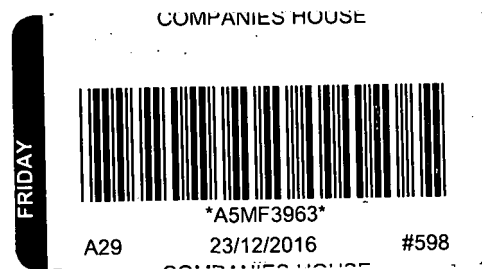


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**HEATH RESIDENTIAL ESTATES LIMITED**

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**UNAUDITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**



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**HEATH RESIDENTIAL ESTATES LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

Mr C Heath  
Mrs J Heath

**COMPANY SECRETARY**

Mr C Heath

**REGISTERED NUMBER**

04353841

**REGISTERED OFFICE**

C/O Gibson Appleby  
1-3 Ship Street  
West Sussex  
BN43 5DH

**ACCOUNTANTS**

Gibson Appleby  
Chartered Accountants  
1-3 Ship Street  
Shoreham-by-Sea  
West Sussex  
BN43 5DH

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# HEATH RESIDENTIAL ESTATES LIMITED

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## HEATH RESIDENTIAL ESTATES LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016

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The directors present their report and the unaudited financial statements for the year ended 31 March 2016.

#### PRINCIPAL ACTIVITIES

The company continued to trade in its principal activities, which are that of the investment in property and property management.

#### DIRECTORS

The directors who served during the year were:

Mr C Heath  
Mrs J Heath

#### DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

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

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board and signed on its behalf.

  
.....  
Mrs J Heath  
Director

Date: 22<sup>nd</sup> December 2016

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**HEATH RESIDENTIAL ESTATES LIMITED**

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**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF  
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF HEATH RESIDENTIAL ESTATES LIMITED  
FOR THE YEAR ENDED 31 MARCH 2016**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Heath Residential Estates Limited for the year ended 31 March 2016 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the board of directors of Heath Residential Estates Limited, as a body, in accordance with the terms of our engagement letter dated 31st August 2010. Our work has been undertaken solely to prepare for your approval the financial statements of Heath Residential Estates Limited and state those matters that we have agreed to state to the board of directors of Heath Residential Estates Limited, as a body, in this report in accordance with ICAEW Technical release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Heath Residential Estates Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Heath Residential Estates Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Heath Residential Estates Limited. You consider that Heath Residential Estates Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Heath Residential Estates Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

*Gibson Appleby*

**Gibson Appleby**

Chartered Accountants

1-3 Ship Street  
Shoreham-by-Sea  
West Sussex  
BN43 5DH

Date: 22.12.16

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HEATH RESIDENTIAL ESTATES LIMITED

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PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2016

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	Note	2016 £	2015 £
<b>TURNOVER</b>	1	<b>106,173</b>	97,306
Administrative expenses		<b>(45,829)</b>	(64,727)
<b>OPERATING PROFIT</b>	2	<b>60,344</b>	32,579
Interest receivable and similar income		<b>211</b>	176
Interest payable and similar charges		<b>(15,776)</b>	(15,774)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>44,779</b>	16,981
Tax on profit on ordinary activities	4	<b>(11,151)</b>	(4,035)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	10	<b>33,628</b>	12,946

The notes on pages 7 to 13 form part of these financial statements.

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HEATH RESIDENTIAL ESTATES LIMITED

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STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 MARCH 2016

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	2016 £	2015 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>33,628</b>	<b>12,946</b>
Unrealised surplus on revaluation of tangible fixed assets	<b>118,746</b>	<b>211,023</b>
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b>152,374</b>	<b>223,969</b>
	<hr/>	<hr/>

The notes on pages 7 to 13 form part of these financial statements.

**HEATH RESIDENTIAL ESTATES LIMITED**  
**REGISTERED NUMBER: 04353841**

**BALANCE SHEET**  
**AS AT 31 MARCH 2016**

	Note	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	5	2,440,893	2,321,827
<b>CURRENT ASSETS</b>			
Debtors	6	11,704	8,844
Cash at bank and in hand		105,648	82,670
		<u>117,352</u>	<u>91,514</u>
<b>CREDITORS:</b> amounts falling due within one year	7	<u>(146,836)</u>	<u>(154,215)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(29,484)</u>	<u>(62,701)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,411,409</u>	<u>2,259,126</u>
<b>CREDITORS:</b> amounts falling due after more than one year	8	<u>(1,418,917)</u>	<u>(1,419,008)</u>
<b>NET ASSETS</b>		<u><u>992,492</u></u>	<u><u>840,118</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	1,200	1,200
Revaluation reserve	10	802,671	683,925
Profit and loss account	10	188,621	154,993
<b>SHAREHOLDERS' FUNDS</b>	11	<u><u>992,492</u></u>	<u><u>840,118</u></u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2016 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).



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HEATH RESIDENTIAL ESTATES LIMITED  
*Registered number: 04353841*

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BALANCE SHEET (continued)  
AS AT 31 MARCH 2016

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....  
**Mr C Heath**  
Director

Date: *22<sup>nd</sup> December 2016*

The notes on pages 7 to 13 form part of these financial statements.

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## HEATH RESIDENTIAL ESTATES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of leasehold property investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

##### 1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

##### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property investments	-	see note 1.5
Leasehold property investments	-	see note 1.5
Furniture, fixtures and fittings	-	15% straight line
Office equipment	-	15% straight line

##### 1.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the profit and loss account.

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## HEATH RESIDENTIAL ESTATES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### 2. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the company	<u>390</u>	<u>287</u>

#### 3. DIRECTORS' REMUNERATION

	2016 £	2015 £
Aggregate remuneration	<u>16,080</u>	<u>15,840</u>

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**HEATH RESIDENTIAL ESTATES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

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**4. TAXATION**

	2016 £	2015 £
UK corporation tax charge on profit for the year/period	<u>11,151</u>	<u>4,035</u>

There were no factors that affected the tax charge for the year/period which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 20% (2015 - 20%).

There were no factors that may affect future tax charges.

**5. TANGIBLE FIXED ASSETS**

	Freehold property £	L/Term Leasehold Property £	Fixtures & fittings £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2015	645,465	1,675,789	3,375	3,505	2,328,134
Additions	-	-	-	710	710
Revaluation surplus/(deficit)	24,535	94,211	-	-	118,746
At 31 March 2016	<u>670,000</u>	<u>1,770,000</u>	<u>3,375</u>	<u>4,215</u>	<u>2,447,590</u>
<b>Depreciation</b>					
At 1 April 2015	-	-	3,325	2,982	6,307
Charge for the year	-	-	33	357	390
At 31 March 2016	<u>-</u>	<u>-</u>	<u>3,358</u>	<u>3,339</u>	<u>6,697</u>
<b>Net book value</b>					
At 31 March 2016	<u>670,000</u>	<u>1,770,000</u>	<u>17</u>	<u>876</u>	<u>2,440,893</u>
At 31 March 2015	<u>645,465</u>	<u>1,675,789</u>	<u>50</u>	<u>523</u>	<u>2,321,827</u>

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## HEATH RESIDENTIAL ESTATES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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#### 5. TANGIBLE FIXED ASSETS (continued)

Cost or valuation at 31 March 2016 is as follows:

	Freehold investment property £	Leasehold investment property £
At cost	586,786	1,523,445
<b>At valuation</b>		
31 March 2015	58,679	152,345
Total	<u>645,465</u>	<u>1,675,790</u>

The freehold property investments were revalued on 31 March 2016 by the directors at an open market value based on surveyors' valuations of £670,000 (2015: £645,465)

If the Freehold property investments had not been included at valuation they would have been included under the historical cost convention as follows:

	2016 £	2015 £
Cost	558,844	558,844
Accumulated depreciation	-	-
Net book value	<u>558,844</u>	<u>558,844</u>

The leasehold property investments were revalued on 31 March 2016 by the directors at an open market value based on surveyors' valuations of £1,770,000 (2015: £1,675,789)

If the Leasehold property investments had not been included at valuation they would have been included under the historical cost convention as follows:

	2016 £	2015 £
Cost	1,450,900	1,450,900
Accumulated depreciation	-	-
Net book value	<u>1,450,900</u>	<u>1,450,900</u>

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HEATH RESIDENTIAL ESTATES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016

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6. DEBTORS

	2016 £	2015 £
Trade debtors	390	790
Other debtors	11,314	8,054
	<u>11,704</u>	<u>8,844</u>

Included within other debtors due within one year is a loan to Mr C Heath, a director, amounting to £9170 (2015 - £NIL). Amounts repaid during the year totalled £Nil. The main conditions were as follows:  
The loan is repayable on demand and is interest free.

7. CREDITORS:  
Amounts falling due within one year

	2016 £	2015 £
Payments received on account	12,174	11,024
Corporation tax	11,152	4,035
Other creditors	123,510	139,156
	<u>146,836</u>	<u>154,215</u>

8. CREDITORS:  
Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	<u>1,418,917</u>	<u>1,419,008</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2016 £	2015 £
Repayable other than by instalments	<u>1,418,917</u>	<u>1,419,008</u>

Bank loans of £1,418,917 (2015: £1,419,008) are secured with a fixed charge over freehold and leasehold properties.

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## HEATH RESIDENTIAL ESTATES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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#### 9. SHARE CAPITAL

	2016 £	2015 £
<b>Allotted, unallotted, called up and fully paid</b>		
100 Ordinary 'A' shares of £1 each	100	100
100 Ordinary 'B' shares of £1 each	100	100
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,200</u>	<u>1,200</u>

#### 10. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 April 2015	683,925	154,993
Profit for the financial year		33,628
Surplus on revaluation of freehold property	24,535	
Surplus on revaluation of leasehold property	94,211	
	<u>802,671</u>	<u>188,621</u>
At 31 March 2016		

#### 11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2016 £	2015 £
Opening shareholders' funds	840,118	616,149
Profit for the financial year/period	33,628	12,946
Other recognised gains and losses during the year/period	118,746	211,023
	<u>992,492</u>	<u>840,118</u>
Closing shareholders' funds		

#### 12. RELATED PARTY TRANSACTIONS

At the year end, the company owed the directors, C & J Heath, £ (2015: £17,285), which is included within other creditors. No interest is charged on the balance and it is not secured against the assets of the company.

At the year end, the company owed Heath Residential Partnership, a venture controlled by the directors, £118,751 (2015: £117,386), which is included within other creditors. No interest is charged on the balance and it is not secured against the assets of the company.

The company manages properties owned by Heath Residential Partnership. There is no charge for this service, which is not in line with standard commercial terms.

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**HEATH RESIDENTIAL ESTATES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

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**13. CONTROLLING PARTY**

Ultimate control is held by the directors, C Heath and J Heath by virtue of the fact they own 100% of the issued share capital.