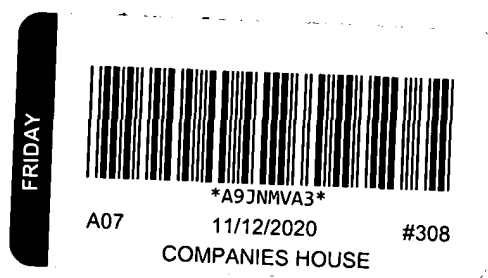


COMPANY REGISTRATION NUMBER: 10825215

HENTOP 318A LIMITED
Financial statements
31 May 2020



HENTOP 318A LIMITED

Financial statements

Year ended 31 May 2020

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HENTOP 318A LIMITED

Officers and professional advisers

The board of directors

M S Kingston
T R Betts
C F Moharm (appointed 2nd June 2020)

Company secretary

C F Moharm

Registered office

55 Baker Street
London
United Kingdom
W1U 7EU

Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Bankers

Barclays Bank Plc
Pall Mall Corporate Group
50 Pall Mall
London
SW1A 1QA

HENTOP 318A LIMITED

Directors' report

Year ended 31 May 2020

The directors present their report and the financial statements of the company for the year ended 31 May 2020.

Principal activities

The entity is a private company, limited by shares and incorporated in England and Wales. The principal activity is that of property development. The result for the year is shown on page 7.

Directors

The directors who served the company during the year were as follows:

M S Kingston

T R Betts

I Rickwood (resigned 2nd June 2020)

A J Brandon (alternative for I Rickwood) (resigned 2nd June 2020)

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;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

HENTOP 318A LIMITED

Directors' report (continued)

Year ended 31 May 2020

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

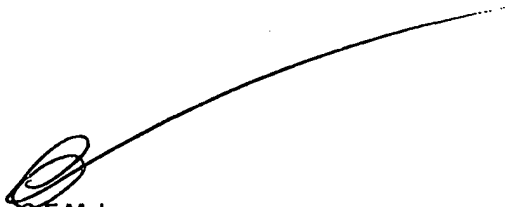
- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 18 November 2020 and signed on behalf of the board by:



C F Moharm
Company Secretary

HENTOP 318A LIMITED

Independent auditor's report to the members of Hentop 318A Limited

Year ended 31 May 2020

Opinion

We have audited the financial statements of Hentop 318A Limited ("the company") for the year ended 31 May 2020 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter

We draw attention to note 4, which explains that as a result of the impact of the COVID-19 pandemic on the property market, the director's valuation of the company's investment property is subject to a higher degree of uncertainty than would normally be the case. It is made on the basis of assumptions which may not prove to be accurate. Our opinion is not modified in respect of this matter.

HENTOP 318A LIMITED

Independent auditor's report to the members of Hentop 318A Limited (continued)

Year ended 31 May 2020

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

HENTOP 318A LIMITED

Independent auditor's report to the members of Hentop 318A Limited (continued)

Year ended 31 May 2020

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

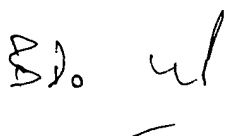
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Levy (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
W1U 7EU

18 November 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

HENTOP 318A LIMITED

Statement of comprehensive income

Year ended 31 May 2020

	Note	2020 £	2019 £
Turnover	5	5,037,336	2,132,356
Cost of sales		(5,016,788)	(2,060,363)
Property expenses		(71,785)	—
Gross (loss)/profit		(51,237)	71,993
Administrative expenses		(18,575)	(46,582)
Stock - impairment provision		5,630	(885,255)
Investment property fair value movement	9	(27,040)	—
Operating loss		(91,222)	(859,844)
Interest receivable and similar income	8	92	—
Loss before taxation		(91,130)	(859,844)
Tax on loss		—	—
Loss for the financial year and total comprehensive income		(91,130)	(859,844)

All the activities of the company are from continuing operations.

The notes on pages 10 to 17 form part of these financial statements.

HENTOP 318A LIMITED

Statement of financial position

31 May 2020

	Note	2020 £	2019 £
Fixed assets			
Investment property	9	1,535,716	–
Current assets			
Stocks	10	–	6,462,797
Debtors	11	29,533	74,607
		<u>29,533</u>	<u>6,537,404</u>
Creditors: amounts falling due within one year	12	<u>(5,149,257)</u>	<u>(10,030,282)</u>
Net current liabilities		<u>(5,119,724)</u>	<u>(3,492,878)</u>
Total assets less current liabilities		<u>(3,584,008)</u>	<u>(3,492,878)</u>
Net liabilities		<u>(3,584,008)</u>	<u>(3,492,878)</u>
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account	14	<u>(3,584,009)</u>	<u>(3,492,879)</u>
Members deficit		<u>(3,584,008)</u>	<u>(3,492,878)</u>

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

These financial statements were approved by the board of directors and authorised for issue on 18 November 2020, and are signed on behalf of the board by:


M S Kingston
Director

Company registration number: 10825215

The notes on pages 10 to 17 form part of these financial statements.

HENTOP 318A LIMITED

Statement of changes in equity

Year ended 31 May 2020

	Called up share capital £	Profit and loss account £	Total £
At 1 June 2018	1	(2,633,035)	(2,633,034)
Loss for the year	—	(859,844)	(859,844)
Total comprehensive income for the year	—	(859,844)	(859,844)
At 31 May 2019	1	(3,492,879)	(3,492,878)
Loss for the year	—	(91,130)	(91,130)
Total comprehensive income for the year	—	(91,130)	(91,130)
At 31 May 2020	1	(3,584,009)	(3,584,008)

The notes on pages 10 to 17 form part of these financial statements.

HENTOP 318A LIMITED

Notes to the financial statements

Year ended 31 May 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 55 Baker Street, London, W1U 7EU, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102 Section 1A, Small Entities.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies (see note 4).

The following principal accounting policies have been applied:

Going concern

In preparing the financial statements, the directors are required to make an assessment of the company's ability to continue as a going concern. The directors have prepared a cash flow forecast for the company which covers the 12 month period from the date of signing these financial statements. Against the backdrop of the COVID-19 Pandemic a "reverse stress" test has been applied to the forecasts, seeking to establish the level of liquidity headroom the company is expected to have during this 12 month going concern period.

The parent company has confirmed that it is not its current intention to call for repayment of the balance owed to it for at least 12 months from the date of approval of these financial statements unless the company has sufficient funds to be able to make repayments. In addition, the company's cash flow forecast shows that after taking into account the above, the company has adequate resources to continue in operational existence and to meet its liabilities as they fall due for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing these financial statements.

Disclosure exemptions

These financial statements have been prepared in accordance with FRS 102, Section 1A, Small Entities. As such, advantage has been taken of the following disclosure exemptions available under FRS 102, Section 1A.

No statement of cash flow has been presented.

HENTOP 318A LIMITED

Notes to the financial statements (continued)

Year ended 31 May 2020

3. Accounting policies (continued)

Investment properties

Investment properties are stated at fair value, using the principles set out in notes 4 and 9.

The directors revalue the investment property annually to fair value with the aggregate surplus or deficit being recognised in the statement of comprehensive income. Acquisitions and disposals are recognised on the unconditional exchange of contracts for sale/purchase.

It is anticipated that external valuations will be carried out periodically.

Lessor incentives

Lessor incentives include rent free periods and other incentives given to lessees on entering into lease agreements.

Lessor incentives to new tenants to occupy the company's investment properties are treated as revenue expenditure and initially recorded as prepayments. The payments are then charged to the statement of comprehensive income evenly over the period to the lease end date. Where lessor incentives relate to investment properties the properties are carried at open market value less the amount of the unamortised incentive.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for net rental income, property trading and related income receivable less value added tax.

Current and deferred tax

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates or generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

HENTOP 318A LIMITED

Notes to the financial statements (continued)

Year ended 31 May 2020

3. Accounting policies (continued)

Stocks

Development properties are valued at the lower of cost and net realisable value.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

Financial liabilities that are not classified as financial instruments are recorded at transaction cost. All changes to transaction cost are recognised in the statement of comprehensive income.

Financial assets

Financial assets are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of comprehensive income immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in the statement of comprehensive income immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

HENTOP 318A LIMITED

Notes to the financial statements (continued)

Year ended 31 May 2020

4. Judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP), requires the use of certain critical accounting estimates and judgements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on directors' best knowledge of the amount, event or actions, actual results may differ from those estimates. The following is intended to provide an understanding of the policies that the directors' consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements.

Investment property valuation

Investment property is revalued annually to fair value using an income capitalisation technique. The valuation is prepared by the directors, based upon assumptions including future rental value, anticipated property costs, future development costs and the appropriate discount rate. Reference is also made to market evidence of transaction prices for similar properties. More information is provided in the 'Investment property' note.

The ultimate impact of the current COVID-19 pandemic on the global economy is highly uncertain and the full extent of the economic impacts on the financial performance of the company are as yet unknown. One of the potential material impacts of COVID-19 on the company is the impact on the property valuation. The valuation of the company's property interests is inherently subjective due to the assumptions factored into the calculation and changes in assumptions may result in material adjustment to the carrying amounts of the property assets. Additionally, as at the valuation date, property market activity is being impacted in many sectors and so less weight can be attached to previous market evidence for comparison purposes. As a result, the year-end valuation of the company's property portfolio is subject to a higher degree of uncertainty than would normally be the case and is made on the basis of assumptions which may not prove to be accurate. The directors continue to review any developments in the COVID-19 pandemic in the context of the risks presented to the company's business.

Recoverability of debtors

The recoverability of debtors is assessed based on factors specific to each individual debtor.

Net realisable value of stock

Determining whether the value of the company's trading property should be impaired requires estimations of the property's net realisable value. The net realisable value calculation requires the entity to estimate the future cash flows expected to arise from the property, specifically the estimated selling price and anticipated selling costs adjusted for expected net rental cash flows. In undertaking these estimates, the directors make reference to market evidence of transactions for similar properties

HENTOP 318A LIMITED

Notes to the financial statements (continued)

Year ended 31 May 2020

5. Turnover

Turnover arises from:

	2020	2019
	£	£
Property trading	4,895,000	1,996,125
Rental income	140,109	136,231
Other income	2,227	–
	<u>5,037,336</u>	<u>2,132,356</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

6. Particulars of employees

There were no persons employed by the company in the year (2019: nil).

7. Directors

No director received any emoluments during the year (2019: £nil).

8. Interest receivable and similar income

	2020	2019
	£	£
Interest on cash and cash equivalents	<u>92</u>	<u>–</u>

HENTOP 318A LIMITED

Notes to the financial statements *(continued)*

Year ended 31 May 2020

9. Investment property

	Freehold property £
Cost or valuation	
At 1 June 2019	–
Transfers	1,562,756
Revaluations	(27,040)
At 31 May 2020	1,535,716
Depreciation	
At 1 June 2019 and 31 May 2020	–
Carrying amount	
At 31 May 2020	1,535,716
At 31 May 2019	–

The directors carried out an internal valuation of the property as at 31 May 2020 using an income capitalisation technique, whereby contracted and market rental values are capitalised with a market capitalisation rate. The resulting valuations are cross-checked against the equivalent yields and the fair market values derived from comparable recent market transactions on arm's length terms.

The directors anticipate having the investment property periodically valued by an external independent valuer.

As set out in note 4, due to the current COVID-19 pandemic, the year-end valuation of the company's property portfolio is subject to a higher degree of uncertainty than would normally be the case and is made on the basis of assumptions which may not prove to be accurate. Changes in such assumptions may result in material adjustment to the carrying amounts of the company's property assets.

During the year to stock was transferred over to investment property at its net realisable value. The historical cost of the property is £1,562,756 (2019: £Nil).

HENTOP 318A LIMITED

Notes to the financial statements (continued)

Year ended 31 May 2020

10. Stocks

	2020	2019
	£	£
Development property	—	<u>6,462,797</u>

Stocks comprising properties are valued at the lower of cost and net realisable value.

11. Debtors

	2020	2019
	£	£
Trade debtors	623	733
Prepayments and accrued income	<u>28,910</u>	<u>9,520</u>
Other debtors	—	64,354
	<u>29,533</u>	<u>74,607</u>

All amounts fall due for payment within one year.

12. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	11,824	20,959
Accruals and deferred income	<u>13,739</u>	<u>40,839</u>
Amounts due to parent company	<u>5,123,694</u>	<u>9,968,484</u>
	<u>5,149,257</u>	<u>10,030,282</u>

Amounts due to parent company bear no interest and are repayable on demand.

13. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

14. Reserves

Profit and loss account - This reserve represents cumulative profits or losses net of dividends paid and other adjustments including capital contributions.

HENTOP 318A LIMITED

Notes to the financial statements (continued)

Year ended 31 May 2020

15. Operating leases

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	99,841	147,292
Later than 1 year and not later than 5 years	399,362	673,931
Later than 5 years	2,473,954	3,503,095
	<u>2,973,157</u>	<u>4,324,318</u>

16. Related party transactions

At the year end, an amount of £5,123,694 (2019: £9,968,484) was due to the immediate parent company.

17. Parent, ultimate parent and controlling party

The largest group in which the results of the company are consolidated is that headed by Topland Group Holdings Limited, a company incorporated in the British Virgin Islands. The smallest group in which they are consolidated is that headed by Topland (No. 15) Limited, a company incorporated in England and Wales.

The immediate parent company is Topland Henley Healthcare Investments Limited, a company incorporated in England and Wales.

Topland (No. 15) Limited is the most senior parent whose financial statements may be obtained from Companies House.

The ultimate parent company and controlling party is Topland Group Holdings International Limited, a company incorporated in the British Virgin Islands.