COMPANY REGISTRATION NUMBER: 00300930

COLEBREAM ESTATES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

25 MARCH 2017

COLEBREAM ESTATES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 25 MARCH 2017

Contents

Contents	Pages
Officers and professional advisers	**1**
Notice of meeting	**2**
5 year summary	**3**
Chairman’s statement	**4 to 5**
Directors' report	**6**
Independent auditor's report to the members	**7 to 8**
Statement of comprehensive income	**9**
Statement of financial position	**10 to 11**
Statement of changes in equity	**12 to 13**
Notes to the financial statements	**14 to 21**
The following pages do not form part of the financial statements	
Detailed income statement	**23**
Notes to the detailed income statement	**24**

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	A G Phillips M J Pendower A Stranack A Nairn
Company secretary	A Stranack
Registered office	95 Jermyn Street London SW1Y 6JE
Auditor	BSG Valentine Chartered accountant & statutory auditor Lynton House 7 - 12 Tavistock Square London WC1H 9BQ
Bankers	Lloyds TSB Bank Plc 25 Gresham Street London EC2V 7HN
Solicitors	Coole Bevis LLP Lanes End House 15 Prince Albert Street Brighton BN1 1HY
Surveyors	Savills Plc 33 Margaret Street, London, W1G 0JD

COLEBREAM ESTATES LIMITED

NOTICE OF MEETING

YEAR ENDED 25 MARCH 2017

Notice is hereby given that the Annual General Meeting of the company will be held at 12 noon on 20th September 2017 at the Royal Theatrical Fund, 2nd Floor, 11 Garrick Street, London WC2 9AR.

1. To receive and adopt the directors' report and financial statements for the year ended 25 March 2016.

2. To re-appoint BSG Valentine as auditor and to authorise the directors to fix their remuneration.

3. (a) To declare a dividend.
   (b) To re-elect a director. Mr A G Phillips is due to retire by rotation and is standing for re-election.

4. To transact any other business of an Annual General Meeting.

Registered office:

95 Jermyn Street
London
SW1Y 6JE

By order of the board

A Stranack
Company secretary

25th July 2017

Notes:

a. A shareholder entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote on his behalf. A proxy need not be a member of the company.

b. A form of proxy is enclosed with this notice for your use in respect of the business set out above. To be effective, the form of proxy together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified or an office copy of such power of authority) must be lodged at the company's registered office at least forty-eight hours before the time appointed for the meeting.

COLEBREAM ESTATES LIMITED

5 YEAR SUMMARY

YEAR ENDED 25 MARCH 2017

	2013	2014	2015	2016	2017
Rental income (£'000)	1,008	1,041	1,047	1,049	1,088
Sale of property (£'000)					3,540
Net Interest receivable/(payable) (£'000)	(72)	(89)	(55)	(82)	(132)
Profit after tax (£'000) (as per pre 2016 accounting standards)	430	588	891	533	1,559
Profit after tax (£'000) (as per FRS 102)			1,248	1,597	2,224
Earnings per share (as per pre 2016 accounting standards)	17.31p	23.64p	35.78p	21.35p	62.3p
Earnings per share (as per FRS 102)			50.10p	63.98p	88.91p
Dividends per share	12.00p	13.00p	14.75p	15p	16p
Net assets (£'000)	8,040	8,884	9,823	11,148	13,032
Net assets per share	£3.24	£3.57	£3.94	£4.47	£5.21

Notes

a Profits after taxation and earnings per share exclude surpluses on sales of investment properties and revaluations

b Earnings per share and net assets per share are calculated using a weighted average number of shares
The weighted average number of shares in issue in the year to 25 March 2017 is 2,501,395

c Dividends per share are calculated using the number of shares in issue on the dividend payment date.

d Net assets reflect the result of a directors' valuation. The directors previously revalued the properties annually themselves.

e 2015, 2016 and 2017 net assets are calculated under FRS 102.

COLEBREAM ESTATES LIMITED

CHAIRMAN’S STATEMENT

YEAR ENDED 25 MARCH 2017

The financial statements for the company have been prepared in compliance with the applicable Financial Reporting Standard FRS 102.

The rental income was £1,088,000 compared with £1,049,000 last year. With sale of property of £3,540,000 in addition the turnover for the year totalled £4,628,000.

Direct property management expenses including legal & professional fees on the sale of property were £74,900 compared to last year’s figure of £37,000. The figure last year did not include legal & professional fees on property sales.

Administrative expenses were £332,000 compared to £267,000 last year. Considerable activity with property sale and acquisitions resulted in numerous fees and expenses in order to protect income as explained below.

There was £27,500 income from our joint investments this year and together with investment property fair valuation adjustment we had other operating income of £745,500.

Profit on the sale of assets this year was £39,000 compared with £82,000 last year.

The operating profit reported for the period was £2,875,000 compared with £2,112,000 last year calculated the same way.

Taking net bank interest for the year this produces a profit before taxation of £2,743,000 compared with last year’s profit of £2,030,000.

This is a remarkable performance and it reflects the board’s policy of reducing investment risk in one property, where the sustainability of income was uncertain, by selling it at the most opportune moment, whilst at the same time reinvesting in less income risky properties. This does result in increased fees and banking expense but future income stability is improved.

It is worth noting that ordinary trading is down in the period by around £150,000 and this has been addressed by the actions explained above. Growth in assets per share has doubled over the last few years for shareholders whilst the directors’ share incentive plan has been operating. This is a good indication of its success. Much of the profit is paid out as dividend and so shareholder income has performed well too.

The board has considered borrowing risk and fixed its bank debt interest rate to protect against likely rising interest rates.

The portfolio valuation is very healthy at £14,401,000 compared with £10,613,000 last year. With long term bank debt and the corporation tax liability the net assets are £13,032,000 compared with £11,148,000 last year.

The board has recommended a final dividend of 8.00 pence per share. Taken with the interim dividend this will total 16.00 pence per share compared with 15.00p last year.

I would like to express my thanks to my fellow directors for the combined skill in creating this record result, our managing agents who look after our properties and our auditors for all the work during the year. The workload and decision making processes have yet again increased for the board especially with the uncertain climate.

I should make the point that the performance this year is unlikely to be repeated in the present climate and shareholders’ expectations should be based upon caution. The board is doing all it can to keep up balanced progress but with such uncertainty it is a very difficult task.

Shareholders can save the company money in printing and postage by remembering the company web site where information about company activities can be seen. I also remind shareholders about their portal where secure share information can be viewed. Shareholders who have not done so should set up their personal shareholder account at www.capitashareportal.com by entering Colebream Estates Limited in the company search field and then their 11 digit investment code shown on their dividend vouchers. We want to issue all share vouchers electronically in line with government policy and this can be set up on the portal, together with electronic dividend payment to shareholders bank accounts to eliminate cheques and postage. This is also a very secure way of ensuring the dividend money and the associated tax vouchers are where they need to be

The Annual General Meeting this year will be at The Royal Theatrical Fund, 2nd Floor, 11 Garrick Street, London WC2E 9AR and all shareholders are invited for drinks after the meeting as usual. The directors are always pleased to see shareholders and this is an ideal occasion to meet and discuss matters of interest.

A.H. Godfrey Phillips.
Chairman.

25th July, 2017

COLEBREAM ESTATES LIMITED

DIRECTORS' REPORT

YEAR ENDED 25 MARCH 2017

The directors present their report and the financial statements of the company for the year ended 25 March 2017.

Incorporation

The company was incorporated on 20 May 1935 in the United Kingdom.

Directors

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

A G Phillips
M J Pendower
A Stranack
A Nairn

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.

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 25th July 2017 and signed on behalf of the board by:

A Stranack
Company Secretary

Registered office: 95 Jermyn Street, London, SW1Y 6JE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLEBREAM ESTATES LIMITED

YEAR ENDED 25 MARCH 2017

We have audited the financial statements of Colebream Estates Limited for the year ended 25 March 2017 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity 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 25 March 2017 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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; and
- 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.

Daniel Burke (Senior Statutory Auditor)

For and on behalf of
BSG Valentine
Chartered accountant & statutory auditor
Lynton House
7 - 12 Tavistock Square
London
WC1H 9BQ

25th July 2017

COLEBREAM ESTATES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 25 MARCH 2017

	Note	2017 £	2016 £
Turnover	**4**	4,628,186	1,049,391
Cost of sales		(2,205,633)	(37,298)
Gross profit		2,422,553	1,012,093
Administrative expenses		(332,279)	(266,865)
Other operating income		784,858	1,366,360
Operating profit		2,875,132	2,111,588
Other interest receivable and similar income	**7**	154	533
Interest payable and similar expenses	**8**	(132,168)	(82,293)
Profit before taxation		2,743,118	2,029,828
Tax on profit		(480,198)	(351,253)
Profit for the financial year		2,262,920	1,678,575
Transfer between reserves		(293,050)	(185,400)
Transfer between reserves		293,050	185,400
Other comprehensive income for the year		–	–
Total comprehensive income for the year		2,262,920	1,678,575

All the activities of the company are from continuing operations.

The notes on pages 14 to 21 form part of these financial statements.

COLEBREAM ESTATES LIMITED

STATEMENT OF FINANCIAL POSITION

25 MARCH 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	**9**		13,900,806		10,113,000
Investments	**10**		500,000		500,000
			14,400,806		10,613,000
Current assets					
Stocks		3,040,000		1,950,000	
Debtors	**11**	354,532		222,187	
Cash at bank and in hand		19,568		1,461,312	
		3,414,100		3,633,499	
Creditors: amounts falling due within one year	**12**	(2,248,457)		(644,762)	
Net current assets			1,165,643		2,988,737
Total assets less current liabilities			15,566,449		13,601,737
Creditors: amounts falling due after more than one year	**13**		(2,000,000)		(2,000,000)
Provisions					
Deferred tax			(534,699)		(454,090)
Net assets			13,031,750		11,147,647
Capital and reserves					
Called up share capital			627,616		624,423
Share premium account			64,648		48,679
Other reserve			2,778,479		2,446,071
Fair value reserve			4,631,458		4,206,508
Share option reserve			227,730		195,320
Profit and loss account			4,701,819		3,626,646
Members funds			13,031,750		11,147,647

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'.

The statement of financial position
continues on the following page.

The notes on pages 14 to 21 form part of these financial statements.

These financial statements were approved by the board of directors and authorised for issue on 25th July 2017 and are signed on behalf of the board by:

A G Phillips Director	M Pendower Director

Company registration number: 00300930

The notes on pages 14 to 21 form part of these financial statements.

COLEBREAM ESTATES LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 25 MARCH 2017

	Called up share capital	Share premium account	Other reserve	Fair value reserve	Share option reserve	Profit and loss account	**Total**
	£	£	£	£	£	£	£
At 26 March 2015	623,388	44,541	2,178,761	3,107,458	162,819	3,706,054	9,823,021
Profit for the year						1,678,575	1,678,575
Other comprehensive income for the year:							
Transfer between reserves	–	–	81,910	(185,400)	–	(81,910)	(185,400)
Transfer between reserves	–	–	185,400	1,284,450	–	(1,284,450)	185,400
Total comprehensive income for the year	–	–	267,310	1,099,050	–	312,215	1,678,575
Issue of shares	1,035	4,138	–	–	–	–	5,173
Dividends paid and payable	–	–	–	–	–	(391,623)	(391,623)
Equity-settled share-based payments	–	–	–	–	32,501	–	32,501
Total investments by and distributions to owners	1,035	4,138	–	–	32,501	(391,623)	(353,949)
At 25 March 2016	624,423	48,679	2,446,071	4,206,508	195,320	3,626,646	11,147,647
Profit for the year						2,262,920	2,262,920
Other comprehensive income for the year:							
Transfer between reserves	–	–	39,358	(293,050)	–	(39,358)	(293,050)
Transfer between reserves	–	–	293,050	718,000	–	(718,000)	293,050
Total comprehensive income for the year	–	–	332,408	424,950	–	1,505,562	2,262,920

The statement of changes in equity
continues on the following page.

The notes on pages 14 to 21 form part of these financial statements.

COLEBREAM ESTATES LIMITED

STATEMENT OF CHANGES IN EQUITY *(continued)*

YEAR ENDED 25 MARCH 2017

	Called up share capital	Share premium account	Other reserve	Fair value reserve	Share option reserve	Profit and loss account	**Total**
	£	£	£	£	£	£	£
Issue of shares	3,193	15,969	–	–	–	–	19,162
Dividends paid and payable	–	–	–	–	–	(430,389)	(430,389)
Equity-settled share-based payments	–	–	–	–	32,410	–	32,410
Total investments by and distributions to owners	3,193	15,969	–	–	32,410	(430,389)	(378,817)
At 25 March 2017	627,616	64,648	2,778,479	4,631,458	227,730	4,701,819	13,031,750

The notes on pages 14 to 21 form part of these financial statements.

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 95 Jermyn Street, London, SW1Y 6JE.

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

In accordance with the company's Articles of Association surpluses and deficits on property sales are transferred to capital reserve.

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.

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method; Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financial transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Accounting policies ***(continued)***

Share based payments

The company issues equity-settled share-based payments to all employees (including directors). Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the company's estimate of the shares that will eventually vest.

Fair value is measured by an external valuer.

Where the terms of equity settled transactions are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled transaction is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the transaction is recognised immediately.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions:

- Disclosures in respect of each class of share capital have not been presented.
- No cash flow statement has been presented for the company.
- Disclosures in respect of financial instruments have not been presented.
- No disclosure has been given for the aggregate remuneration of key management personnel.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover relates to rents receivable plus other trading income and is stated exclusive of VAT. Turnover also includes sales of properties from stock, exclusive of VAT.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned.

deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted/an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

3. Accounting policies ***(continued)***

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.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Investments

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

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.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks represent properties acquired for re-sale.

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

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 statement of financial position and the amount of the provision as an expense.

3. Accounting policies *(continued)*

Provisions *(continued)*

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.

4. Turnover

Turnover arises from:

	2017	2016
	£	£
Rent receivable	1,088,186	1,049,391
Sale of property	3,540,000	–
	4,628,186	1,049,391

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

5. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	12,000	12,000

6. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 4 (2016: 4).

7. Other interest receivable and similar income

	2017	2016
	£	£
Interest on cash and cash equivalents	154	533

8. Interest payable and similar expenses

	2017	2016
	£	£
Interest on banks loans and overdrafts	132,168	82,293

9. Tangible assets

	Freehold property	Long leasehold property	Total
	£	£	£
Cost or valuation			
At 26 March 2016	8,115,000	1,998,000	10,113,000
Additions	3,378,806	–	3,378,806
Disposals	(309,000)	–	(309,000)
Revaluations	392,000	326,000	718,000
At 25 March 2017	11,576,806	2,324,000	13,900,806
Depreciation			
At 26 Mar 2016 and 25 Mar 2017	–	–	–
Carrying amount			
At 25 March 2017	11,576,806	2,324,000	13,900,806
At 25 March 2016	8,115,000	1,998,000	10,113,000

Tangible assets held at valuation

The company's freehold and long leasehold properties were valued by the directors at £13,900,806 on 25 March 2017.

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold property
	£
At 25 March 2017	
Aggregate cost	9,211,043
Aggregate depreciation	–
Carrying value	9,211,043
At 25 March 2016	
Aggregate cost	5,848,188
Aggregate depreciation	–
Carrying value	5,848,188

10. Investments

	Other investments other than loans £
Cost	
At 26 Mar 2016 and 25 Mar 2017	500,000
Impairment	
At 26 Mar 2016 and 25 Mar 2017	–
Carrying amount	
At 25 March 2017	500,000

11. Debtors

	2017 £	2016 £
Trade debtors	204,764	149,803
Other debtors	149,768	72,384
	354,532	222,187

12. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	1,500,000	–
Trade creditors	3,123	37,822
Corporation tax	399,589	130,728
Social security and other taxes	35,801	44,323
Other creditors	309,944	431,889
	2,248,457	644,762

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

	2017 £	2016 £
Bank loans and overdrafts	2,000,000	2,000,000

The bank loans are secured by first Legal Charges over nine properties by Lloyds TSB Bank Plc, including 61-63 Fore Street Exeter, 19 Wincheap Canterbury, 36 Clipstone Road Mansfield, 175 Clapham Park Road London, 44 Monson Road Tunbridge Wells, 3B Princes Way Croydon, Oak Green House Dorking, 7a South Crescent London, 13 Bell Street Reigate.

At the balance sheet date, the company has one bank loan with repayments terms as follows:

The loan of £2,000,000 is interest only until July 2018, and is due to be repaid in full by July 2033. Interest is payable at 3.75% p.a. over the bank's base rate.

14. Financial instruments at fair value

Financial instruments are measured at amortised cost, these relate to debtors and creditors included in the notes above.

15. Share-based payments

The company has a share incentive scheme for all employees (including directors). During the year 36,775 (2016 - 29,209) ordinary shares were issued by the company to a Share Incentive Plan Trust. Of these 12,775 (2016 - 4,138) vest unconditionally in the employees at £1.50 (2016 - £1.40) per share. The remaining 24,000 (2016 - 25,071) shares vest in the employees over three years. These shares have been valued at £1.50 (2016 - £1.40) by an external valuer and agreed by HM Revenue and Customs. The expense to the company of providing these shares to the employees is taken to the profit and loss account over three years and credited to a share based payment reserve.

The total expense recognised in profit or loss for the year is £32,410 (2016 - £32,501).

16. Related party transactions

During the year the company entered into the following related party transactions in addition to fees paid to directors.

1. Office expenses expenses of £24,000 (2016: £24,000) were paid to Spreadsheet Solutions Limited, of which M Pendower is a director and shareholder.

2. On 3 March 2015 the company became a partner in a Limited Partnership, Astranta Rufus LP. The company has invested £500,000 in this partnership representing 15.63% of the total members' capital introduced. Some of the company's directors are also partners in Astranta Rufus LP. A profit share of £27,500 (2016: £Nil) was received with respect to this investment.

3. In the partnership above the properties are managed by Astranta Asset Management Limited, a company in which M Pendower is a director and shareholder. A fee is charged for this service.

17. Schedule of properties

FREEHOLD

Wincheap, Canterbury
61/63 Fore Street, Heavitree, Exeter
36 Clipstone Road West, Forest Town, Mansfield
123 High Street, Sevenoaks
44 Monson Road, Tunbridge Wells
66 Grove Street, Wilmslow
173-175 Clapham Park Road, London
33/35 High Street, Leatherhead
Oak Green House, High Street, Dorking
15 Tudor Road, Canterbury
3B Princes Road, Croydon
4-10 Church Street, Reigate (held as trading stock)
13 Bell Street, Reigate

LONG LEASEHOLD

Units 1&2, Gemini Business Centre, Cody Road, London

ACTIVITY OF TENANT

PROPORTION OF	RENTAL INCOME		CAPITAL VALUE	
	% 2017	% 2016	% 2017	% 2016
Light Industrial	53	54	36	52
Retail	21	31	38	34
Office	11	11	9	10
Other	15	4	17	4