2015) The covenant implied under section 4(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 in the disposition to the proprietor is modified.

## C: Charges Register

This register contains any charges and other matters that affect the land.

- 1 (28.06.2005) A Conveyance of the freehold estate in the land in this title and other land dated 20 March 1946 made between (1) Edward Hill (Vendor) and (2) Philip Patrick Barry (Purchaser) contains the following covenants:-  
  
THE Purchaser hereby covenants with the Vendor that he the Purchaser and the persons deriving title under him will not at any time hereafter search for dig work and excavate any mines or minerals under any part of the property hereby conveyed which remain unexcavated at the date hereof Provided always that the Purchaser shall have the right to search for dig work excavate and carry away gravel for the purpose of making concrete blocks sufficient for one dwellinghouse and out-offices appurtenant thereto which he may hereafter erect upon any part of the said property, but so that this right shall be deemed to be a personal one only, and shall not run with the said property after he shall have parted with the same.
- 2 (28.06.2005) A Transfer of the freehold estate in the land in this title and other land dated 26 June 2001 made between (1) Redland Roofing Systems Limited and (2) Glenwood House Investments Limited contains restrictive covenants.  
  
*NOTE: Copy filed under GR240860.*
- 3 (28.06.2005) An Agreement pursuant to Section 278 of the Highways Act 1980 dated 25 February 2003 made between (1) Glenwood House Investments Limited (2) The Governor and Company of the Bank of Scotland and (3) Gloucestershire County Council relates to the provision of a visibility splay adjacent to Broadway Lane and works ancillary thereto.  
  
The said Deed also contains covenants.  
  
*NOTE: Copy filed under GR240860.*
- 4 (24.09.2015) UNILATERAL NOTICE in respect of an Agreement for Lease dated 15 September 2015 made between (1) Glenn Brooks as Trustee of the GBC Pension Scheme and (2) Prolabs (UK) Limited.  
  
*NOTE: Copy filed.*
- 5 (24.09.2015) BENEFICIARY: Prolabs (UK) Limited (Co. Regn. No. 08196598) of Unit A The Mallards, Broadway Lane, South Cerney, Cirencester, Gloucestershire GL7 5TQ.
- 6 (25.01.2016) The land is subject to the lease set out in the schedule of leases hereto.

Title number GR283082

## Schedule of notices of leases

1	25.01.2016	Eagle House, Lakeside Business Park	04.01.2016 12 years beginning on and including 4/1/2016	GR400595
---	------------	--	---	----------

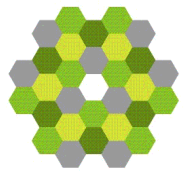
End of register



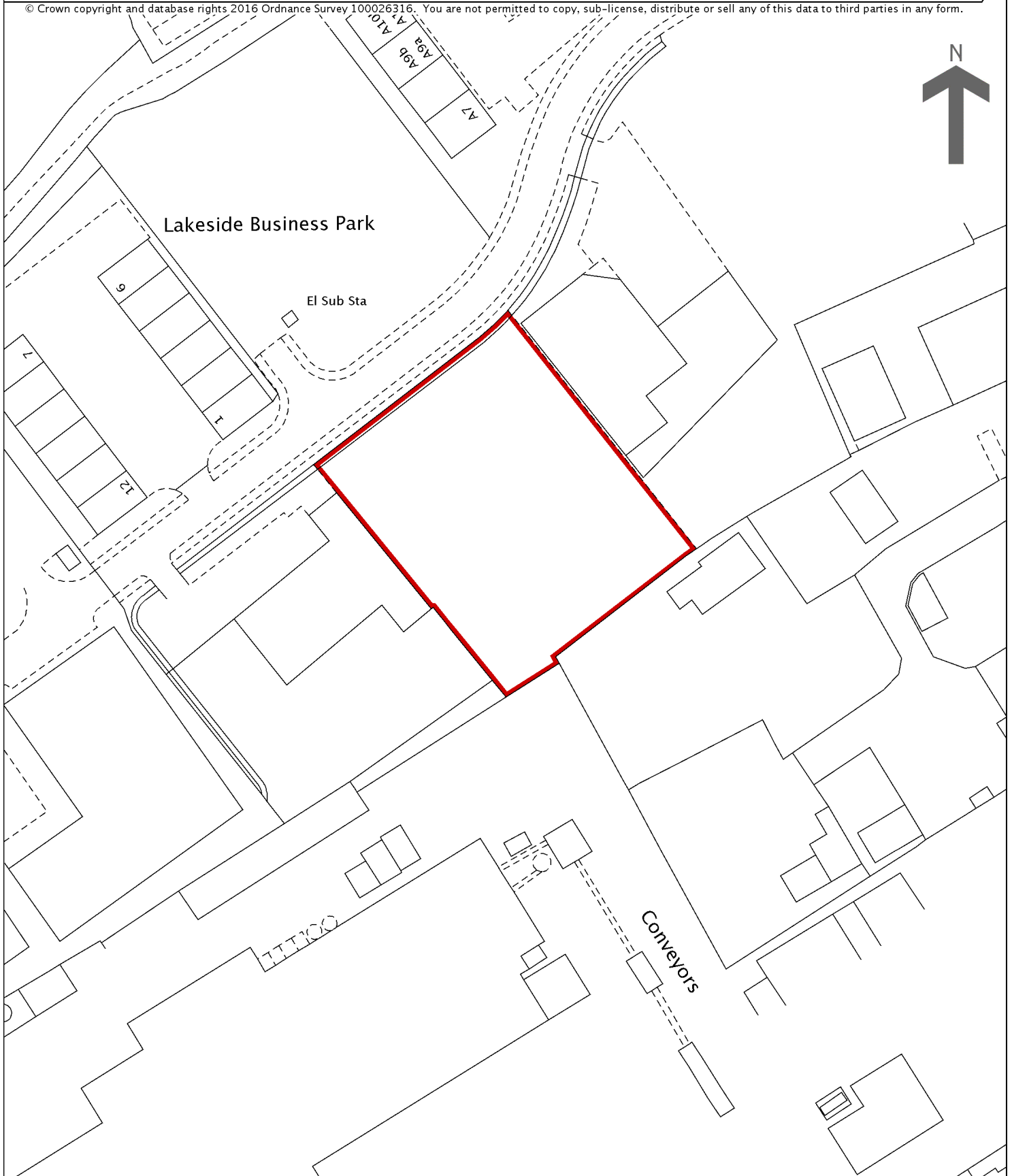
# Land Registry

## Official copy of title plan

Title number **GR283082**  
Ordnance Survey map reference **SU0496SE**  
Scale **1:1250 enlarged from 1:2500**  
Administrative area **Gloucestershire : Cotswold**



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## **Appendix 3**

### Photographs



Front elevations



Front elevation



Front elevation



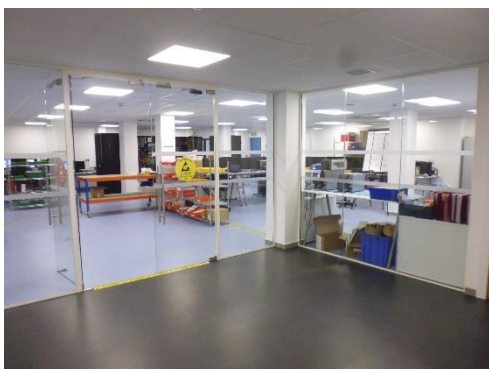
Rear elevation



Warehouse



Warehouse



Ground floor; labs



Ground Floor; reception



First floor; offices



Ground floor; staff room / kitchen



Ground floor; staff gym



First floor; staff area



First floor; staff games room



Street scene and access over culvert

**Appendix 4**

EPC

# Energy Performance Certificate

Non-Domestic Building



Eagle House  
Lakeside Business Park  
South Cerney  
CIRENCESTER  
GL7 5XL

**Certificate Reference Number:**  
0770-0135-4169-7929-7092

This certificate shows the energy rating of this building. It indicates the energy efficiency of the building fabric and the heating, ventilation, cooling and lighting systems. The rating is compared to two benchmarks for this type of building: one appropriate for new buildings and one appropriate for existing buildings. There is more advice on how to interpret this information on the Government's website [www.communities.gov.uk/epbd](http://www.communities.gov.uk/epbd).

## Energy Performance Asset Rating

More energy efficient



..... Net zero CO<sub>2</sub> emissions

**A** 0-25

**B** 26-50

**C** 51-75

**59**

This is how energy efficient the building is.

**D** 76-100

**E** 101-125

**F** 126-150

**G** Over 150

Less energy efficient

## Technical Information

Main heating fuel: Natural Gas  
Building environment: Air Conditioning  
Total useful floor area (m<sup>2</sup>): 1985  
Building complexity (NOS level): 3  
Building emission rate (kgCO<sub>2</sub>/m<sup>2</sup>): 28.14

## Benchmarks

Buildings similar to this one could have ratings as follows:

**32**

If newly built

**95**

If typical of the existing stock

## Green Deal Information

The Green Deal will be available from later this year. To find out more about how the Green Deal can make your property cheaper to run, please call 0300 123 1234.



## Administrative Information

This is an Energy Performance Certificate as defined in SI 2007:991 as amended.

**Assessment Software:** iSBEM v5.2.b using calculation engine SBEM v5.2.b.1

**Property Reference:** 776171940000

**Assessor Name:** Sam Parkes

**Assessor Number:** EES/001713

**Accreditation Scheme:** Elmhurst Energy Systems

**Employer/Trading Name:** P2 Surveyors Ltd

**Employer/Trading Address:** Orchard House, Rendcomb

**Issue Date:** 03 Dec 2015

**Valid Until:** 02 Dec 2025 (unless superseded by a later certificate)

**Related Party Disclosure:** Not related to the owner.

**Recommendations for improving the property are contained in Report Reference Number:** 0797-2194-6940-7190-7503

## If you have a complaint or wish to confirm that the certificate is genuine

Details of the assessor and the relevant accreditation scheme are on the certificate. You can get contact details of the accreditation scheme from the Department's website at [www.communities.gov.uk/epbd](http://www.communities.gov.uk/epbd), together with details of the procedures for confirming authenticity of a certificate and for making a complaint.

## Opportunity to benefit from a Green Deal on this property

The Green Deal can help you cut your energy bills by making energy efficiency improvements at no upfront costs. Use the Green Deal to find trusted advisors who will come to your property, recommend measures that are right for you and help you access a range of accredited installers. Responsibility for repayments stays with the property – whoever pays the energy bills benefits so they are responsible for the payments.

To find out how you could use Green Deal finance to improve your property please call 0300 123 1234.

## **Appendix 5**

### Planning Decision Notices



# COTSWOLD DISTRICT COUNCIL

## TOWN AND COUNTRY PLANNING ACT 1990

### PLANNING PERMISSION

Agent  
Rand Planning Consultancy Ltd  
Cherrytree House  
2 Clardon Lane  
Purton  
Swindon  
Wiltshire  
SN5 4HN

Applicant  
GB Contracts Ltd  
Chelworth Industrial Estate  
Cricklade  
Swindon  
Wiltshire  
SN6 6HQ

**Erection of Industrial unit B1, B2, and B8 use at Lakeside Business Park  
Broadway Lane South Cerney Gloucestershire**

APPLICATION REF: 15/00686/FUL  
FILE REF: CT.2475/2/L

DATE OF DECISION: 19th May 2015

---

### **DECISION NOTICE**

In pursuance of their powers under the above Act, and in accordance with the requirements of the Town and Country (Development Management Procedure) (England) Order 2010, the development has been fully considered and assessed to comply with the relevant policy(ies) contained within the Development Plan as detailed in the section called "**Relevant Policies**", on this certificate.

The Council therefore **PERMITS** the above development in accordance with the details given on the application form and submitted plans which are subject to the following conditions:

1 The development shall be started by 3 years from the date of this decision notice.

**Reason:** To comply with the requirements of Section 91 of the Town and Country Planning Act 1990 as amended by Section 51 of the Planning and Compulsory Purchase Act 2004.

2 The development hereby approved shall be implemented in accordance with the following drawing number(s): 01, 02 (amended May 2015), 03, 04 and H01 A.

**Reason:** For purposes of clarity and for the avoidance of doubt, in accordance with paragraphs 203 and 206 of the National Planning Policy Framework.

3 The application site shall be used only for B1, B2 and/or B8 use (s) and for no other purpose(s).

**Reason:** It is essential that the Local Planning Authority retains control over the use of the development because the site is an allocated employment site in accordance with Cotswold District Local Plan Policy 25 and the National Planning Policy Framework.

4 i) Submission of Remediation Scheme

No development shall take place until a scheme specifying the measures to be taken to address the potential pollutant linkages identified in the Composite Phase II Contamination Report (reference:8714, dated March 2015) has been submitted to and approved in writing by the Local Planning Authority. The scheme must include all works to be undertaken, proposed remediation objectives and remediation criteria, an appraisal of remedial options, and proposal of the preferred option(s), and a timetable of works and site management procedures. The scheme must ensure that the site will not qualify as contaminated land under Part 2A of the Environmental Protection Act 1990 in relation to the intended use of the land after remediation.

ii) Implementation of Approved Remediation Scheme

The Remediation Scheme, as agreed in writing by the Local Planning Authority, shall be fully implemented in accordance with the approved timetable of works and before the development hereby permitted is first occupied. Any variation to the scheme shall be agreed in writing with the Local Planning Authority in advance of works being undertaken. On completion of the works the developer shall submit to the Local Planning Authority written confirmation that all works were completed in accordance with the agreed details.

iii) Reporting of Unexpected Contamination

In the event that contamination is found at any time when carrying out the approved development that was not previously identified it must be reported in writing within 2 days to the Local Planning Authority and development must be halted on the part of the site affected by the unexpected contamination.

An investigation and risk assessment must be undertaken in accordance with the requirements of Environment Agency's Model Procedures for the Management of Land Contamination, CLR 11, and where remediation is necessary a remediation scheme must be prepared, to bring the site to a condition suitable for the intended use by removing unacceptable risks to human health, buildings and other property, and which is subject to the approval in writing of the Local Planning Authority.

**Reason:** To ensure any contamination of the site is identified and appropriately remediated in accordance with Cotswold District Local Plan Policy 5 and the National Planning Policy Framework.

5 The building(s) hereby permitted shall not be occupied until the vehicular parking and turning and loading/unloading facilities have been provided in accordance with the submitted plan drawing no. H01 Rev A, and those facilities shall be maintained available for those purposes thereafter.

**Reason:** To ensure that a safe, suitable and secure means of access for all people that minimises the conflict between traffic and cyclists and pedestrians is provided in accordance with paragraph 35 of the National Planning Policy Framework and Policy 38 of Cotswold District Council Local Plan.

6 The development hereby permitted shall not be occupied until the cycle storage facilities have been made available for use in accordance with the submitted plan 02 and those facilities shall be maintained for the duration of the development.

**Reason:** To ensure that adequate cycle parking is provided, to promote cycle use and to ensure that the opportunities for sustainable transport modes have been taken up in accordance with paragraph 32 of the National Planning Policy Framework and Policy 38 of Cotswold District Council Local Plan.

7 Prior to the construction of any external wall of the development hereby approved, samples of the proposed walling and roofing materials shall be approved in writing by the Local Planning Authority and only the approved materials shall be used.

**Reason:** To ensure that, in accordance with Cotswold District Local Plan Policy 42, the development will be constructed of materials of a type, colour, texture and quality that will be appropriate to the site and its surroundings.

8 The development shall be undertaken in accordance with section 7 of the Flood Risk Assessment dated 13.02.2015.

**Reason:** To reduce any risks of flooding from surface water drainage in accordance with the National Planning Policy Framework.

### **INFORMATIVES :-**

1 All sewage or trade effluent should be discharged to the foul sewer if available subject to the approval of Thames Water Utilities or its sewerage agent.

### **RELEVANT POLICIES & GUIDANCE :-**

The following policies contained within the Development Plan and guidance from National Policies were taken into consideration in the assessment of this proposal:

LPR18 Develop within Development Boundaries  
LPR05 Pollution and Safety  
LPR25 Vitality & Viability of Settlements  
LPR42 Cotswold Design Code  
LPR38 Accessibility to & within New Develop  
LPR39 Parking Provision  
NPPF National Planning Policy Framework

### **Statement in respect of the positive and proactive approach undertaken by the Local Planning Authority**

In accordance with the requirements of paragraphs 186 and 187 of the NPPF, the Local Planning Authority has worked with the applicant(s) in a positive and proactive manner in order to secure sustainable development which will improve the economic, social and environmental conditions of the area.

Your attention is drawn to the NOTES overleaf.

A handwritten signature in black ink, appearing to read 'K. Field'.

Kevin Field  
Planning and Development Manager on behalf of Cotswold District Council

## INFORMATION ABOUT THIS DECISION

This is the Council's formal decision on your application. As your application has been agreed, conditions may have been attached. It is very important that you take careful note of the conditions and comply with them. If there is anything about the decision or conditions that you do not understand, then please contact Customer Services, Cotswold District Council, Trinity Road, Cirencester, Gloucestershire, GL7 1PX Tel 01285 623000.

### ENFORCEMENT

It is very important that you comply with the Council's decision. As your application has been allowed, you must follow the agreed plans carefully and comply with the conditions. It is a developer's responsibility to ensure that the plans granted planning permission and those approved under the Building Regulations are consistent.

If you fail to comply with this Decision Notice, then you could be in contravention of the Town and Country Planning Act 1990 or other legislation. In such circumstances, the Council may well initiate enforcement action.

### APPEALING AGAINST A DECISION

If you disagree with the Council's decision, you can appeal to the Secretary of State against any of the conditions that have been imposed under Section 78 of the Town and Country Planning Act 1990.

The Secretary of State can allow longer for you to lodge an appeal, but only in cases where there are special reasons which excuse the delay in giving notice of appeal.

To appeal, you must complete a form which you can obtain from The Planning Inspectorate, Temple Quay House, 2 The Square, Temple Quay, Bristol BS1 6PN or the Appeals area at [www.planningportal.gov.uk](http://www.planningportal.gov.uk). Some personal information will be displayed on this website, please contact the Planning Inspectorate if you have any concerns.

The Secretary of State need not consider an appeal if it seems to him that the Council have no option under planning legislation but to refuse permission or impose a particular condition, having regard to the statutory requirements to the provisions of any development order and to any directions given under a development order.

### BUILDING REGULATIONS

The development may involve building work which requires approval under the Building Regulations. You are responsible to ensure that Building Regulation Consent is granted prior to commencement of work on site. Information about Building Regulation approval, the procedure to be followed and application forms can be obtained from the Council's Building Control Section, Trinity Road, Cirencester, Gloucestershire GL7 1PX Tel: 01285 623000

### DEMOLITION AND OTHER APPROVALS

If the development involves demolition you should contact the Building Control Section for advice on how to proceed.

### DISPOSAL OF WASTE CREATED DURING DEVELOPMENT

For advice please contact the Waste Advice Team at the below address or visit [www.cotswold.gov.uk/go/WasteCarriers](http://www.cotswold.gov.uk/go/WasteCarriers).

### PURCHASE NOTICES

If either the local planning authority or the Secretary of State refuses permission to develop land or grants it subject to conditions, the owner may claim that he can neither put the land to a reasonably beneficial use in its existing state nor render the land capable of a reasonably beneficial use by the carrying out of any development which has been or would be permitted.

In these circumstances, the owner may serve a purchase notice on the District Council in whose area the land is situated. This notice will require the Council to purchase the owners interest in the land in accordance with the provisions of Chapter I Part VI of the Town and Country Planning Act 1990.

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Cotswold District Council, Trinity Road, Cirencester, Gloucestershire, GL7 1PX Tel 01285 623000 [www.cotswold.gov.uk](http://www.cotswold.gov.uk)  
**OCTOBER 2010**





# COTSWOLD DISTRICT COUNCIL

## Town and Country Planning Act 1990 (as amended)

### APPLICATION FOR APPROVAL OF DETAILS RESERVED BY CONDITION

Agent  
Rand Planning Consultancy Ltd  
Cherrytree House  
2 Clardon Lane  
Purton  
Swindon  
Wiltshire  
SN5 4HN

Applicant  
GB Contracts Ltd  
Chelworth Industrial Estate  
Cricklade  
Swindon  
Wiltshire  
SN6 6HQ

**Erection of Industrial unit B1, B2, and B8 use - compliance with conditions 4 (contamination) and 7 (samples) at Lakeside Business Park Broadway Lane South Cerney Gloucestershire**

**APPLICATION REF: 15/03035/COMPLY  
FILE REF: CT.2475/2/L (15/00686/FUL  
PP-04345016)**

**DATE OF DECISION: 12th July 2016**

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## **DECISION NOTICE**

In pursuance of its powers under the above Act, the Council has made the following decisions in respect of the details submitted to comply with the imposed conditions:

- Condition 4 - contamination - Remedial Works Specification, reference 8714/02, dated July 2015, Verification Report, reference 8714/03 dated May 2016, both produced by Integrale Ltd. Slab design 6245/S.K.1, and emails from P. Rand (13.11.2015) and James Higginson (25.01.2016) – approved.
- Condition 7 - samples of the proposed walling and roofing materials (Aggregates Faces Block in Buff and Profile Sheetting in Goosewing Grey) – approved.

*Kevin Field*

Kevin Field  
Planning and Development Manager on behalf of Cotswold District Council

**Appendix 6**

Occupational Lease; copy of

**These are the notes referred to on the following official copy**

Title Number GR400595

The electronic official copy of the document follows this message.

This copy may not be the same size as the original.

Please note that this is the only official copy we will issue. We will not issue a paper official copy.

DATED 4<sup>th</sup> January 2016

**LEASE**

relating to

**EAGLE HOUSE, LAKESIDE BUSINESS PARK, BROADWAY LANE,  
SOUTH CERNEY GL7 5XL**

between

**GLENN BROOKS AS TRUSTEE OF THE GBC PENSION SCHEME**

and

**PROLABS (UK) LIMITED**

Bower & Bailey LLP  
Cambridge House  
4 College Court  
Regent Circus  
Swindon  
SN1 1PY

**PRESCRIBED CLAUSES**

**LR1. Date of lease**

4<sup>th</sup> January

2016

**LR2. Title number(s)**

**LR2.1 Landlord's title number(s)**

GR283082

**LR2.2 Other title numbers**

None

**LR3. Parties to this lease**

**Landlord**

**GLENN BROOKS** as trustee of the GBC Pension Scheme of 2 Orchid Close  
Swindon Wiltshire SN25 3ST

**Tenant**

**PROLABS (UK) LIMITED** (Company Registration Number 08196598) whose  
registered office is at Unit A The Mallards Broadway Lane South Cerney  
Cirencester GL7 5TQ

**Other parties**

None

**LR4. Property**

**In the case of a conflict between this clause and the remainder of this lease  
then, for the purposes of registration, this clause shall prevail.**

See the definition of "Property" in *Clause 1* of this lease.

**LR5. Prescribed statements etc.**

None.

**LR6. Term for which the Property is leased**

The term as specified in this lease at clause 1 in the definition of "Contractual Term".

**LR7. Premium**

None.

**LR8. Prohibitions or restrictions on disposing of this lease**

This lease contains a provision that prohibits or restricts dispositions.

**LR9. Rights of acquisition etc.**

**LR9.1 Tenant's contractual rights to renew this lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land**

None.

**LR9.2 Tenant's covenant to (or offer to) surrender this lease**

None.

**LR9.3 Landlord's contractual rights to acquire this lease**

None.

**LR10. Restrictive covenants given in this lease by the Landlord in respect of land other than the Property**

None.

**LR11. Easements**

**LR11.1 Easements granted by this lease for the benefit of the Property**

The easements as specified in clause 3 of this lease.

**LR11.2 Easements granted or reserved by this lease over the Property for the benefit of other property**

The easements as specified in clause 4 of this lease.

**LR12. Estate rentcharge burdening the Property**

None.

**LR13. Application for standard form of restriction**

None

**LR14. Declaration of trust where there is more than one person comprising the Tenant**

None

THIS LEASE is dated

4~~th~~ January

2016

## PARTIES

- (1) **GLENN BROOKS** as trustee of the GBC Pension Scheme of 2 Orchid Close Swindon Wiltshire SN25 3ST (**Landlord**)
- (2) **PROLABS (UK) LIMITED** (Company Registration Number 08196598) whose registered office is at Unit A The Mallards Broadway Lane South Cerney Cirencester GL7 5TQ (**Tenant**)

## AGREED TERMS

### 1. INTERPRETATION

- 1.1 The definitions and rules of interpretation set out in this clause apply to this lease:-

**Annual Rent:** rent at the rate of £146,107 per annum and any interim rent determined under the 1954 Act.

**Contractual Term:** a term of 12 years beginning on, and including the Lease Commencement Date

**CDM Regulations:** the Construction (Design and Management) Regulations 2015.

**Default Interest Rate:** three percentage points above the Interest Rate.

**Estate Charge:** the contribution towards the costs of repairing the Estate Road and Service Media serving the Property and payable by the Landlord to the Superior Landlord under clause 3 of the Superior Lease (save those firstly and fourthly referred to in that clause 3 of the Superior Lease).

**Estate Road:** shall have the same meaning as under the Superior Lease.

**Historic Contamination** means the presence at in on over or under the Premises at the date of the grant of this Lease of any Hazardous Substance.

**Hazardous Substance(s)** means any substance (whether in the form of a solid, liquid, gas or vapour) the presence, generation, transportation, storage, treatment, use or disposal of which (whether alone or in combination with any other substance) gives rise to a risk of causing harm to human health, comfort or safety or harm to any other living organism or causing damage to the environment.

**Insurance Rent:** the aggregate in each year of the gross cost of the premium before any discount or commission for the insurance of:

- (a) the Property, for its full reinstatement cost (taking inflation of building costs into account) against loss or damage by or in consequence of the Insured Risks, including costs of demolition, site clearance, site



protection and shoring-up, professionals' and statutory fees and incidental expenses, the cost of any work which may be required under any law and VAT in respect of all those costs, fees and expenses,

- (b) loss of Annual Rent of the Property for three years, and
- (c) any insurance premium tax payable on the above.

**Insured Risks:** means fire, explosion, lightning, earthquake, storm, flood, bursting and overflowing of water tanks, apparatus or pipes, impact by aircraft and other aerial devices and articles dropped from them, impact by vehicles, riot, civil commotion, malicious damage, subsidence, landslip and heave and terrorism and any other risks against which the Landlord decides to insure against from time to time and **Insured Risk** means any one of the Insured Risks.

**Inherent Defects** means defects in the Property which are due to defective design or construction, inadequate supervision or the use of defective or unsuitable materials

**Interest Rate:** interest at the base lending rate from time to time of Barclays Bank plc

**Lease Commencement Date:** 4<sup>th</sup> January 2015

**Permitted Use:** any use within Use Classes B1 and B8 to the Schedule to the Town and Country Planning (Use Classes) Order 1987 or other use as shall be agreed by the Landlord such consent not to be unreasonably withheld or delayed.

**Property:** the land and building known as Eagle House Lakeside Business Park Broadway Lane South Cerney GL7 5XL as the same is registered at the Land Registry under Title Number GR283082

**Rent Payment Dates:** 25 March, 24 June, 29 September and 25 December

**Reservations:** all of the rights excepted, reserved and granted to the Landlord by this lease.

**Service Media:** all media for the supply or removal of heat, electricity, gas, water, sewage, air conditioning energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.

**Superior Lease:** is the lease of the Property dated 29<sup>th</sup> August 2004 and made between (1) Glenwood House and Investments Limited and (2) John Shipman and Karen Shipman and (3) Standard Life Trustee Company Limited

**Third Party Rights:** all rights, covenants and restrictions affecting the Property including the matters referred to at the date of this lease in the property and charges registers of Title Number GR283082 as at 9 June 2015 at 11:50:44

**Uninsured Risks** means a risk which:

(a) is not insured because insurance is not available or is not available at reasonable commercial rates; or

(b) is not insured or fully insured by reason of some special limitation excess or exclusion which may be imposed by the Landlord's insurer

such that the full cost of reinstatement and rebuilding (save for any normal excess) is not recoverable by the Landlord under its insurance policy(ies).

**VAT:** value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

**1954 Act:** Landlord and Tenant Act 1954.

- 1.2 A reference to this **lease**, except a reference to the date of this lease or to the grant of the lease, is a reference to this deed and any deed, licence, consent, approval or other instrument supplemental to it.
- 1.3 A reference to the **Landlord** includes a reference to the person entitled to the immediate reversion to this lease. A reference to the **Tenant** includes a reference to its successors in title and assigns. A reference to a **guarantor** is to any guarantor of the tenant covenants of this lease including a guarantor who has entered into an authorised guarantee agreement.
- 1.4 In relation to any payment, a reference to a **fair proportion** is to a fair proportion of the total amount payable, determined conclusively (except as to questions of law or manifest error) by the Landlord acting reasonably
- 1.5 The expressions **landlord covenant** and **tenant covenant** each has the meaning given to it by the Landlord and Tenant (Covenants) Act 1995.
- 1.6 Unless the context otherwise requires, a reference to the **Property** is to the whole and any part of it.
- 1.7 A reference to the **term** is to the Contractual Term and any agreed or statutory continuation of this lease.
- 1.8 A reference to the **end of the term** is to the end of the term however it ends.
- 1.9 References to the **consent** of the Landlord are to the consent of the Landlord given in accordance with clause 38.4 and references to the **approval** of the Landlord are to the approval of the Landlord given in accordance with clause 38.5.

- 1.10 A **working day** is any day which is not a Saturday, a Sunday, a bank holiday or a public holiday in England.
- 1.11 Unless otherwise specified, a reference to a particular law is a reference to it as it is in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under it and all orders, notices, codes of practice and guidance made under it.
- 1.12 A reference to laws in general is to all local, national and directly applicable supra-national laws in force for the time being, taking account of any amendment, extension, application or re-enactment and includes any subordinate laws for the time being in force made under them and all orders, notices, codes of practice and guidance made under them.
- 1.13 Any obligation in this lease on the Tenant not to do something includes an obligation not to knowingly agree to or suffer that thing to be done and an obligation to use reasonable endeavours to prevent that thing being done by another person.
- 1.14 Unless the context otherwise requires, where the words **include(s)** or **including** are used in this lease, they are deemed to have the words "without limitation" following them.
- 1.15 A **person** includes a corporate or unincorporated body.
- 1.16 References to **writing** or **written** do not include faxes or email.
- 1.17 Except where a contrary intention appears, a reference to a clause is a reference to a clause of this lease.
- 1.18 Clause and paragraph headings do not affect the interpretation of this lease.

## 2. **GRANT**

- 2.1 The Landlord with full title guarantee lets the Property to the Tenant for the Contractual Term.
- 2.2 The grant is made with the ancillary rights set out in clause 3, so far as the Landlord has title to grant the same, excepting and reserving to the Landlord the rights set out in clause 4 and subject to the Third Party Rights.

2.3 The grant is made with the Tenant paying the following as rent to the Landlord:

- (a) the Annual Rent and all VAT in respect of it;
- (b) the Estate Charge;
- (c) the Insurance Rent; and
- (d) all interest payable under this lease

**3. ANCILLARY RIGHTS**

3.1 The Landlord grants to the Tenant the benefit of all easements affecting the Property as detailed in the documents referred to in the Property Register of Title Number GR283082 together with all those rights contained in Schedule 1 of the Superior Lease.

**4. RIGHTS EXCEPTED AND RESERVED**

4.1 The Landlord reserves the right at reasonable times during the Contractual Term with all reasonably necessary workmen equipment and tools upon reasonable written notice (not being less than forty eight hours) save in the case of emergency) to enter the Property for the purposes of:-

- (a) examining the state and condition of the Property and where reasonably necessary preparing Schedules of Dilapidations during the last six months of the Contractual Term;
- (b) to repair, maintain or replace any Service Media or structure relating to any of the Reservations;
- (c) taking schedules or inventories of fixtures and other items to be yielded up on expiry of the Contractual Term (howsoever determined); and
- (d) exercising any rights reserved by or powers given to the Landlord in this lease.

PROVIDED ALWAYS THAT where the Landlord or any other person exercises rights of entry onto the Property under this Lease:

- (a) the person exercising the right shall give not less than 48 hours' notice in writing to the Tenant of its intention to do so (save in case of emergency);
- (b) such rights shall so far as reasonably practicable be exercised outside the normal business hours of the Tenant;



- (c) such rights shall only be exercised when the purpose of exercise cannot be economically or practically achieved without so entering;
- (d) in every case any resulting damage to the Property and/or Tenant's fixtures and fittings is made good forthwith;
- (e) where the exercise of any rights reserved under this Lease requires the erection of scaffolding or ladders outside the Property the Landlord shall:
  - (i) retain such scaffolding in position only for so long a period as is reasonably necessary in order for the works (for which it has been erected) to be carried out and remove such scaffolding as soon as practicable after such works have been completed; and
  - (ii) minimise so far as reasonably practicable any disruption to the entrance of the Property and any obstruction of or interference with the visibility of the Property and the Tenant's name and signage and any display in the window and to the extent that the Tenant's sign or window display are obstructed or interfered with the Landlord will, at its own cost, permit the Tenant to display a banner sign on the exterior of the scaffolding; and
  - (iii) forthwith at its own expense make good any damage which may be caused to the Property and the Tenant's name and sign by the erection or removal of such scaffolding; and
  - (iv) take reasonable steps relating to security of the Property whilst the scaffolding is in place.
- (f) where the Landlord proposes to carry out any works, the Landlord shall cause the minimum disruption as reasonably practicable to the operation of the Tenant's business including (but not by way of limitation) (where practicable) requiring that the works are carried out outside the normal business hours of the Tenant; and
- (g) the Landlord shall comply with all health and safety legislation.

4.2 The Reservations may be exercised by the Landlord and by anyone else who is or becomes entitled to exercise them and by the Landlord's agents or contractors.

## 5. THIRD PARTY RIGHTS

5.1 The Tenant shall comply with all obligations on the Landlord relating to the Third Party Rights (insofar as those obligations relate to the Property) and shall take reasonable care not to do anything (even if otherwise permitted by this lease) that may interfere with any Third Party Right.

- 5.2 The Tenant shall allow the Landlord and any other person authorised by the terms of the Third Party Right to enter the Property in accordance with its terms.

**6. THE ANNUAL RENT**

- 6.1 The Tenant shall pay the Annual Rent and any VAT in respect of it by four equal instalments in advance on or before the Rent Payment Dates. The payments shall be made by banker's standing order or by any other method that the Landlord requires at any time by giving notice to the Tenant.
- 6.2 The first instalment of the Annual Rent and any VAT in respect of it shall be made on the Lease Commencement Date and shall be the proportion, calculated on a daily basis, in respect of the period from the Lease Commencement Date until the day before the next Rent Payment Date.

**7. INSURANCE**

- 7.1 Subject to clause 7.2, the Landlord shall keep the Property insured against loss or damage by the Insured Risks for the full reinstatement cost (taking inflation of building costs into account). The Landlord shall not be obliged to insure any part of the Property installed by the Tenant.
- 7.2 The Landlord's obligation to insure is subject to:
- (a) any exclusions, limitations, excesses and conditions that may be imposed by the insurers; and
  - (b) insurance being available in the London insurance market on reasonable terms acceptable to the Landlord.
- 7.3 The Tenant shall pay to the Landlord within 14 days of demand:
- (a) the Insurance Rent;
  - (b) any amount that is deducted or disallowed by the insurers pursuant to any excess provision in the insurance policy; and
  - (c) any costs that the Landlord incurs in obtaining a valuation of the Property for insurance purposes provided that the Tenant shall not be required to pay such costs more than once in any two year period.

If the Landlord insures the Property together with other land, the amount of the Insurance Rent shall be a fair and reasonable proportion of the total for the Property and the other land according to the gross area of the Property as against the gross area of the other land.

7.4 The Tenant shall:

- (a) promptly upon becoming aware of any matter occurs that any insurer or underwriter may treat as material in deciding whether or on what terms to insure or to continue to insure the Property inform the Landlord of that matter;
- (b) not to knowingly do or omit anything as a result of which any policy of insurance of the Property or any neighbouring property may become void or voidable or otherwise prejudiced, or the payment of any policy money may be withheld, nor (unless the Tenant has previously notified the Landlord and has paid any increased or additional premium) anything as a result of which any increased or additional insurance premium may become payable;
- (c) comply at all times with the requirements of the insurers relating to the Property;
- (d) promptly upon becoming aware of such matters give the Landlord notice of the occurrence of any damage or loss relating to the Property arising from an Insured Risk or of any other event that might affect any insurance policy relating to the Property;
- (e) not effect any insurance of the Property but if it becomes entitled to the benefit of any insurance proceeds in respect of the Property pay those proceeds or cause them to be paid to the Landlord; and
- (f) pay the Landlord an amount equal to any insurance money that the insurers of the Property refuse to pay by reason of any act or omission of the Tenant or any undertenant, their workers, contractors or agents or any person at the Property with the actual or implied authority of any of them.

7.5 The Landlord shall, subject to obtaining all necessary planning and other consents, use all insurance money received (other than for loss of rent) to repair the damage for which the money has been received or (as the case may be) in rebuilding the Property. The Landlord shall not be obliged to:

- (a) provide accommodation identical in layout or design so long as accommodation reasonably equivalent to that previously at the Property is provided and that the Tenant's business is not adversely affected; or
- (b) repair or rebuild if the Tenant has failed to pay any of the Insurance Rent; or
- (c) repair or rebuild the Property after a notice has been served pursuant to clause 7.7 or clause 7.8.

7.6 If the Property or a substantial part of it is damaged or destroyed by an Insured Risk so as to be unfit for occupation and use or inaccessible then,



unless the policy of insurance of the Property has been vitiated in whole or in part in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them, payment of the Annual Rent, or a fair proportion of it according to the nature and extent of the damage, shall be suspended until the Property has been reinstated and made fit for occupation and use, or until the end of three years from the date of damage or destruction, if sooner.

7.7 If, within 6 months of damage to or destruction of the Property, the Landlord reasonably considers that it is impossible or impractical to reinstate the Property, the Landlord may terminate this lease by giving notice to the Tenant. On giving notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance shall belong to the Landlord.

7.8 Provided that the Tenant has complied with its obligations in this clause, the Tenant may terminate this lease by giving notice to the Landlord if, following damage or destruction by an Insured Risk, the Property has not been reinstated so as to be fit for occupation and use within two years after the date of damage or destruction. On giving this notice this lease shall determine but this shall be without prejudice to any right or remedy of the Landlord in respect of any breach of the tenant covenants of this lease. Any proceeds of the insurance (other than any insurance for plate glass) shall belong to the Landlord.

#### 7.9 **Landlord's Reinstatement Covenants**

Where the Landlord proceeds to rebuild and reinstate the Property following damage or destruction:

- (a) the Landlord will carry out the reinstatement or rebuilding:
  - (i) with due diligence and in a good and workmanlike manner using good and suitable materials and in accordance with good building practice, employing only competent building contractors and professional consultants on proper commercial terms; and
  - (ii) in accordance with the plans, planning permissions and all other requisite consents and the building contract relating to the rebuilding and reinstatement of the Premises; and
  - (iii) in compliance with all statutes and statutory orders and regulations made under or deriving validity from them and codes of practice of local authorities and competent authorities; and

- (iv) not using materials and substances not being approved or recommended by the current British standard and codes of practice or European Union equivalent current at the date of specification or use; and
- (b) during the reinstatement or rebuilding of the Property the Landlord will:
  - (i) keep the Tenant informed of all progress and the Tenant will be entitled to inspect the progress of the works from time to time subject to giving the Landlord not less than 48 hours prior notice ; and
  - (ii) provide the Tenant with copies of all relevant documentation; and
- (c) the Landlord will give written notice to the Tenant 5 days prior to the anticipated date of practical completion and the Tenant will be entitled to be present at the Property on the anticipated date of practical completion and will be entitled to make representations to the Landlord's architect or other person authorised to issue the certificate of practical completion under the building contract who will take into account of the Tenant's representation; and
- (d) promptly following the reinstatement or rebuilding of the Property the Landlord will procure that the building contractor and all other professionals and sub-contractors used in the reinstatement or rebuilding will hand over collateral warranties in favour of the Tenant in such form as the Tenant may reasonably require and the Landlord will ensure that the appropriate professional indemnity insurance is held by each of them; and
- (e) during the building contracts defects period, the Landlord covenants to enforce the terms of the building contract against the building contractor and during this defects period the Tenant's liability to repair under this Lease will be modified accordingly.

#### **7.10 Landlord's Insurance Covenants**

- (a) Upon written request from the Tenant made not more frequently than once in any period of twelve (12) months to produce to the Tenant reasonable evidence of the terms of the insurance policy and that it is in force
- (b) To promptly notify the Tenant in writing of any material changes in the terms of the insurance policy from time to time including if there is a change in the level of excess notifying the Tenant of the change before the commencement of the insurance year.

- (c) To procure that the interest of the Tenant is noted (either specifically or generically) on the policies of insurance taken out by the Landlord pursuant to the terms of this Lease.
- (d) In the event of any loss or damage to the Estate by the Insured Risks the Landlord will diligently pursue a claim in accordance with the terms of the insurance policy effected by the Landlord;
- (e) Not (by act or omission) to do anything which invalidates any insurance policy in respect of the Premises or any adjoining premises of the Landlord or causes the renewal to be refused.

7.11 The following provisions apply in the event of damage or destruction by any of the Uninsured Risks:

- (a) If the Property or part of it, shall be damaged or destroyed by an Uninsured Risk so as to make the Property or part of it unfit for occupation or use or inaccessible:
  - (i) rents reserved by this lease or a fair proportion according to the nature and extent of the damage sustained will not be payable until the earlier of the date on which:
    - (A) the Premises or the adjoining land shall again be fit for occupation or use (excluding fitting out and replacement of contents) and made accessible; or
    - (B) this Lease shall be terminated in accordance with the remainder of this clause 7.11.
  - (ii) Within 9 months of any damage or destruction by any of the Uninsured Risks the Landlord will give written notice to the Tenant (an "Election Notice") stating whether or not it proposes to rebuild or reinstate the Property.
  - (iii) If the Election Notice states that the Landlord proposes to rebuild or reinstate the Property then for the purposes of this Lease the damage or destruction shall be deemed to have been damage or destruction by an Insured Risk, and the provisions of clauses 7.5, 7.6, 7.7 and 7.8 will apply.
  - (iv) If the Election Notice states that the Landlord does not propose to rebuild or reinstate the Premises or if no Election Notice is served strictly within the period of 9 months referred to above), then the Tenant may within one month after service of the Election Notice or the expiry of such 9 month period (as the case may be), give written notice to the Landlord to determine the term with immediate effect
- (b) Any determination of this Lease under this paragraph will be without prejudice to any claim in respect of any antecedent breach of the obligations under this Lease.



- (b) enforce the tenant covenants in the underlease and not waive any of them nor allow any reduction in the rent payable under the underlease; and
- (c) ensure that in relation to any rent review the revised rent is not agreed without the approval of the Landlord, such approval not to be unreasonably withheld or delayed.

#### 18. **SHARING OCCUPATION**

The Tenant may share occupation of the Property with any company that is a member of the same group (within the meaning of section 42 of the 1954 Act) as the Tenant for as long as that company remains within that group and provided that no relationship of landlord and tenant is established by that arrangement.

#### 19. **PROHIBITION OF OTHER DEALINGS**

Except as expressly permitted by this lease, the Tenant shall not assign, underlet, charge, part with or share possession or share occupation of this lease or the Property or hold the lease on trust for any person (except pending registration of a dealing permitted by this lease at the Land Registry or by reason only of joint legal ownership).

#### 20. **REGISTRATION AND NOTIFICATION OF DEALINGS AND OCCUPATION**

##### 20.1 In this clause a **Transaction** is:

- (a) any dealing with this lease or the devolution or transmission of, or parting with possession of any interest in it; or
- (b) the creation of any underlease or other interest out of this lease, or out of any interest, underlease derived from it, and any dealing, devolution or transmission of, or parting with possession of any such interest or underlease; or
- (c) the making of any other arrangement for the occupation of the Property.

##### 20.2 In respect of every Transaction that is registrable at the Land Registry, the Tenant shall promptly following completion of the Transaction apply to register it (or procure that the relevant person so applies). The Tenant shall use reasonable endeavours (or shall use reasonable endeavours to procure that) any requisitions raised by the Land Registry in connection with an application to register a Transaction are dealt with promptly and properly. Within one month of completion of the registration, the Tenant shall send the

- (b) allowing any rent free period to the undertenant that exceeds the period as is then usual in the open market in respect of such a letting.

17.3 The Tenant shall not underlet the Property or any part of the Property unless, before the Landlord's consent is granted, the Tenant has given the Landlord:

- (a) a certified copy of the notice served on the undertenant, as required by section 38A(3)(a) of the 1954 Act, applying to the tenancy to be created by the underlease; and
- (b) a certified copy of the declaration or statutory declaration made by the undertenant in accordance with the requirements of section 38A(3)(b) of the 1954 Act.

17.4 Any underletting of the Property by the Tenant shall be by deed and shall include:

- (a) an agreement between the Tenant and the undertenant that the provisions of sections 24 to 28 of the 1954 Act are excluded from applying to the tenancy created by the underlease;
- (b) the reservation of a rent which is not less than the Annual Rent payable under this lease at the date the Property is underlet and which is payable at the same times as the Annual Rent under this lease;
- (c) a covenant by the undertenant, enforceable by and expressed to be enforceable by the Landlord (as superior landlord at the date of grant) and its successors in title in their own right, to observe and perform the tenant covenants in the underlease and any document that is supplemental or collateral to it and the tenant covenants in this lease, except the covenants to pay the rents reserved by this lease; and
- (d) provisions requiring the consent of the Landlord to be obtained in respect of any matter for which the consent of the Landlord is required under this lease,

and shall otherwise be consistent with and include tenant covenants no less onerous (other than as to the Annual Rent) than those in this lease and in a form approved by the Landlord, such approval not to be unreasonably withheld or delayed.

17.5 In relation to any underlease granted by the Tenant, the Tenant shall:

- (a) not vary the terms of the underlease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed;

Existing Plans for the New Plans and to enter into any deed of substitution that may be required to give legal effect to such substitution.

**16. ASSIGNMENTS**

16.1 The Tenant shall not assign the whole of this lease without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

16.2 The Tenant shall not assign part only of this lease.

16.3 The Landlord and the Tenant agree that for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 the Landlord may give its consent to an assignment subject to a condition that the assignor (and any former tenant who because of section 11 of the Landlord and Tenant (Covenants) Act 1995 has not been released from the tenant covenants of this lease) enters into an authorised guarantee agreement (if reasonably required) which:

- (a) is in respect of all the tenant covenants of this lease;
- (b) is in respect of the period beginning with the date the assignee becomes bound by those covenants and ending on the date when the assignee is released from those covenants by virtue of section 5 of the Landlord and Tenant (Covenants) Act 1995;
- (c) imposes principal debtor liability on the assignor (and any former tenant);
- (d) requires (in the event of a disclaimer of liability under this lease) the assignor (or former tenant as the case may be) to enter into a new tenancy for a term equal to the unexpired residue of the Contractual Term; and
- (e) is otherwise in a form reasonably required by the Landlord.

16.4 Nothing in this clause shall prevent the Landlord from giving consent subject to any other reasonable condition, nor from refusing consent to an assignment in any other circumstance where it is reasonable to do so.

**17. UNDERLETTINGS**

17.1 The Tenant shall not underlet the whole of the Property or any part of the Property except in accordance with this clause nor without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.

17.2 The Tenant shall not underlet the Property or any part of the Property;

- (a) at a fine or premium or reverse premium; nor

- (c) serving any notice in connection with this lease under section 17 of the Landlord and Tenant (Covenants) Act 1995;
- (d) the preparation and service of a schedule of dilapidations in connection with this lease which shall be no later than 2 months from the last day of the term and relate only to dilapidations occurring during the Term.; and
- (e) any consent or approval applied for under this lease, whether or not it is granted (unless the consent or approval is unreasonably withheld by the Landlord in circumstances where the Landlord is not unreasonably to withhold it).

#### **14. NO DEDUCTION, COUNTERCLAIM OR SET-OFF**

The Annual Rent and all other money due under this lease are to be paid by the Tenant or any guarantor (as the case may be) without deduction, counterclaim or set-off save where lawfully required.

#### **15. REGISTRATION OF THIS LEASE**

- 15.1 Promptly following the grant of this lease, the Tenant shall apply to register this lease at HM Land Registry. The Tenant shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly. Within one month after completion of the registration, the Tenant shall send the Landlord official copies of its title.
- 15.2 The Landlord will use reasonable endeavours to assist the Tenant with any requisitions raised by the Land Registry to enable the Tenant to register this Lease at the Land Registry with title absolute and in particular but without limitation:
  - (a) within 14 days of the date of this Lease the Landlord will provide the Tenant's solicitors with proper evidence that any necessary consent from any superior Landlord or mortgagee of the Landlord's interest in the Property has been obtained;
  - (b) within 14 days of the date of this Lease the Landlord will provide the Tenant's solicitors with [details of any certificates or other consents that may be required to satisfy any other restrictions on title; and
- 15.3 if the Land Registry rejects the Tenant's application to register this Lease due to the plans annexed to this Lease (the "Existing Plans") failing to comply with the requirements of the Land Registry from time to time the Landlord will at its own cost produce new plans that comply with the requirements of the Land Registry but which do not otherwise materially differ from the Existing Plans (the "New Plans") and the parties to this Lease agree to substitute the



## **11. VAT**

- 11.1 All sums payable by the Tenant are exclusive of any VAT that may be chargeable. The Tenant shall pay VAT in respect of all taxable supplies made to it in connection with this lease on the due date for making any payment or, if earlier, the date on which that supply is made for VAT purposes in all cases following the receipt of a valid VAT invoice.
- 11.2 Every obligation on the Tenant, under or in connection with this lease, to pay the Landlord or any other person any sum by way of a refund or indemnity, shall include an obligation to pay an amount equal to any VAT incurred on that sum by the Landlord or other person, except to the extent that the Landlord or other person obtains credit for such VAT under the Value Added Tax Act 1994.

## **12. DEFAULT INTEREST AND INTEREST**

- 12.1 If any Annual Rent or any other money payable under this lease has not been paid within 14 days of the date it is due, ((save in the case of the Annual rent) provided it has been formally demanded), the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any judgment) on that amount for the period from the due date to and including the date of payment.
- 12.2 If the Landlord does not demand or accept any Annual Rent or other money due or tendered under this lease because the Landlord reasonably believes that the Tenant is in breach of any of the tenant covenants of this lease, then the Tenant shall, when that amount is accepted by the Landlord, also pay interest at the Interest Rate on that amount for the period from the date the amount (or each part of it) became due until the date it is accepted by the Landlord.

## **13. COSTS**

- 13.1 The Tenant shall pay the reasonable and proper costs and expenses of the Landlord including any solicitors' or other professionals' costs and expenses (incurred both during and after the end of the term) in connection with
- (a) the enforcement of the tenant covenants of this lease;
  - (b) serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections, notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;

- 7.12 Any rents paid in relation to a period from and including the first date that rent is suspended under clause 7.6 will be repaid in full to the Tenant within 14 days of the first date that rent is suspended

**8. ESTATE CHARGE**

The Tenant shall pay to the Landlord the Estate Charge within 14 days of receipt of written demand.

**9. RATES AND TAXES**

- 9.1 The Tenant shall pay all present and future rates, taxes and other impositions payable in respect of the Property, its use and any works carried out there, other than:

- (a) any taxes payable by the Landlord in connection with any dealing with or disposition of the reversion to this lease; or
- (b) any taxes, other than VAT and insurance premium tax, payable by the Landlord by reason of the receipt of any of the rents due under this lease.

- 9.2 If any rates, taxes or other impositions are payable in respect of the Property together with other property, the Tenant shall pay a fair proportion of the amount payable.

- 9.3 The Tenant shall not make any proposal to alter the rateable value of the Property or that value as it appears on any draft rating list, without the approval of the Landlord.

**10. UTILITIES**

- 10.1 The Tenant shall pay all costs in connection with the supply and removal of electricity, gas, water, sewage, telecommunications, data and other services and utilities to or from the Property.

- 10.2 If any of those costs are payable in relation to the Property together with other property, the Tenant shall pay a fair proportion of all those costs.

- 10.3 The Tenant shall comply with all laws and with any recommendations of the relevant suppliers relating to the use of those services and utilities.

Landlord official copies of its title (and where applicable of the undertenant's title).

20.3 No later than one month after a Transaction the Tenant shall:

- (a) give the Landlord's solicitors notice of the Transaction; and
- (b) deliver two certified copies of any document effecting the Transaction to the Landlord's solicitors; and
- (c) pay the Landlord's solicitors a registration fee of not more than £40 (plus VAT).

20.4 If the Landlord so reasonably requests, the Tenant shall promptly supply the Landlord with full details of the occupiers of the Property and the terms upon which they occupy it.

## **21. CLOSURE OF THE REGISTERED TITLE OF THIS LEASE**

Within one month after the end of the term (and notwithstanding that the term has ended), the Tenant shall make an application to close the registered title of this lease and shall ensure that any requisitions raised by HM Land Registry in connection with that application are dealt with promptly and properly; the Tenant shall keep the Landlord reasonably informed of the progress and completion of its application.

## **22. REPAIRS**

22.1 The Tenant shall keep the Property clean and tidy and in good repair and condition PROVIDED THAT the Tenant shall not be required to carry out works:

- (a) arising from any Inherent Defects in the Property; or
- (b) to repair and maintain the roof of the Property.

22.2 The Tenant shall not be liable to repair the Property to the extent that any disrepair has been caused by an Insured Risk, unless and to the extent that:

- (a) the policy of insurance of the Property has been vitiated or any insurance proceeds withheld in consequence of any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any person on the Property with the actual or implied authority of any of them; or
- (b) the insurance cover in relation to that disrepair is excluded, limited, is unavailable or has not been extended, as mentioned in clause 7.2.

**23. DECORATION**

- 23.1 The Tenant shall decorate the outside and the inside of the Property as often as is reasonably necessary and also in the last three months before the end of the term.
- 23.2 All decoration shall be carried out in a good and proper manner using suitable quality materials that are appropriate to the Property and the Permitted Use and shall include preparatory work as is reasonably necessary.
- 23.3 All decoration carried out in the last three months of the term shall also be carried out to the reasonable satisfaction of the Landlord and using materials, designs and colours approved by the Landlord PROVIDED THAT where the Tenant is renewing the lease pursuant to the 1954 Act the Landlord shall not withhold its approval where the materials designs and colours are in accordance with the trading materials, designs and colours of the Tenant.

**24. ALTERATIONS**

- 24.1 The Tenant shall not make any external or structural alteration or addition to the Property and shall not make any opening in any boundary structure of the Property unless it first:-
- (a) obtains and complies with the necessary consents of the competent authorities and pays their charges for them;
  - (b) makes an application to the Landlord for consent, supported by drawings and where appropriate a specification in duplicate prepared by an architect, or a member of some other appropriate profession, who must supervise the work throughout to completion;
  - (c) pays the reasonable and proper fees of the Landlord, any mortgagee and their respective professional advisers;
  - (d) enters into any covenants the Landlord reasonably requires as to the execution and reinstatement of the alterations; and
  - (e) obtains the consent of the Landlord, whose consent may not be unreasonably withheld or delayed.
- 24.2 The Tenant shall not install any Service Media on the exterior of the Property nor alter the route of any Service Media at the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed.
- 24.3 The Tenant shall not make any internal, non-structural alteration to the Property without the consent of the Landlord, such consent not to be unreasonably withheld or delayed PROVIDED ALWAYS that no such consent

shall be required for the installation or removal of internal de-mountable partitioning and cabling subject to the prior submission by the Tenant to the Landlord of plans and specifications for the aforementioned works.

**25. SIGNS**

25.1 In this clause **Signs** include signs, fascia, placards, boards, posters and advertisements.

25.2 The Tenant shall not attach any Signs to the exterior of the Property or display any inside the Property so as to be seen from the outside without the Landlord's prior written consent (such consent not to be unreasonably withheld or delayed) except Signs of a design, size and number and in a position that are appropriate to the Property and the Permitted Use without the consent of the Landlord.

25.3 Save where the Tenant is renewing this lease pursuant to the 1954 Act before the end of the term, the Tenant shall remove any Signs placed by it at the Property and shall make good any damage caused to the Property by that removal as soon as reasonably practicable.

25.4 Save where the Tenant is renewing this lease pursuant to the 1954 Act the Tenant shall allow the Landlord to fix to and keep at the Property any sale or re-letting board during the last six months of the Contractual Term as the Landlord reasonably requires PROVIDED THAT the location of any such boards shall not interfere with any signage of the Tenant or access to the Property.

**26. RETURNING THE PROPERTY TO THE LANDLORD**

26.1 At the end of the term the Tenant shall return the Property to the Landlord in the repair and condition required by this lease.

26.2 Save where the Tenant is renewing this lease pursuant to the 1954 Act the Tenant shall remove items it has fixed to the Property, remove any alterations it has made to the Property and make good any damage caused to the Property by that removal.

26.3 At the end of the term, the Tenant shall remove from the Property all chattels belonging to or used by it.

26.4 The Tenant irrevocably appoints the Landlord to be the Tenant's agent to store or dispose of any chattels or items it has fixed to the Property and which



have been left by the Tenant on the Property for more than ten working days after the end of the term. The Landlord shall not be liable to the Tenant by reason of that storage or disposal. The Tenant shall pay the proper costs incurred by the Landlord in respect of any claim made by a third party in relation to that storage or disposal.

**27. USE**

27.1 The Tenant shall not use the Property for any purpose other than the Permitted Use.

27.2 The Tenant shall not use the Property for any illegal purpose nor for any purpose or in a manner that would cause loss, damage, injury, nuisance or inconvenience to the Landlord, its other tenants or any other owner or occupier of neighbouring property.

27.3 The Tenant shall not overload any structural part of the Property nor any machinery or equipment at the Property nor any Service Media at or serving the Property.

**28. COMPLIANCE WITH LAWS**

28.1 The Tenant shall comply with all laws relating to:

- (a) the Property and the occupation and use of the Property by the Tenant;
- (b) the use of all Service Media and machinery and equipment at or serving the Property;
- (c) any works carried out at the Property; and
- (d) all materials kept at or disposed from the Property.

28.2 Without prejudice to any obligation on the Tenant to obtain any consent or approval under this lease, the Tenant shall carry out all works that are required under any law to be carried out at the Property whether by the owner or the occupier.

28.3 Within ten working days after receipt of any notice or other communication affecting the Property (and whether or not served pursuant to any law) the Tenant shall:

- (a) send a copy of the relevant document to the Landlord; and
- (b) take all steps reasonably necessary to comply with the notice or other communication and take any other action in connection with it as the Landlord may reasonably require

- 28.4 The Tenant shall not apply for any planning permission for the Property without the Landlord's consent not to be unreasonably withheld or delayed.
- 28.5 The Tenant shall comply with its obligations under the CDM Regulations, including all requirements in relation to the provision and maintenance of a health and safety file. The Tenant shall maintain the health and safety file for the Property in accordance with the CDM Regulations and shall give it to the Landlord at the end of the term.
- 28.6 The Tenant shall supply all information to the Landlord that the Landlord reasonably requires as often as reasonably necessary to comply with the Landlord's obligations under the CDM Regulations.
- 28.7 As soon as the Tenant becomes aware of any defect in the Property, it shall promptly give the Landlord notice of it. The Tenant shall indemnify the Landlord against any liability under the Defective Premises Act 1972 in relation to the Property by reason of any failure of the Tenant to comply with any of the tenant covenants in this lease.
- 28.8 The Tenant shall keep the Property equipped with all fire prevention, detection and fighting machinery and equipment and fire alarms which are required under all relevant laws or required by the insurers of the Property and shall keep that machinery, equipment and alarms properly maintained and available for inspection.

**29. ENCROACHMENTS, OBSTRUCTIONS AND ACQUISITION OF RIGHTS**

- 29.1 The Tenant shall not grant any right or licence over the Property to a third party.
- 29.2 If a third party makes or attempts to make any encroachment over the Property or takes any action by which a right may be acquired over the Property, the Tenant shall:
- (a) promptly give notice to the Landlord; and
  - (b) take all steps (including any proceedings) the Landlord reasonably requires to prevent or license the continuation of that encroachment or action.
- 29.3 The Tenant shall not obstruct the flow of light or air to the Property nor obstruct any means of access to the Property.



29.4 The Tenant shall not make any acknowledgement that the flow of light or air to the Property or that the means of access to the Property is enjoyed with the consent of any third party.

29.5 If any person takes or threatens to take any action to obstruct the flow of light or air to the Property or obstruct the means of access to the Property, the Tenant shall:

- (a) promptly notify the Landlord; and
- (b) take all steps (including proceedings) the Landlord reasonably requires to prevent or secure the removal of the obstruction.

### **30. REMEDY BREACHES**

30.1 The Landlord may enter the Property in accordance with clause 4.1 to inspect its condition and state of repair and may give the Tenant a notice of any breach of any of the tenant covenants in this lease relating to the condition or repair of the Property.

30.2 If the Tenant has not begun any works needed to remedy that breach within two months following that notice (or if works are required as a matter of emergency, then immediately) then the Landlord may enter the Property and carry out the works needed.

30.3 The costs incurred by the Landlord in carrying out any works pursuant to this clause (and any professional fees and any VAT in respect of those costs) shall be a debt due from the Tenant to the Landlord and payable within 5 working days of demand.

30.4 Any action taken by the Landlord pursuant to this clause shall be without prejudice to the Landlord's other rights, including those under clause 34.

### **31. INDEMNITY**

The Tenant shall keep the Landlord indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the Landlord's interest in the Property and loss of amenity of the Property) arising from any breach of any tenant covenants in this lease, or any act or omission of the Tenant, any undertenant or their respective workers, contractors or agents or any other person on the Property with the actual or implied authority of any of them PROVIDED THAT the Landlord shall:

31.1 notify the Tenant of all such actions demands proceedings and claims as soon as reasonably practicable upon becoming aware of the same;

31.2 not without the Tenant's written consent (not to be unreasonably withheld or delayed) agree to settle any such matters; and

31.3 use all reasonable endeavours to mitigate any such losses incurred.

**32. LANDLORD'S COVENANTS**

32.1 The Landlord covenants with the Tenant that, so long as the Tenant pays the rents reserved by and complies with its obligations in this lease, the Tenant shall have quiet enjoyment of the Property without any interruption by the Landlord

32.2 The Landlord shall keep the roof of the Property in good and substantial repair and condition.

32.3 The Landlord shall at its own expense carry out all works required to remedy any Inherent Defects in the Property in a good and workmanlike manner using good quality and suitable materials promptly after becoming aware of any Inherent Defect.

32.4 The Landlord shall pay the rents reserved by the Superior Lease and observe and perform the tenant's covenants in the Superior Lease, except insofar as the covenants fall to be observed and performed by the Tenant by reason of the obligations of the Tenant in this Lease.

32.5 To use reasonable endeavours at the request and proper cost of the Tenant to obtain the consent of any Superior Landlord required under the Superior Lease when:

- (a) the Tenant has applied for consent under this Lease;
- (b) the Landlord gives that consent or could not lawfully refuse it; and
- (c) consent is required under the terms of the Superior Lease.

32.6 The Landlord shall use all reasonable endeavours to procure that the Superior Landlord complies with the Superior Landlord's Covenants during such period as the Superior Lease subsists.

**33. GUARANTEE AND INDEMNITY**

33.1 If any of the events mentioned in clause 35.1(c) occurs in relation to a guarantor that is a corporation, or if any of the events mentioned in clause 35.1(d) occurs in relation to one or more individuals who is a guarantor or if one or more of those individuals dies or becomes incapable of managing its

affairs the Tenant shall, if the Landlord requests, procure that a person of standing acceptable to the Landlord enters into a replacement or additional guarantee and indemnity of the tenant covenants of this lease in the same form as that entered into by the former guarantor.

- 33.2 Clause 34.1 shall not apply in the case of a person who is guarantor by reason of having entered into an authorised guarantee agreement.
- 33.3 For so long as any guarantor remains liable to the Landlord, the Tenant shall, if the Landlord requests, procure that that guarantor joins in any consent or approval required under this lease and consents to any variation of the tenant covenants of this lease.

#### **34. CONDITION FOR RE-ENTRY**

- 34.1 The Landlord may re-enter the Property at any time after any of the following occurs:
- (a) any rent is unpaid 21 days after becoming payable (provided it has been formally demanded (save in the case of the Annual Rent))
  - (b) where the Tenant or any guarantor is a corporation:
    - (i) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant or guarantor; or
    - (ii) the making of an administration order in relation to the Tenant or guarantor; or
    - (iii) the appointment of an administrator, in any case in relation to the tenant or the guarantor; or
    - (iv) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Tenant or guarantor; or
    - (v) the commencement of a voluntary winding-up in respect of the Tenant or guarantor, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies; or
    - (vi) a winding-up order in respect of the Tenant or guarantor; or
    - (vii) the striking-off of the Tenant or guarantor from the Register of Companies; or
    - (viii) the Tenant or guarantor otherwise ceasing to exist,

(c) where the Tenant or any guarantor is an individual:

- (i) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Tenant or guarantor; or
- (ii) the making of a bankruptcy order against the Tenant or guarantor.

34.2 If the Landlord re-enters the Property pursuant to this clause, this lease shall immediately end, but without prejudice to any right or remedy of the Landlord in respect of any breach of covenant by the Tenant or any guarantor.

### **35. LIABILITY**

35.1 At any time when the Landlord, the Tenant or a guarantor is more than one person, then in each case those persons shall be jointly and severally liable for their respective obligations arising by virtue of this lease. The Landlord may release or compromise the liability of any one of those persons or grant any time or concession to any one of them without affecting the liability of any other of them.

35.2 The obligations of the Tenant and any guarantor arising by virtue of this lease are owed to the Landlord and the obligations of the Landlord are owed to the Tenant.

35.3 In any case where the facts are or should reasonably be known to the Tenant, the Landlord shall not be liable to the Tenant for any failure of the Landlord to perform any landlord covenant in this lease unless and until the Tenant has given the Landlord notice of the facts that give rise to the failure and the Landlord has not remedied the failure within a reasonable time.

35.4 The parties agree that notwithstanding any provision to the contrary in this lease the liability of the Landlord shall not exceed in amount the value of the assets less the liabilities (other than the liability to pay benefits) of the GBC Pension Scheme.

### **36. ENVIRONMENTAL LIABILITY**

36.1 Notwithstanding any other provision in this Lease the Landlord shall be liable and the Tenant shall not be liable (whether to the Landlord its successors in title or any other person) in respect of:

- (i) any Historic Contamination; or
- (ii) any Hazardous Substances which may after the date of the grant of this Lease become present at in on over or under the Premises save for any Hazardous Substances caused or knowingly permitted by the Tenant to be so present (for which the Tenant shall be liable).

36.2 In the event that the Landlord receives notice from any statutory authority lawfully requiring that works of repair or remediation be carried out in relation to any Hazardous Substances the Landlord shall use reasonable endeavours to carry out those works in compliance with all Legal Obligations and shall indemnify the Tenant accordingly.

36.3 The Landlord hereby undertakes to indemnify and keep indemnified the Tenant against all losses liabilities costs claims damages and expenses (including legal and other professional fees incurred on a full indemnity basis) suffered or incurred by the Tenant (and/or its respective directors officers employees agents and representatives) arising out of or in connection with any Hazardous Substance referred to in this clause 37.

36.4 The Landlord will join with the Tenant at the Tenant's request in notifying any competent regulatory authority and confirming to such authority the contents of this clause 37 (by providing a copy thereof or otherwise) and in requiring any such authority to give effect to this agreement on the allocation of responsibility for Hazardous Substances between the Landlord and the Tenant.

#### **37. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS**

37.1 This lease constitutes the entire agreement and understanding of the parties relating to the transaction contemplated by the grant of this lease and supersedes any previous agreement between the parties relating to the transaction.

37.2 The Tenant acknowledges that in entering into this lease it is not relying on, and shall have no remedy in respect of, any statement or representation made by or on behalf of the Landlord (save for information provided by the Landlord's solicitors prior to the grant of this lease).

37.3 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this lease.

37.4 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.



- (ii) any Hazardous Substances which may after the date of the grant of this Lease become present at in on over or under the Premises save for any Hazardous Substances caused or knowingly permitted by the Tenant to be so present (for which the Tenant shall be liable).

36.2 In the event that the Landlord receives notice from any statutory authority lawfully requiring that works of repair or remediation be carried out in relation to any Hazardous Substances the Landlord shall use reasonable endeavours to carry out those works in compliance with all Legal Obligations and shall indemnify the Tenant accordingly.

36.3 The Landlord hereby undertakes to indemnify and keep indemnified the Tenant against all losses liabilities costs claims damages and expenses (including legal and other professional fees incurred on a full indemnity basis) suffered or incurred by the Tenant (and/or its respective directors officers employees agents and representatives) arising out of or in connection with any Hazardous Substance referred to in this clause 37.

36.4 The Landlord will join with the Tenant at the Tenant's request in notifying any competent regulatory authority and confirming to such authority the contents of this clause 37 (by providing a copy thereof or otherwise) and in requiring any such authority to give effect to this agreement on the allocation of responsibility for Hazardous Substances between the Landlord and the Tenant.

### **37. LANDLORD INDEMNITY**

Notwithstanding any other provision in this Lease relating to the Third Party Rights, the Landlord hereby undertakes to indemnify and keep indemnified the Tenant against all losses liabilities costs claims damages and expenses (including legal and other professional fees incurred on a full indemnity basis) suffered or incurred by the Tenant (and/or its respective directors officers employees agents and representatives) arising from any breach of the covenants contained in a conveyance dated 20 March 1946 between Edward Hill (1) and Philip Patrick Barry (2) as registered on the title to the Property.

### **38. ENTIRE AGREEMENT AND EXCLUSION OF REPRESENTATIONS**

38.1 This lease constitutes the entire agreement and understanding of the parties relating to the transaction contemplated by the grant of this lease and supersedes any previous agreement between the parties relating to the transaction.

38.2 The Tenant acknowledges that in entering into this lease it is not relying on, and shall have no remedy in respect of, any statement or representation made by or on behalf of the Landlord (save for information provided by the Landlord's solicitors prior to the grant of this lease).

38.3 Nothing in this lease constitutes or shall constitute a representation or warranty that the Property may lawfully be used for any purpose allowed by this lease.

38.4 Nothing in this clause shall, however, operate to limit or exclude any liability for fraud.

**39. NOTICES, CONSENTS AND APPROVALS**

39.1 Except where this lease specifically states that a notice need not be in writing, or where notice is given in an emergency, any notice given pursuant to this lease shall be in writing.

39.2 A written notice shall be delivered by hand or sent by pre-paid first class post or registered post (in the case of the Tenant, to its registered office). A correctly addressed notice sent by pre-paid first class post shall be deemed to have been delivered at the time at which it would have been delivered in the normal course of the post.

39.3 Section 196 of the Law of Property Act 1925 shall otherwise apply to notices given under this lease.

39.4 Where the consent of the Landlord is required under this lease, a consent shall only be valid if it is given by deed, unless:

- (a) it is given in writing and signed by a person duly authorised on behalf or the Landlord; and
- (b) it expressly states that the Landlord waives the requirement for a deed in that particular case.

If a waiver is given, it shall not affect the requirement for a deed for any other consent.

39.5 Where the approval of the Landlord is required under this lease, an approval shall only be valid if it is in writing and signed by or on behalf of the Landlord, unless:

- (a) the approval is being given in a case of emergency; or
- (b) this lease expressly states that the approval need not be in writing.

39.6 If the Landlord gives a consent or approval under this lease, the giving of that consent or approval shall not imply that any consent or approval required from a third party has been obtained, nor shall it obviate the need to obtain any consent or approval from a third party.

39.7 If the Landlord ceases to be a company registered in England or Wales the Landlord will promptly notify the Tenant in writing of an address for service in England or Wales and any notice to the Landlord under this Lease may be validly served if sent to that address;

39.8 If the Landlord does not notify the Tenant of an address for service in England or Wales pursuant to this clause 38 any notice to the Landlord under this Lease may be validly served if sent to the Landlord at any postal or DX address for service recorded at the Land Registry from time to time.

#### 40. TENANT'S OPTION TO TERMINATE

40.1 In this clause the following definitions apply:

**Break Date:** 31 January 2022

**Break Notice:** Written notice to terminate this lease specifying the Break Date

40.2 The Tenant may terminate this lease by serving a Break Notice on the Landlord at least six months before the Break Date

40.3 A Break Notice served by the Tenant shall be of no effect if, at the Break Date:

- (a) the Tenant has not paid all or any part of the Annual Rent under the terms of this lease, which were due to have been paid; and
- (b) the Tenant fails to cease occupying the Property leaving behind subsisting tenancies.

40.4 Subject to clause <sup>40.3</sup>~~39.3~~, following service of a Break Notice this lease shall terminate on the Break Date

40.5 Termination of this lease on the Break Date shall not affect any other right or remedy that either party may have in relation to any earlier breach of this lease.



- 40.6 On termination of this Lease pursuant to this clause 39 any rents paid in relation to a period after the Break Date will be repaid in full to the Tenant within 14 days of the Break Date.

**41. GOVERNING LAW AND JURISDICTION**

- 41.1 This lease shall be governed by and construed in accordance with the law of England and Wales.
- 41.2 The Landlord and the Tenant (and any guarantor) irrevocably agree to submit to the exclusive jurisdiction of the courts of England and Wales over any claim or matter arising under or in connection with this lease or the legal relationships established by it.

**42. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

A person who is not a party to this lease shall not have any rights under or in connection with this lease by virtue of the Contracts (Rights of Third Parties) Act 1999.

**43. LANDLORD AND TENANT (COVENANTS) ACT 1995**

This lease creates a new tenancy for the purposes of the Landlord and Tenant (Covenants) Act 1995.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a deed by  
**GLENN BROOKS**  
in the presence of:

  
.....

Witness signature

  
.....

Witness name

  
.....

Witness address

.....  
Mary Cutts  
Solicitor.....  
Bower & Bailey  
Cambridge House  
4 College Court  
Regent Circus.....  
Swindon  
SN1 1PJ  
.....

Executed as a deed by  
**PROLABS (UK) LIMITED**  
by  
a director in the presence of:

.....  
Director

Witness signature

.....

Witness name

.....

Witness address

.....

.....

.....

**Appendix 7**

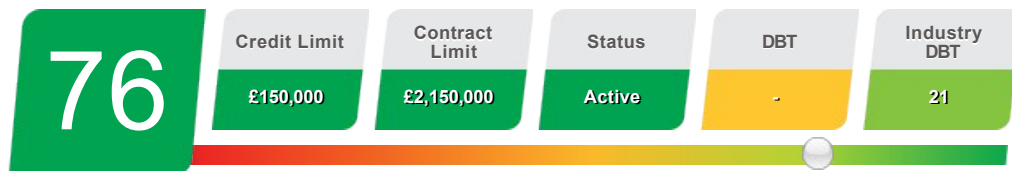
Creditsafe Report

Company Name: **PROLABS (UK) LIMITED**

Company No: **08196598**

Safe No: **UK08468608**

Company Status: **Active - Accounts Filed**



Registered Address: **EAGLE HOUSE  
LAKESIDE BUSINESS PARK  
CIRENCESTER  
GL7 5XL**

Your Name: **Emilia Atkinson**

Your User ID: **101035147**

Date / Time: **15:48 Thursday, 28 July 2016**

**Your Name:** Emilia Atkinson  
**Your User ID:** 101035147  
**Date / Time:** 15:48 Thursday, 28 July 2016

Limited Company  
 Report Summary

**Company Name:** PROLABS (UK) LIMITED  
**Company Number:** 08196598  
**Safe Number:** UK08468608



## Company Summary

<b>Registered Address</b>	EAGLE HOUSE LAKESIDE BUSINESS PARK CIRENCESTER GL7 5XL	<b>Trading Address</b>	Eagle House Lakeside Business Park South Cerney Cirencester, Gloucestershire GL7 5XL
<b>Website Address</b>	-	<b>Telephone Number</b>	01285703619
<b>Fax Number</b>		<b>TPS</b>	No
<b>FPS</b>	Yes	<b>Incorporation Date</b>	30/08/2012
<b>Type</b>	Private limited with Share Capital	<b>Previous Name</b>	ZYCKO GROUP LIMITED
<b>FTSE Index</b>	-	<b>Date of Change</b>	09/07/2013
<b>Filing Date of Accounts</b>	16/07/2015	<b>Currency</b>	GBP
<b>Share Capital</b>	£569,171	<b>SIC07</b>	46510
<b>Charity Number</b>	-		
<b>SIC07 Description</b>	WHOLESALE OF COMPUTERS, COMPUTER PERIPHERAL EQUIPMENT AND SOFTWARE		
<b>Principal Activity</b>	Distribution of computer networking hardware and accessories, networked storage.		

## Credit Rating & Limit

76

<b>Todays Rating [1-100]</b>	76
<b>Previous Rating [0-100]</b>	87
<b>Todays Limit</b>	£150,000
<b>Previous Limit</b>	£150,000
<b>Todays Contract Limit</b>	£2,150,000

Based upon the company's latest industry classification, today's rating of 76 places the company in the upper 25% of 1075 companies sampled from the same industry

### Rating - Key Financials Filed / Established

Rating	Description
71 - 100	Very Low Risk
51 - 70	Low Risk
30 - 50	Moderate Risk
21 - 29	High Risk
1 - 20	Very High Risk
Not Rated	Please see report for description

### Rating - Newly Incorporated

Rating	Description
51 - 100	Low Risk
30 - 50	Moderate Risk
1 - 29	Caution - High Risk
Not Rated	Please see report for description

## INTERNATIONAL SCORE

A

**International Score Description:**  
**Very Low Risk**

The Creditsafe International Score represents a

## SCORE DESCRIPTION

<b>A</b>	Very Low Risk
<b>B</b>	Low Risk
<b>C</b>	Moderate Risk

common risk scoring platform which enables companies to be compared on an international basis.

<b>D</b>	High Risk
<b>E</b>	Not Rated

### Additional Information

<b>CCJ's</b>	0 (£0)	<b>Accountant</b>	-
No CCJ Information To Display		<b>Mortgages</b>	2
<b>Ultimate Holding Company</b>	PROLABS HOLDINGS LIMITED	<b>Group</b>	3 companies
		<b>Linkages</b>	0 companies
		<b>Countries</b>	In 0 countries

### Key Financials

Year to Date	Turnover	Pre Tax Profit	Shareholder's Funds	Employees
31/03/2015	£10,650,000	£1,599,000	£1,175,000	14
31/03/2014	£11,980,000	£3,958,000	£2,583,000	8
31/03/2013	£50,412,000	£1,492,000	£3,897,000	181

### Mortgage Summary

<b>Total Mortgage</b>	2
<b>Outstanding</b>	2
<b>Satisfied</b>	0

### Trade Debtors / Bad Debt Summary

<b>Total Number of Documented Trade</b>	0
<b>Total Value of Documented Trade</b>	£0

### Commentary

This company has been treated as a Medium company in respect of the rating/limit generated.

This company's ratio of total liabilities to total assets indicates the presence of moderate equity funding.

This company's return on total assets employed ratio indicates a highly efficient use of assets.

The company has more cash than short term bank borrowings.

This company trades in an industry with a lower level of corporate failures.

### CCJ

<b>Total Number of Exact CCJs -</b>	0	<b>Total Value of Exact CCJs -</b>	
<b>Total Number of Possible CCJs -</b>	0	<b>Total Value of Possible CCJs -</b>	
<b>Total Number of Satisfied CCJs -</b>	0	<b>Total Value of Satisfied CCJs -</b>	

Total Number of Writs -

-

## Payment Information

### Company DBT



### Payment Trend



### Customer Payment Experiences



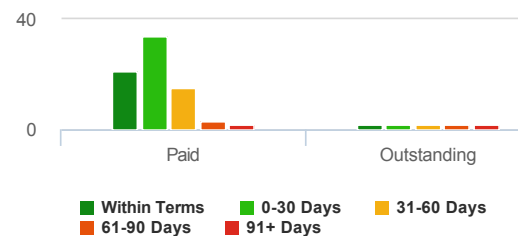
### Number of Experiences

-

Customer Payment Experiences are supplied by Creditsafe users based on their payment experience with their customers.

## Trade Payment Information

Average Invoice Value	7794.70
Invoices available	74
Paid	73
Outstanding	1



Trade Payment Data is information that we collect from selected third party partners who send us information about their whole sales ledger.

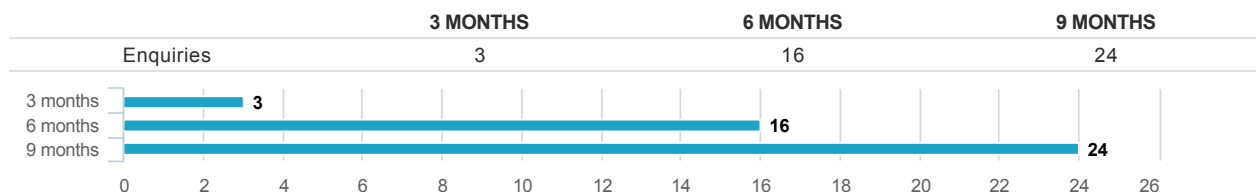
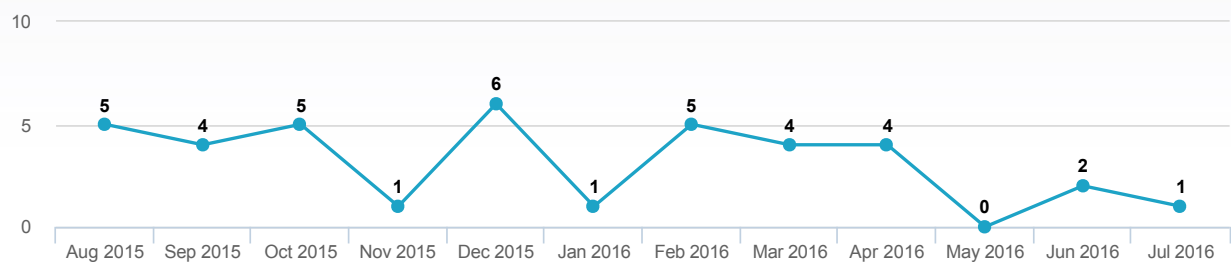
## Enquiries Trend

The last enquiry date was 21/07/2016

There have been 38 enquiries in the last 12 months.

There are an average of 3 reports taken each month.

### Monthly Breakdown



Total Current Directors	5
Total Current Secretaries	1
Total Previous Directors / Company Secretaries	5



## Current Directors

<b>Title</b>	Mr	<b>Function</b>	Director
<b>Name</b>	<a href="#">Kenneth Ian Wood</a>	<b>Nationality</b>	British
<b>Date of Birth</b>	10/1962	<b>Present Appointments</b>	9
<b>Latest Address</b>	Eagle House Lakeside Business Park, South Cerney, Cirencester, Gloucestershire	<b>Appointment Date</b>	30/08/2012
<b>Post Code</b>	GL7 5XL		
<b>Title</b>	Mr	<b>Function</b>	Director
<b>Name</b>	<a href="#">Nicholas Julian Moglia</a>	<b>Nationality</b>	British
<b>Date of Birth</b>	11/1959	<b>Present Appointments</b>	13
<b>Latest Address</b>	Eagle House Lakeside Business Park, South Cerney, Cirencester, Gloucestershire	<b>Appointment Date</b>	31/10/2012
<b>Post Code</b>	GL7 5XL		
<b>Title</b>	Mr	<b>Function</b>	Director
<b>Name</b>	<a href="#">David Richard Galton-Fenzi</a>	<b>Nationality</b>	British
<b>Date of Birth</b>	10/1969	<b>Present Appointments</b>	5
<b>Latest Address</b>	Eagle House Lakeside Business Park, South Cerney, Cirencester, Gloucestershire	<b>Appointment Date</b>	31/10/2012
<b>Post Code</b>	GL7 5XL		
<b>Title</b>	Mrs	<b>Function</b>	Director
<b>Name</b>	<a href="#">Caroline Inez Green</a>	<b>Nationality</b>	British
<b>Date of Birth</b>	04/1968	<b>Present Appointments</b>	32
<b>Latest Address</b>	Eagle House Lakeside Business Park, South Cerney, Cirencester, Gloucestershire	<b>Appointment Date</b>	29/02/2016
<b>Post Code</b>	GL7 5XL		
<b>Title</b>	Mr	<b>Function</b>	Director
<b>Name</b>	<a href="#">Ward Lee Williams</a>	<b>Nationality</b>	American
<b>Date of Birth</b>	08/1967	<b>Present Appointments</b>	1
<b>Latest Address</b>	Eagle House Lakeside Business Park, South Cerney, Cirencester, Gloucestershire	<b>Appointment Date</b>	28/04/2015
<b>Post Code</b>	GL7 5XL		
















## Current Company Secretary

<b>Title</b>	Mr	<b>Function</b>	Company Secretary
<b>Name</b>	<a href="#">Michael John O'Sullivan</a>	<b>Nationality</b>	
<b>Date of Birth</b>	-	<b>Present Appointments</b>	1
<b>Latest Address</b>	Eagle House Lakeside Business Park, South Cerney, Cirencester, Gloucestershire	<b>Appointment Date</b>	29/01/2015
<b>Post Code</b>	GL7 5XL		
















## Top Shareholders




Name	Currency	Share Count	Share Type	Nominal Value	% of Total Share Count
PROLABS (GROUP) LIMITED	GBP	6,668,222	ORDINARY PREFERRED	0	75.11
PROLABS (GROUP) LTD	GBP	2,210,000	ORDINARY	0.25	24.89

## Profit & Loss






Date Of Accounts	31/03/15	(%)	31/03/14	(%)	31/03/13	(%) -	(%) -
Weeks	52	(%)	52	(%)	31	(%) -	(%) -
Currency	GBP	(%)	GBP	(%)	GBP	(%) -	(%) -
Consolidated A/cs	N	(%)	N	(%)	Y	(%) -	(%) -
 <b>Turnover</b>	<b>£10,650,000</b>	<b>-11.1%</b>	<b>£11,980,000</b>	<b>-76.2%</b>	<b>£50,412,000</b>	--	--
 Export	£7,046,000	3.1%	£6,835,000	-	-	--	--
 Cost of Sales	£5,920,000	-9.3%	£6,527,000	-83.8%	£40,388,000	--	--
 Gross Profit	£4,730,000	-13.3%	£5,453,000	-45.6%	£10,024,000	--	--
 Wages & Salaries	£1,636,000	39.4%	£1,174,000	-76.1%	£4,903,000	--	--
 Directors Emoluments	£569,000	-27.7%	£787,000	578.4%	£116,000	--	--
 <b>Operating Profit</b>	<b>£1,610,000</b>	<b>-51%</b>	<b>£3,289,000</b>	<b>79.7%</b>	<b>£1,830,000</b>	--	--
 Depreciation	£88,000	104.7%	£43,000	-65.9%	£126,000	--	--
 Audit Fees	£11,000	10%	£10,000	-82.1%	£56,000	--	--
 Interest Payments	£11,000	-	-	-100%	£357,000	--	--
 <b>Pre Tax Profit</b>	<b>£1,599,000</b>	<b>-59.6%</b>	<b>£3,958,000</b>	<b>165.3%</b>	<b>£1,492,000</b>	--	--
 Taxation	-£355,000	54.5%	-£781,000	2.7%	-£803,000	--	--
 Profit After Tax	£1,244,000	-60.8%	£3,177,000	361.1%	£689,000	--	--
 Dividends Payable	£2,652,000	127.2%	£1,167,000	94.5%	£600,000	--	--
 <b>Retained Profit</b>	<b>-£1,408,000</b>	<b>-170%</b>	<b>£2,010,000</b>	<b>999.9%</b>	<b>-£90,000</b>	--	--

## Balance Sheet






Date Of Accounts	31/03/15	(%)	31/03/14	(%)	31/03/13	(%) -	(%) -
 Tangible Assets	£2,055,000	6.9%	£1,922,000	999.9%	£135,000	--	--
 Intangible Assets	0	-	0	-100%	£3,300,000	--	--
 <b>Total Fixed Assets</b>	<b>£2,055,000</b>	<b>6.9%</b>	<b>£1,922,000</b>	<b>-44%</b>	<b>£3,435,000</b>	--	--
 Stock	£785,000	361.8%	£170,000	-84.8%	£1,122,000	--	--
 Trade Debtors	£2,000	-	0	-100%	£1,783,000	--	--
 Cash	£682,000	-52.4%	£1,432,000	952.9%	£136,000	--	--
 Other Debtors	£1,215,000	-32.2%	£1,792,000	-6.6%	£1,918,000	--	--
 Miscellaneous Current Assets	0	-	0	-	0	--	--
 <b>Total Current Assets</b>	<b>£2,684,000</b>	<b>-20.9%</b>	<b>£3,394,000</b>	<b>-31.6%</b>	<b>£4,959,000</b>	--	--
 Trade Creditors	£1,783,000	82.5%	£977,000	73.2%	£564,000	--	--
 Bank Loans & Overdrafts	0	-	0	-	0	--	--
 Other Short Term Finance	£501,000	-13.9%	£582,000	-83.1%	£3,439,000	--	--
 Miscellaneous Current Liabilities	£327,000	-72.1%	£1,174,000	168%	£438,000	--	--
 <b>Total Current Liabilities</b>	<b>£2,611,000</b>	<b>-4.5%</b>	<b>£2,733,000</b>	<b>-38.5%</b>	<b>£4,441,000</b>	--	--
 Bank Loans &							

 Overdrafts and LTL	£953,000	-	0	-100%	£56,000	--	--
 Other Long Term Finance	£953,000	-	0	-	0	--	--
 <b>Total Long Term Liabilities</b>	<b>£953,000</b>	<b>-</b>	<b>0</b>	<b>-100%</b>	<b>£56,000</b>	<b>--</b>	<b>--</b>





## Capital & Reserves

Date Of Accounts	31/03/15	(%)	31/03/14	(%)	31/03/13	(%) -	(%) -
 Called Up Share Capital	£569,000	-	£569,000	-	£569,000	--	--
 P & L Account Reserve	£606,000	-69.9%	£2,014,000	134.2%	£860,000	--	--
 Revaluation Reserve	-	-	-	-	-	--	--
 Sundry Reserves	-	-	-	-100%	£2,468,000	--	--
 <b>Shareholder Funds</b>	<b>£1,175,000</b>	<b>-54.5%</b>	<b>£2,583,000</b>	<b>-33.7%</b>	<b>£3,897,000</b>	<b>--</b>	<b>--</b>



## Other Financial Items

Date Of Accounts	31/03/15	(%)	31/03/14	(%)	31/03/13	(%) -	(%) -
 <b>Net Worth</b>	<b>£1,175,000</b>	<b>-54.5%</b>	<b>£2,583,000</b>	<b>332.7%</b>	<b>£597,000</b>	<b>--</b>	<b>--</b>
 <b>Working Capital</b>	<b>£73,000</b>	<b>-89%</b>	<b>£661,000</b>	<b>27.6%</b>	<b>£518,000</b>	<b>--</b>	<b>--</b>
 <b>Total Assets</b>	<b>£4,739,000</b>	<b>-10.9%</b>	<b>£5,316,000</b>	<b>-36.7%</b>	<b>£8,394,000</b>	<b>--</b>	<b>--</b>
 <b>Total Liabilities</b>	<b>£3,564,000</b>	<b>30.4%</b>	<b>£2,733,000</b>	<b>-39.2%</b>	<b>£4,497,000</b>	<b>--</b>	<b>--</b>
 <b>Net Assets</b>	<b>£1,175,000</b>	<b>-54.5%</b>	<b>£2,583,000</b>	<b>-33.7%</b>	<b>£3,897,000</b>	<b>--</b>	<b>--</b>















## Cash Flow

Date Of Accounts	31/03/15	(%)	31/03/14	(%)	31/03/13	(%) -	(%) -
 Net Cashflow from Operations	-	-	-	-	£3,035,000	--	--
 Net Cashflow before Financing	-	-	-	-100%	£136,000	--	--
 Net Cashflow from Financing	-	-	-	-	-	--	--
 Increase in Cash	-	-	-	-	£136,000	--	--

## Miscellaneous

Date Of Accounts	31/03/15	(%)	31/03/14	(%)	31/03/13	(%) -	(%) -
Contingent Liability	NO	-	NO	-	NO	--	--
 Capital Employed	£2,128,000	-17.6%	£2,583,000	-34.7%	£3,953,000	--	--
 Number of Employees	14	75%	8	-95.6%	181	--	--
Accountants							
Auditors	BDO LLP						
Auditor Comments	The audit report contains no adverse comments						
Bankers	LLOYDS TSB BANK PLC						
Bank Branch Code	30-96-96						

## Ratios

Date Of Accounts	31/03/15	31/03/14	31/03/13	-	-
 Pre-tax profit margin %	15.01	33.04	2.96	-	-
 Current ratio	1.03	1.24	1.12	-	-
 Sales/Net Working Capital	145.89	18.12	97.32	-	-
 Gearing %	81.10	0	1.40	-	-
 Equity in %	24.80	48.60	76.50	-	-
 Creditor Days	60.94	29.68	2.42	-	-
 Debtor Days	0.06	-	7.67	-	-
 Liquidity/Acid Test	0.72	1.17	0.86	-	-
 Return On Capital Employed %	75.14	153.23	37.74	-	-
 Return On Total Assets Employed %	33.74	74.45	17.77	-	-
 Current Debt Ratio	2.22	1.05	1.13	-	-
 Total Debt Ratio	3.03	1.05	1.15	-	-
 Stock Turnover Ratio %	7.37	1.41	2.22	-	-
 Return on Net Assets Employed %	136.08	153.23	38.28	-	-

## Report Notes

There are no notes to display.

## Status History

No Status History found

## Event History

Date	Description
30/03/2016	New Board Member Mrs C.I. Green appointed
23/03/2016	New Board Member Mrs C. Green appointed
04/03/2016	Payment Data Update Received
19/02/2016	Payment Data Update Received
02/02/2016	Payment Data Update Received
09/12/2015	Change in Reg.Office
09/12/2015	Change of Company Postcode
26/09/2015	Annual Returns
24/07/2015	Payment Data Update Received
24/07/2015	New Accounts Filed
24/07/2015	New Accounts Filed
22/07/2015	Mr A. Faris has left the board
14/07/2015	Payment Data Update Received
12/06/2015	Mr S. Holness has left the board
12/06/2015	Mr R.J. Sweet has left the board

## Rating History [Show graph](#)

Date	Rating	Description
04/03/2016	76	Very Low Risk
19/02/2016	87	Very Low Risk
02/02/2016	76	Very Low Risk

24/07/2015	81	Very Low Risk
24/07/2015	76	Very Low Risk
14/07/2015	76	Very Low Risk
17/06/2015	81	Very Low Risk
28/04/2015	87	Very Low Risk
21/04/2015	81	Very Low Risk
26/03/2015	87	Very Low Risk

### Limit History [Show graph](#)

Date	Limit
04/03/2016	£150,000
19/02/2016	£150,000
02/02/2016	£150,000
24/07/2015	£150,000
24/07/2015	£150,000
14/07/2015	£220,000
17/06/2015	£235,000
28/04/2015	£250,000
21/04/2015	£235,000
26/03/2015	£250,000

### Previous Company Names

Date	Previous Name
09/07/2013	ZYCKO GROUP LIMITED
08/11/2012	OVAL (2255) LIMITED

### Writ Details

No writs found

### Statistics







Group	3 companies
Linkages	<a href="#">0 companies</a>
Countries	<a href="#">In 0 countries</a>

### Summary

Holding Company	PROLABS (GROUP) LIMITED
Ownership Status	Intermediately Owned
Ultimate Holding Company	PROLABS HOLDINGS LIMITED

### Group Structure

Full

Company Name	Safe Number	Registered Number	Latest Key Financials	Consol. Accounts	Rating	Limit	Turnover
 <a href="#">PROLABS HOLDINGS LIMITED</a>	 <a href="#">UK13618594</a>	09546534	-	N	<b>8</b>	£0	
 <a href="#">PROLABS (GROUP) LIMITED</a>	 <a href="#">UK08656511</a>	08367871	31.03.2015	Y	<b>84</b>	£330,000	£14,764,000
 <a href="#">PROLABS (UK) LIMITED</a>	 <a href="#">UK08468608</a>	08196598	31.03.2015	N	<b>76</b>	£150,000	£10,650,000



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[linkedin.com/company/creditsafe](https://linkedin.com/company/creditsafe)

Registered in Wales. Company number: 03836192