

Company Registration No. 03056680 (England and Wales)

ABBEYLORD PROPERTIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
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ABBEYLORD PROPERTIES LIMITED

COMPANY INFORMATION

Director	M.A Phillips
Secretary	E R Phillips
Company number	03056680
Registered office	73 Cornhill London EC3V 3QQ
Auditor	Gerald Edelman 73 Cornhill London EC3V 3QQ

ABBEYLORD PROPERTIES LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 12

ABBEYLORD PROPERTIES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		20,871		27,828
Investment properties	4		70,000,000		38,900,000
Investments	5		3,220,602		8,534,302
			<u>73,241,473</u>		<u>47,462,130</u>
Current assets					
Debtors	6	17,648,276		51,306	
Investments	7	4,986,627		25,081,594	
Cash at bank and in hand		747,268		382,144	
		<u>23,382,171</u>		<u>25,515,044</u>	
Creditors: amounts falling due within one year	8	(7,063,306)		(17,501,228)	
Net current assets			<u>16,318,865</u>		<u>8,013,816</u>
Total assets less current liabilities			<u>89,560,338</u>		<u>55,475,946</u>
Creditors: amounts falling due after more than one year	9		(20,306,127)		(20,978,648)
Provisions for liabilities			<u>(9,255,702)</u>		<u>(4,242,088)</u>
Net assets			<u><u>59,998,509</u></u>		<u><u>30,255,210</u></u>
Capital and reserves					
Called up share capital	10		2		2
Profit and loss reserves			59,998,507		30,255,208
Total equity			<u><u>59,998,509</u></u>		<u><u>30,255,210</u></u>

The director of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 11 April 2018

M A Phillips
Director



Company Registration No. 03056680

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Abbeylord Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 73 Cornhill, London, EC3V 3QQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of Abbeylord Properties Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 13.

1.2 Turnover

Turnover represents rent receivable on tenancy agreements. Rental income is payable by the tenants on a weekly and monthly basis. The rental income is recognised in the profit and loss account in the period to which it relates.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% Reducing balance
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 21 (2016 - 13).

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2017**

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2016	143,546
Additions	3,500
Disposals	(3,500)
At 31 March 2017	<u>143,546</u>
Depreciation and impairment	
At 1 April 2016	115,718
Depreciation charged in the year	6,957
At 31 March 2017	<u>122,675</u>
Carrying amount	
At 31 March 2017	<u>20,871</u>
At 31 March 2016	<u>27,828</u>

4 Investment property

	2017 £
Fair value	
At 1 April 2016	38,900,000
Revaluations	31,100,000
At 31 March 2017	<u>70,000,000</u>

The fair value of the investment properties have been arrived at on the basis of a valuation carried out at year end by the director. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

5 Fixed asset investments

	2017 £	2016 £
Investments	<u>3,220,602</u>	<u>8,534,302</u>

Fixed asset investments represent interest in a limited liability partnership stated at equity invested.

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

5 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2016	8,534,302
Valuation changes	(5,313,700)
At 31 March 2017	3,220,602
Carrying amount	
At 31 March 2017	3,220,602
At 31 March 2016	8,534,302

6 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Corporation tax recoverable	-	33,186
Amounts owed by group undertakings	16,402,584	-
Other debtors	1,245,692	18,120
	<u>17,648,276</u>	<u>51,306</u>

7 Current asset investments

	2017 £	2016 £
Other investments	<u>4,986,627</u>	<u>25,081,594</u>

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

8 Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	5,288,416	16,011,332
Trade creditors	276,091	218,502
Corporation tax	402,978	155,411
Other taxation and social security	7,500	5,929
Other creditors	1,088,321	1,110,054
	<u>7,063,306</u>	<u>17,501,228</u>

The bank loan is secured by way of a first legal charge over the investment properties of the company and by way of guarantee over the assets of Abbeylord Holdings LLP.

9 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	20,306,127	20,978,648
	<u>20,306,127</u>	<u>20,978,648</u>

The bank loan is secured by way of a first legal charge over the investment properties of the company and by way of guarantee over the assets of Abbeylord Holdings LLP.

10 Called up share capital

	2017	2016
	£	£
Ordinary share capital Issued and fully paid 2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Engin Zekia FCA.

The auditor was Gerald Edelman.

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

12 Directors' transactions

Included within other debtors is an amount of £1,101,713 (2016: creditor of £22,000) due from M A Phillips. There were advances made during the year of £3,563,523 (2016: £12,199,316) and repayments of £2,440,681 (2016: £11,903,990).

Interest of £871 (2016: £Nil) was charged by the company during the year in respect of this loan.

The outstanding balance, including interest, as at 31 March 2017 was repaid by 31 December 2017.

13 Reconciliations on adoption of FRS 102

Reconciliation of equity

		1 April 2015	31 March 2016
	Notes	£	£
Equity as reported under previous UK GAAP		25,917,082	34,392,639
Adjustments arising from transition to FRS 102:			
Fair value gains on investment properties	1	-	-
Deferred tax	2	(3,004,818)	(4,242,088)
Revaluation of listed investments	3	1,292,408	104,659
Equity reported under FRS 102		<u>24,204,672</u>	<u>30,255,210</u>

Reconciliation of profit for the financial period

	Notes	2016 £
Profit as reported under previous UK GAAP		1,246,024
Adjustments arising from transition to FRS 102:		
Fair value gains on investment properties	1	7,251,533
Deferred tax	2	(1,237,270)
Revaluation of listed investments	3	(1,187,749)
Profit reported under FRS 102		<u>6,072,538</u>

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

13 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of equity

Notes	At 1 April 2015			At 31 March 2016		
	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Fixed assets						
Tangible assets	21,948	-	21,948	27,828	-	27,828
Investment properties	29,700,000	-	29,700,000	38,900,000	-	38,900,000
Investments	9,712,319	-	9,712,319	8,534,302	-	8,534,302
	<u>39,434,267</u>	<u>-</u>	<u>39,434,267</u>	<u>47,462,130</u>	<u>-</u>	<u>47,462,130</u>
Current assets						
Debtors	74,562	-	74,562	51,306	-	51,306
Investments 3	15,153,373	1,292,408	16,445,781	24,976,935	104,659	25,081,594
Bank and cash	911,625	-	911,625	382,144	-	382,144
	<u>16,139,560</u>	<u>1,292,408</u>	<u>17,431,968</u>	<u>25,410,385</u>	<u>104,659</u>	<u>25,515,044</u>
Creditors due within one year						
Loans and overdrafts	(17,453,503)	-	(17,453,503)	(16,933,332)	-	(16,933,332)
Taxation	(355,403)	-	(355,403)	(161,340)	-	(161,340)
Other creditors	(337,839)	-	(337,839)	(406,556)	-	(406,556)
	<u>(18,146,745)</u>	<u>-</u>	<u>(18,146,745)</u>	<u>(17,501,228)</u>	<u>-</u>	<u>(17,501,228)</u>
Net current (liabilities)/assets	<u>(2,007,185)</u>	<u>1,292,408</u>	<u>(714,777)</u>	<u>7,909,157</u>	<u>104,659</u>	<u>8,013,816</u>
Total assets less current liabilities	<u>37,427,082</u>	<u>1,292,408</u>	<u>38,719,490</u>	<u>55,371,287</u>	<u>104,659</u>	<u>55,475,946</u>
Creditors due after one year						
Loans and overdrafts	(11,510,000)	-	(11,510,000)	(20,978,648)	-	(20,978,648)
Provisions for liabilities						
Deferred tax 2	-	(3,004,818)	(3,004,818)	-	(4,242,088)	(4,242,088)
Net assets	<u>25,917,082</u>	<u>(1,712,410)</u>	<u>24,204,672</u>	<u>34,392,639</u>	<u>(4,137,429)</u>	<u>30,255,210</u>

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

13 Reconciliations on adoption of FRS 102

(Continued)

Notes	At 1 April 2015			At 31 March 2016		
	Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
	£	£	£	£	£	£
Capital and reserves						
Share capital	2	-	2	2	-	2
Revaluation reserve	1	21,285,543 (21,285,543)	-	28,537,076 (28,537,076)	-	-
Profit and loss		4,631,537 19,573,133	24,204,670	5,855,561 24,399,647	30,255,208	
Total equity		25,917,082 (1,712,410)	24,204,672	34,392,639 (4,137,429)	30,255,210	

Reconciliation of profit for the financial period

Notes	Year ended 31 March 2016		
	Previous UK GAAP	Effect of transition	FRS 102
	£	£	£
Turnover	2,732,149	-	2,732,149
Distribution costs	(762,274)	-	(762,274)
Administrative expenses	(657,876)	-	(657,876)
Other operating income	168,277	-	168,277
Operating profit	1,480,276	-	1,480,276
Income from other fixed asset investments	445,040	-	445,040
Interest receivable and similar income	698,211	-	698,211
Interest payable and similar expenses	(827,083)	-	(827,083)
Revaluation of listed investments	3 (430,079)	(1,187,749)	(1,617,828)
Fair value gains on investment properties	1 -	7,251,533	7,251,533
Profit before taxation	1,366,365	6,063,784	7,430,149
Taxation	2 (120,341)	(1,237,270)	(1,357,611)
Profit for the financial period	1,246,024	4,826,514	6,072,538

ABBEYLORD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

13 Reconciliations on adoption of FRS 102

(Continued)

Notes to reconciliations on adoption of FRS 102

1. Revaluation reserve

Abbeylord Properties Limited was previously recognising revaluation movements under a separate reserve on the balance sheet.

Under FRS 102, any revaluation movements on fixed assets are taken to the profit and loss.

On the adoption of the requirements of FRS 102, the revaluation reserve brought forward of £28,537,076 has been reallocated within the profit and loss reserve.

2. Deferred tax

Prior to the adoption of FRS 102, Abbeylord Properties Limited did not make a provision for deferred tax on timing differences. FRS 102 requires deferred tax to be provided in the financial statements.

Consequently a provision of £3,004,818 at 1 April 2015 has been made to reflect this. The provision at 31 March 2016 had increased to £4,242,088 and the movement in provision of £1,237,270 has been charged to profit and loss in the year ended 31 March 2016.

3. Revaluation of listed investments

Abbeylord Properties Limited was previously holding listed investments at cost. FRS 102 requires listed investments to be held at fair value.

On the adoption of the requirements of FRS 102, listed investments have been revalued to fair value as at 1 April 2015 by £1,292,408. A further increase of £104,659 to fair value had been recognised as at 31 March 2016.