

COMPANY REGISTRATION NUMBER: 00804321

MANHILL CO. LIMITED

Financial Statements

For the year ended

31 March 2017



COHEN ARNOLD
Chartered accountant & statutory auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

MANHILL CO. LIMITED

Financial Statements

Year ended 31 March 2017

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MANHILL CO. LIMITED
Officers and Professional Advisers

THE BOARD OF DIRECTORS

Mr E Englander
Mr C Berger
Mr S Z Englander

COMPANY SECRETARY

Mrs S Englander

REGISTERED OFFICE

New Burlington House
1075 Finchley Road
London
NW11 0PU

AUDITOR

Cohen Arnold
Chartered accountant & statutory auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

MANHILL CO. LIMITED

Directors' Report

Year ended 31 March 2017

The directors present their report and the financial statements of the company for the year ended 31 March 2017.

Principal activities

Following the adoption of FRS 102, the Directors consider that the principal activity of the company during the year (and previous years) was that of property investment.

Directors

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

Mr E Englander
Mr C Berger
Mr S Z Englander

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 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.

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.

MANHILL CO. LIMITED

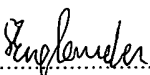
Directors' Report *(continued)*

Year ended 31 March 2017

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 20 December 2017 and signed on behalf of the board by:


.....
Mrs S Englander
Company Secretary

MANHILL CO. LIMITED

Independent Auditor's Report to the Shareholders of Manhill Co. Limited

Year ended 31 March 2017

We have audited the financial statements of Manhill Co. Limited for the year ended 31 March 2017 which comprise the profit and loss account, statement of income and retained earnings, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, 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.

MANHILL CO. LIMITED

Independent Auditor's Report to the Shareholders of Manhill Co. Limited *(continued)*

Year ended 31 March 2017

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 where 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.
- the Directors were not entitled to prepare the Financial Statements and the Directors' report in accordance with the small Companies regime and take advantage of the Small Companies' exemption from the requirement to prepare a Strategic Report.



Asher Sternlicht
(Senior Statutory Auditor)

For and on behalf of
Cohen Arnold
Chartered accountant & statutory auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

Date: 20 DECEMBER 2017.....

MANHILL CO. LIMITED
Profit and Loss Account
Year ended 31 March 2017

	Note	2017 £	2016 £
Turnover	4	492,042	460,270
Cost of sales		<u>(285,415)</u>	<u>(472,433)</u>
Gross profit/(loss)		206,627	(12,163)
Administrative expenses		(751,510)	(689,708)
Other operating income		3,757	3,215
Profit on disposal of investment properties		–	97,264
Net valuation (deficit)/gain on investment properties		<u>(2,478,850)</u>	<u>615,273</u>
Operating (loss)/profit		(3,019,976)	13,881
Other interest receivable and similar income		1	1
Interest payable and similar expenses		<u>(42,318)</u>	<u>(26,771)</u>
Loss before taxation	5	(3,062,293)	(12,889)
Tax on loss	6	<u>648,565</u>	<u>(67,376)</u>
Loss for the financial year		<u>(2,413,728)</u>	<u>(80,265)</u>

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 9 to 17 form part of these financial statements.

MANHILL CO. LIMITED
Statement of Income and Retained Earnings
Year ended 31 March 2017

	Note	2017 £	2016 £
Loss for the financial year and total comprehensive income		(2,413,728)	(80,265)
Retained earnings at the start of the year		<u>11,659,627</u>	<u>11,739,892</u>
Retained earnings at the end of the year		<u><u>9,245,899</u></u>	<u><u>11,659,627</u></u>

The notes on pages 9 to 17 form part of these financial statements.

MANHILL CO. LIMITED

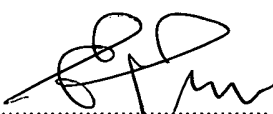
Balance Sheet

31 March 2017

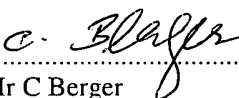
	Note	2017 £	2016 £
Fixed assets			
Tangible assets	7	13,165,000	15,815,000
Investments	8	<u>171,330</u>	<u>171,330</u>
		13,336,330	15,986,330
Current assets			
Debtors	9	703,647	595,470
Cash at bank and in hand		<u>202</u>	<u>37</u>
		703,849	595,507
Creditors: amounts falling due within one year	10	<u>(498,325)</u>	<u>(412,194)</u>
Net current assets		205,524	183,313
Total assets less current liabilities		13,541,854	16,169,643
Creditors: amounts falling due after more than one year	11	(2,026,792)	(1,592,288)
Provisions			
Taxation including deferred tax	12	<u>(2,254,321)</u>	<u>(2,902,886)</u>
Net assets		<u>9,260,741</u>	<u>11,674,469</u>
Capital and reserves			
Called up share capital	13	100	100
Capital redemption reserve		14,742	14,742
Profit and loss account		<u>9,245,899</u>	<u>11,659,627</u>
Shareholders funds		<u>9,260,741</u>	<u>11,674,469</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on ~~20 December 2017~~ and are signed on behalf of the board by:



 Mr E Engleken
 Director



 Mr C Berger
 Director

Company registration number: 00804321

The notes on pages 9 to 17 form part of these financial statements.

MANHILL CO. LIMITED
Notes to the Financial Statements
Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is New Burlington House, 1075 Finchley Road, London, NW11 0PU.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 16.

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The valuation of investment properties is inherently subjective, depending on many factors, including the individual nature of each property, its location and expected future net rental values, market yields and comparable market transactions. Therefore the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions.

Turnover

The turnover of the company is represented by rents and charges receivable in respect of its investment properties.

MANHILL CO. LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Income tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For investment property that is measured at fair value, deferred tax is provided at the rate and allowances applicable to the sale of the property.

Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition -

- Investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the profit and loss account in the period that they arise; and
- No depreciation is provided in respect of investment properties applying the fair value model.

Investment property fair value is determined by the Directors in consultation with RICS qualified surveyors, based on their understanding of property market conditions and the specific property concerned, using a sales valuation approach, derived from recent comparable transactions and market yields, adjusted by applying discounts to reflect status of occupation and condition.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

MANHILL CO. LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments.

The company has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

MANHILL CO. LIMITED
Notes to the Financial Statements *(continued)*
Year ended 31 March 2017

4. Turnover

The turnover of the company is represented by rents and charges receivable in respect of its investment properties.

The gross profit is comprised as follows:

	2017 £	2016 £
Rents and charges receivable	492,042	460,270
Property outgoings	<u>(285,415)</u>	<u>(472,433)</u>
Net rental income	<u>206,627</u>	<u>(12,163)</u>

5. Profit before taxation

Loss before taxation is stated after charging:

	2017 £	2016 £
Fees payable for the audit of the financial statements	<u>5,280</u>	<u>5,100</u>

The Directors received no emoluments from the Company during the year nor in the previous year.

6. Tax on loss

Major components of tax (income)/expense

	2017 £	2016 £
Deferred tax:		
Origination and reversal of timing differences	<u>(648,565)</u>	<u>67,376</u>
Tax on loss	<u>(648,565)</u>	<u>67,376</u>

MANHILL CO. LIMITED
Notes to the Financial Statements *(continued)*
Year ended 31 March 2017

7. Tangible assets

	Freehold investment properties £	Long leasehold investment property £	Total £
Cost or valuation			
At 1 April 2016	15,735,000	80,000	15,815,000
Disposals	(171,150)	–	(171,150)
Revaluations	(2,478,850)	–	(2,478,850)
At 31 March 2017	<u>13,085,000</u>	<u>80,000</u>	<u>13,165,000</u>
Carrying amount			
At 31 March 2017	<u>13,085,000</u>	<u>80,000</u>	<u>13,165,000</u>
At 31 March 2016	<u>15,735,000</u>	<u>80,000</u>	<u>15,815,000</u>

The company's investment properties are valued by Mr E Englander (a Director) in consultation with RICS qualified surveyors based on his understanding of property market conditions using a sales valuation approach, derived from recent comparable transactions and market yields, adjusted by applying discounts to reflect status of occupation and condition.

The historical cost of the Company's investment properties is as follows:

	£
At 1 April 2016	1,300,568
Disposals	(413)
At 31 March 2017	<u>1,300,155</u>

In accordance with the Company's stated accounting policy (see Note 3) no depreciation has been provided in respect of freehold or long-leasehold properties which are held for investment purposes.

8. Investments

	£
Cost	
At 1 April 2016 and 31 March 2017	<u>171,330</u>
Impairment	
At 1 April 2016 and 31 March 2017	<u>–</u>

MANHILL CO. LIMITED
Notes to the Financial Statements *(continued)*
Year ended 31 March 2017

8. Investments *(continued)*

	£
Carrying amount	
At 31 March 2017	<u>171,330</u>

The Company holds directly the under mentioned proportions of the issued share capital in The Development and Property Holding Company Limited which is incorporated in Great Britain and registered in England.

	Percentage of Issued Share Capital	
	2017	2016
Ordinary Shares of £1 each	7.7%	7.7%
Ordinary "B" Shares of £1 each	7.7%	7.7%

9. Debtors

	2017	2016
	£	£
Trade debtors	18,736	14,587
Other debtors	<u>684,911</u>	<u>580,883</u>
	<u>703,647</u>	<u>595,470</u>

10. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	35,889	25,802
Other creditors	<u>462,436</u>	<u>386,392</u>
	<u>498,325</u>	<u>412,194</u>

11. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	<u>2,026,792</u>	<u>1,592,288</u>

MANHILL CO. LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

12. Provisions

	Deferred tax £
At 1 April 2016	2,902,886
Additions	(648,565)
At 31 March 2017	<u>2,254,321</u>

The provision for deferred tax is in relation to timing differences in respect of the fair value adjustment of investment properties.

13. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

14. Related party transactions

(i) Included in Other debtors (Note 9) is an amount due from The Development & Property Holding Company Limited of £234,886 (2016: £234,886) which is controlled by the Trustees of Settlements made by Mr E Englander, a director of this Company, and Mrs S Englander. The loan is interest free and effectively repayable on demand.

(ii) Included in Other creditors (Note 11) is an amount of £1,814,020 due to Better Properties Limited, which is ultimately controlled by the Trustees of Settlements made by Mr E Englander and Mrs S Englander. The loan bears interest at 2% above the Bank of England Base Rate and is repayable after more than twelve months.

(iii) Certain of the Company's properties are managed by Better Properties Limited.

15. Parent company and controlling party

The Parent Undertaking is Keren Association Limited, incorporated in Great Britain and registered in England.

16. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

MANHILL CO. LIMITED

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

16. Transition to FRS 102 *(continued)*

Reconciliation of equity

	1 April 2015			31 March 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	171,330	14,695,000	14,866,330	171,330	15,815,000	15,986,330
Current assets	1,293,599	(517,452)	776,147	1,896,076	(1,300,569)	595,507
Creditors: amounts falling due within one year	(502,912)	–	(502,912)	(412,194)	–	(412,194)
Net current assets	<u>790,687</u>	<u>(517,452)</u>	<u>273,235</u>	<u>1,483,882</u>	<u>(1,300,569)</u>	<u>183,313</u>
Total assets less current liabilities	962,017	14,177,548	15,139,565	1,655,212	14,514,431	16,169,643
Creditors: amounts falling due after more than one year	(549,321)	–	(549,321)	(1,592,288)	–	(1,592,288)
Provisions	–	(2,835,510)	(2,835,510)	–	(2,902,886)	(2,902,886)
Net assets	<u>412,696</u>	<u>11,342,038</u>	<u>11,754,734</u>	<u>62,924</u>	<u>11,611,545</u>	<u>11,674,469</u>
Capital and reserves	<u>412,696</u>	<u>11,342,038</u>	<u>11,754,734</u>	<u>62,924</u>	<u>11,611,545</u>	<u>11,674,469</u>

MANHILL CO. LIMITED
Notes to the Financial Statements *(continued)*
Year ended 31 March 2017

16. Transition to FRS 102 *(continued)*

Reconciliation of profit or loss for the year

	Year ended 31 March 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Turnover	845,520	(385,250)	460,270
Cost of sales	(482,029)	9,596	(472,433)
Gross profit/(loss)	363,490	(375,653)	(12,163)
Administrative expenses	(689,708)	–	(689,708)
Other operating income	3,215	–	3,215
Profit on disposal of investment properties	–	97,264	97,264
Net valuation (deficit)/gain on investment properties	–	615,273	615,273
Operating (loss)/profit	(323,002)	336,883	13,881
Other interest receivable and similar income	1	–	1
Interest payable and similar expenses	(26,771)	–	(26,771)
Tax on loss	–	(67,376)	(67,376)
Loss for the financial year	(349,772)	269,507	(80,265)

The following were changes in accounting policies arising from the transition to FRS102:

Investment properties:

Previously, the company's properties were categorised as trading properties, shown in the balance sheet as stock within current assets, at the lower of cost and net realisable value. Under FRS 102, these properties fall to be categorised as investment properties within fixed assets and are held at fair value, with changes in fair value being recorded in the profit and loss account.

Previously, the proceeds from the sale of properties was recognised within turnover. Under FRS 102, the profits/losses are disclosed as a separate line.

Deferred tax on unrealised investment property gains and losses:

Previously, no deferred tax arose on the company's properties as there were no timing differences between the accounting and tax treatment of any movements in carrying value. Under FRS 102, deferred tax is recognised on the difference between the cost for tax purposes and the fair value of the company's investment properties, with movements recorded in the profit and loss account.