

**COMPANY REGISTRATION NUMBER: 0807607**

**WINCHBOURNE LIMITED**  
**FILLETED FINANCIAL STATEMENTS**  
**31 DECEMBER 2017**

**COHEN ARNOLD**  
Chartered Accountants  
New Burlington House  
1075 Finchley Road  
LONDON  
NW11 0PU



**WINCHBOURNE LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

|                               |                                                                                                                                                                                                                  |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>THE BOARD OF DIRECTORS</b> | Mr Abraham Gluck<br>Mr Joseph Gluck                                                                                                                                                                              |
| <b>COMPANY SECRETARY</b>      | Mr Abraham Gluck                                                                                                                                                                                                 |
| <b>REGISTERED OFFICE</b>      | New Burlington House<br>1075 Finchley Road<br>LONDON<br>NW11 0PU                                                                                                                                                 |
| <b>ACCOUNTANTS</b>            | Cohen Arnold<br>Chartered Accountants<br>New Burlington House<br>1075 Finchley Road<br>LONDON<br>NW11 0PU                                                                                                        |
| <b>BANKERS</b>                | Secure Trust Bank<br>One Arleston Way<br>Shirley<br>Solihull<br>West Midlands<br>B90 4LH<br><br>Svenska Handelsbanken AB (publ)<br>2nd Floor (East Suite)<br>Nicholas House<br>River Front<br>ENFIELD<br>EN1 3TF |

# WINCHBOURNE LIMITED

## BALANCE SHEET

31 DECEMBER 2017

|                                                                | Note | 2017<br>£               | 2016<br>£               |
|----------------------------------------------------------------|------|-------------------------|-------------------------|
| <b>FIXED ASSETS</b>                                            |      |                         |                         |
| Tangible assets                                                | 5    | 3,584,067               | 3,412,374               |
| <b>CURRENT ASSETS</b>                                          |      |                         |                         |
| Debtors                                                        | 6    | 408,660                 | 457,248                 |
| Cash at bank and in hand                                       |      | <u>9</u>                | <u>9</u>                |
|                                                                |      | 408,669                 | 457,257                 |
| <b>CREDITORS: amounts falling due within one year</b>          | 7    | <u>(118,114)</u>        | <u>(171,763)</u>        |
| <b>NET CURRENT ASSETS</b>                                      |      | <u>290,555</u>          | <u>285,494</u>          |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      | <u>3,874,622</u>        | <u>3,697,868</u>        |
| <b>CREDITORS: amounts falling due after more than one year</b> | 8    | (199,036)               | (199,769)               |
| <b>PROVISIONS</b>                                              |      |                         |                         |
| Taxation including deferred tax                                | 9    | <u>(584,000)</u>        | <u>(555,000)</u>        |
| <b>NET ASSETS</b>                                              |      | <u><u>3,091,586</u></u> | <u><u>2,943,099</u></u> |
| <b>CAPITAL AND RESERVES</b>                                    |      |                         |                         |
| Called up share capital                                        |      | 100                     | 100                     |
| Profit and loss account                                        |      | <u>3,091,486</u>        | <u>2,942,999</u>        |
| <b>SHAREHOLDERS FUNDS</b>                                      |      | <u><u>3,091,586</u></u> | <u><u>2,943,099</u></u> |

These financial statements have been prepared and delivered 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'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 23 July 2018, and are signed on behalf of the board by:

MR ABRAHAM GLUCK  
DIRECTOR

Company registration number: 0807607

The notes on pages 4 to 10 form part of these financial statements.

**WINCHBOURNE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 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 Section 1A of FRS 102, '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 31 December 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

**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 directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed below.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents rents and charges receivable in respect of the company's investment property.

**Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

**WINCHBOURNE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2017**

**3. ACCOUNTING POLICIES** *(continued)*

**Taxation** *(continued)*

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Investment property**

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 based on their understanding of property market conditions and the specific property concerned, using a sales valuation approach, derived from recent comparable transactions on the market, 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.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings                      -     25% reducing balance

Low value items of furniture and fittings are written off in the year in which they are acquired.

**Acquisitions and disposal 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.

**WINCHBOURNE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2017**

**3. ACCOUNTING POLICIES** *(continued)*

**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.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss.

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 profit or loss immediately.

All other financial assets are assessed individually for impairment.

Any reversals of impairment are recognised in profit or loss 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.

**4. EMPLOYEE NUMBERS**

The average number of persons employed by the company during the year amounted to 2 (2016: 2).

**5. TANGIBLE ASSETS**

|                            | Freehold<br>property<br>£ | Fixtures and<br>fittings<br>£ | Total<br>£       |
|----------------------------|---------------------------|-------------------------------|------------------|
| <b>Fair value</b>          |                           |                               |                  |
| At 31 December 2016        | 3,406,000                 | 74,341                        | <b>3,480,341</b> |
| Additions                  | –                         | 3,982                         | <b>3,982</b>     |
| Revaluations               | 170,300                   | –                             | <b>170,300</b>   |
| <b>At 31 December 2017</b> | <b>3,576,300</b>          | <b>78,323</b>                 | <b>3,654,623</b> |
| <b>Depreciation</b>        |                           |                               |                  |
| At 31 December 2016        | –                         | 67,967                        | <b>67,967</b>    |
| Charge for the year        | –                         | 2,589                         | <b>2,589</b>     |
| <b>At 31 December 2017</b> | <b>–</b>                  | <b>70,556</b>                 | <b>70,556</b>    |
| <b>Carrying amount</b>     |                           |                               |                  |
| <b>At 31 December 2017</b> | <b>3,576,300</b>          | <b>7,767</b>                  | <b>3,584,067</b> |
| At 30 December 2016        | 3,406,000                 | 6,374                         | <b>3,412,374</b> |

**WINCHBOURNE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2017**

**5. TANGIBLE ASSETS** *(continued)*

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.

The historical cost of the properties is £152,933 (2016: £152,933).

The Company's investment properties were valued by Montagu Evans Chartered Surveyors in January 2017. The valuation report has been prepared in accordance with RICS Professional Standards Valuation Manual.

In the event of a realisation of the company's investment properties at an amount equal to the valuation recorded in the Financial Statements, a liability to corporation tax on chargeable gains would arise which is estimated at £584,000 (2016: £555,000) and for which a provision has been made in the Financial Statements in accordance with FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**6. DEBTORS**

|                           | <b>2017</b>           | 2016           |
|---------------------------|-----------------------|----------------|
|                           | £                     | £              |
| Trade debtors             | <b>40,887</b>         | 68,790         |
| Corporation tax repayable | <b>5,008</b>          | 5,252          |
| Other debtors             | <b>362,765</b>        | 383,206        |
|                           | <b><u>408,660</u></b> | <u>457,248</u> |

**7. CREDITORS: amounts falling due within one year**

|                 | <b>2017</b>    | 2016    |
|-----------------|----------------|---------|
|                 | £              | £       |
| Other creditors | <b>118,114</b> | 171,763 |

**8. CREDITORS: amounts falling due after more than one year**

|                                     | <b>2017</b>    | 2016    |
|-------------------------------------|----------------|---------|
|                                     | £              | £       |
| Amounts owed to related undertaking | <b>199,036</b> | 199,769 |

**WINCHBOURNE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2017**

**8. CREDITORS: amounts falling due after more than one year** *(continued)*

Amounts owed to the related undertaking are cross-guaranteed and are secured by legal charges over the Company's investment properties and over certain properties owned by related undertakings.

Amounts owed to the related undertaking relate to loans advanced by Belfast Nominees Ltd, the "SPV" Company which borrowed a total principal amount of £48.2m from Secure Trust Bank PLC.

The first loan tranche with a Principal amount of £43.2m bears interest at the rate of 5.01% per annum for the first 5 years and at 5.02% above 3 month Libor for the remaining term of the loan. The loan is repayable in May 2025.

The second loan tranche with a Principal amount of £3m bears interest at the rate of 4.85% in addition to the Secure Trust Bank Commercial Lending Reference Rate (a variable rate which is currently 2% at the date of the agreement). The loan is repayable in September 2018.

The third loan tranche with a Principal amount of £2m bears interest at the rate of 6.75% in addition to the Secure Trust Bank Commercial Lending Reference Rate (a variable rate which is currently 2% at the date of the agreement). The loan is repayable in December 2018.

The Director of the Principal Creditor company is in negotiation with the current lender in order to arrange for an extension of the existing facility. Although terms have not yet been agreed on this £5m, the Directors of both the creditor company and this company are confident that this support will be forthcoming or that alternative sources of finance will be obtained in good time.

**9. PROVISIONS**

|                            | <b>Deferred tax</b>   |
|----------------------------|-----------------------|
|                            | <b>£</b>              |
| At 31 December 2016        | <b>555,000</b>        |
| Additions                  | <b>29,000</b>         |
| <b>At 31 December 2017</b> | <b><u>584,000</u></b> |

The provision for deferred tax is in relation to the revaluation of investment properties.

**10. CONTINGENCIES**

The Company together with several Companies under common management is party to a cross-guarantee in respect of the loan facilities in a principal sum of up to £48.2m. The extent of the contingent liability as at 31 December 2017 amounted to £46.6m. No amounts are anticipated to become payable under the guarantees.

The Company has charged certain of its investment properties as part security for the above bank loan and overdraft facilities and the book value of the properties charged as at 31 December 2017 was £3.6m.

**WINCHBOURNE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2017**

**11. RELATED PARTY TRANSACTIONS**

Messrs A Gluck and H Gluck together with their families own a controlling interest in the Share Capital of the Company.

- (i) Management of the Company's properties, administration and Corporate services provided to the Company are carried out at normal commercial rates by Taskpoint Management Limited. During the year, £17,727 (2016: £14,755) was payable to Taskpoint Management Limited, of which Mr A Gluck is a Director.
- (ii) Other debtors include amounts due from the following Companies, of which Messrs Abraham and/or Harold Gluck are amongst the Directors:-

Amounts in excess of £5,000:-

|                                 | 2017<br>£      | 2016<br>£      |
|---------------------------------|----------------|----------------|
| Hilltop Estates Limited         | 212,548        | 212,548        |
| Carmel Funeral Services Limited | 21,277         | 21,277         |
| AGP Limited                     | 6,250          | 6,250          |
|                                 | <u>240,075</u> | <u>240,075</u> |

For the period under review, all the above loans were interest free and repayable on demand.

- (iii) Other creditors include amounts due to a Company of which Mr Abraham Gluck is also amongst the Directors:-

Amounts in excess of £5,000:-

|                              | 2017<br>£ | 2016<br>£ |
|------------------------------|-----------|-----------|
| Gayville Investments Limited | 9,869     | 9,869     |

The above loan is interest free and repayable on demand.

- (iv) Creditors more than one year includes an amount due to Belfast Nominees Ltd, whose Director is a close family member of the Director of this Company:-

Amounts in excess of £5,000

|                          | 2017<br>£ | 2016<br>£ |
|--------------------------|-----------|-----------|
| Belfast Nominees Limited | 199,036   | 199,769   |

The above loan bears a fixed rate of interest and is repayable in May 2025.

**12. GOING CONCERN**

The Financial Statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends upon the continuing financial support of the company's Principal creditor. The Directors of both the creditor company and this company are confident that this support will be forthcoming or that alternative sources of finance will be obtained in good time.

**WINCHBOURNE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 DECEMBER 2017**

**13. TRANSITION TO FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 31 December 2015.

No transitional adjustments were required in equity or profit or loss for the year.

The following were changes in accounting policy arising from transition to FRS 102:

**(i) Investment Properties**

Previously, the company's investment properties were held at market value, with aggregate surplus or deficit being recorded in the revaluation reserve, with the exception of permanent diminutions in value which were written off through the profit and loss account. Under FRS 102, the properties are held at fair value, with changes in fair value being recorded in the profit and loss account.

**(ii) Deferred tax on unrealised gains and losses on investment properties**

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 these carrying values. 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.