

KINLEIGH FOLKARD & HAYWARD LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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KINLEIGH FOLKARD & HAYWARD LIMITED

COMPANY INFORMATION

Directors	R M Cleminson P L Coling A Chambers R H Johnson L Hawkins J R Marke
Company secretary	K P Allerton
Registered number	02965708
Registered office	KFH House 5 Compton Road Wimbledon London SW19 7QA
Trading Address	KFH House 5 Compton Road Wimbledon London SW19 7QA
Independent auditors	Warrener Stewart Chartered Accountants Harwood House 43 Harwood Road London SW6 4QP

KINLEIGH FOLKARD & HAYWARD LIMITED

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KINLEIGH FOLKARD & HAYWARD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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

Directors

The directors who served during the year were:

R M Cleminson
P L Coling
A Chambers
R H Johnson
L Hawkins
J R Marke

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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 to 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.

Principal activity

The Company's principal activity was that of Chartered Surveyors and Valuers.

Results and dividends

The profit for the year, after taxation, amounted to £1,282,088 (2015 - £1,458,645).

The directors do not recommend the payment of a dividend and the profit for the year will be transferred to reserves.

KINLEIGH FOLKARD & HAYWARD LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

Future developments

The directors maintain management policies that continue to support future growth.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Warrener Stewart will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



.....
K P Allerton
Secretary

Date: 26/9/17

KINLEIGH FOLKARD & HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINLEIGH FOLKARD & HAYWARD LIMITED

We have audited the financial statements of Kinleigh Folkard & Hayward Limited for the year ended 31 December 2016, set out on pages 5 to 15. The relevant 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 Financial Reporting Standard 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 Auditors' 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 Auditors

As explained more fully in the Directors' Responsibilities Statement on page 1, 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 Financial Reporting Council'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 December 2016 and of its profit 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.

KINLEIGH FOLKARD & HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINLEIGH FOLKARD & HAYWARD LIMITED (CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

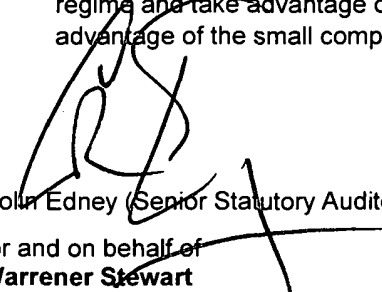
In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our 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.

Matters on which we are required to report by exception

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; 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' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Colin Edney (Senior Statutory Auditor)

for and on behalf of
Warrener Stewart

Chartered Accountants
Statutory Auditors

Harwood House
43 Harwood Road
London
SW6 4QP

Date: 27 September 2017

KINLEIGH FOLKARD & HAYWARD LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Turnover	3	8,219,786	8,072,564
Other external charges		(1,456,963)	(1,279,704)
Staff costs		(5,148,699)	(4,955,170)
Depreciation and amortisation		(4,796)	(5,070)
Operating profit		1,609,328	1,832,620
Interest receivable and similar income		-	1,313
Interest payable and similar expenses		(3,240)	-
Profit before tax		1,606,088	1,833,933
Tax on profit	6	(324,000)	(375,288)
Total comprehensive income for the year		1,282,088	1,458,645

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 8 to 15 form part of these financial statements.

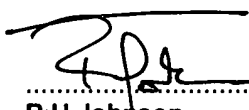
KINLEIGH FOLKARD & HAYWARD LIMITED
REGISTERED NUMBER:02965708

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	7	<u>15,199</u>	<u>18,519</u>
		15,199	18,519
Current assets			
Debtors: amounts falling due within one year	8	970,874	1,277,260
Cash at bank and in hand	9	<u>4,994,520</u>	<u>2,533,999</u>
		5,965,394	3,811,259
Creditors: amounts falling due within one year	10	<u>(3,283,552)</u>	<u>(2,414,825)</u>
Net current assets		2,681,842	1,396,434
Net assets		<u>2,697,041</u>	<u>1,414,953</u>
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account		<u>2,697,039</u>	<u>1,414,951</u>
		<u>2,697,041</u>	<u>1,414,953</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



R.H. Johnson
 Director

Date: 26/12/17

The notes on pages 8 to 15 form part of these financial statements.

KINLEIGH FOLKARD & HAYWARD LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	2	(43,694)	(43,692)
Comprehensive income for the year			
Total comprehensive income for the year	-	1,458,645	1,458,645
At 1 January 2016	2	1,414,951	1,414,953
Comprehensive income for the year			
Total comprehensive income for the year	-	1,282,088	1,282,088
At 31 December 2016	2	2,697,039	2,697,041

KINLEIGH FOLKARD & HAYWARD LIMITED

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

1. General information

Kinleigh Folkard & Hayward Limited is a limited liability company incorporated in England. The registered office is KFH House, 5 Compton Road, London, SW19 7QA.

The Company's financial statements have been prepared in compliance with FRS 102 Section 1A - small entities as it applies to the financial statements for the year ended 31 December 2016.

2. Accounting policies

2.1 Basis of preparation of financial statements

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 FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company accounting policies.

The financial statements are prepared in Sterling, which is the functional currency of the Company.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue from survey, valuation and professional fees is recognised in full at the invoice date net of refunds.

Revenue from commercial property sales is recognised in respect of all transactions exchanged in the accounting period.

All revenue is stated net of VAT.

KINLEIGH FOLKARD & HAYWARD LIMITED

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

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Office equipment	- 25% on written down value
Computer equipment	- 33% on written down value

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

KINLEIGH FOLKARD & HAYWARD LIMITED

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

2. Accounting policies (continued)

2.8 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

KINLEIGH FOLKARD & HAYWARD LIMITED

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

2. Accounting policies (continued)

2.12 Taxation

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 in 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 and 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 it 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.

3. Turnover

The whole of the turnover is attributable to the Company's principal activity.

All turnover arose within the United Kingdom.

4. Audit fees

Audit fees are borne by the company's parent undertaking.

5. Employees

The average monthly number of employees, including directors, during the year was 68 (2015 - 67).

KINLEIGH FOLKARD & HAYWARD LIMITED

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

6. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	324,000	375,169
Adjustments in respect of previous periods	-	119
Total current tax	324,000	375,288

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	1,606,088	1,833,933
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	321,218	371,309
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,117	4,267
Capital allowances for year in excess of depreciation	-	(407)
Other differences leading to a (decrease) increase in the tax charge	(256)	119
Current year overprovision	921	-
Total tax charge for the year	324,000	375,288

KINLEIGH FOLKARD & HAYWARD LIMITED

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

7. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2016	262,427
Additions	1,476
At 31 December 2016	<u>263,903</u>
Depreciation	
At 1 January 2016	243,908
Charge for the year on owned assets	4,796
At 31 December 2016	<u>248,704</u>
Net book value	
At 31 December 2016	<u>15,199</u>
At 31 December 2015	<u>18,519</u>

8. Debtors

	2016 £	2015 £
Trade debtors	898,909	1,233,426
Other debtors	3,091	11,634
Prepayments and accrued income	68,874	32,200
	<u>970,874</u>	<u>1,277,260</u>

9. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>4,994,520</u>	<u>2,533,999</u>

KINLEIGH FOLKARD & HAYWARD LIMITED

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

10. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	47,878	21,492
Amounts owed to group undertakings	2,059,813	1,148,149
Corporation tax	327,240	375,169
Other taxation and social security	530,218	534,817
Accruals and deferred income	318,403	335,198
	<u>3,283,552</u>	<u>2,414,825</u>

11. Financial instruments

	2016 £	2015 £
Financial assets		
Cash and cash equivalents	4,994,520	2,533,999
Financial assets that are debt instruments measured at amortised cost	902,000	1,245,060
	<u>5,896,520</u>	<u>3,779,059</u>
Financial liabilities		
Financial liabilities measured at amortised cost	2,426,094	1,504,839

Financial assets measured at amortised cost comprise cash at bank and debtors less prepayments.

Financial liabilities measured at amortised cost comprise creditors less taxes and social security costs.

12. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

KINLEIGH FOLKARD & HAYWARD LIMITED

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

13. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £19,755 (2015: £19,126)

14. Controlling party

The ultimate parent undertaking is Kinleigh Limited, a company registered in England.

L T Watts is controlling shareholder of Kinleigh Limited.