

WHITEHALL PLACE PROPERTIES LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2018

WHITEHALL PLACE PROPERTIES LIMITED

COMPANY INFORMATION

DIRECTORS	Mark Pears CBE Sir Trevor Pears CMG David Pears WPG Registrars Limited
COMPANY SECRETARY	William Bennett
REGISTERED NUMBER	1018960
REGISTERED OFFICE	Ground Floor 30 City Road London EC1Y 2AB

WHITEHALL PLACE PROPERTIES LIMITED

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WHITEHALL PLACE PROPERTIES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2018**

The directors present their report and the financial statements for the year ended 30 April 2018.

PRINCIPAL ACTIVITY

The principal activity of the company is property dealing.

DIRECTORS

The directors who served during the year were:

Mark Pears CBE
Sir Trevor Pears CMG
David Pears
WPG Registrars Limited

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 4 December 2018 and signed on its behalf.

William Bennett
Secretary

WHITEHALL PLACE PROPERTIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2018

	Note	2018 £	2017 £
Turnover	4	3,525,539	2,508,167
Cost of sales	4	(1,024,063)	(356,659)
GROSS PROFIT	4	<u>2,501,476</u>	<u>2,151,508</u>
Administrative expenses		(66,426)	(72,315)
Share of profit to parent undertaking		(1,628,154)	(1,313,069)
OPERATING PROFIT		<u>806,896</u>	<u>766,124</u>
Interest receivable and similar income		48,109	36,589
PROFIT BEFORE TAX		<u>855,005</u>	<u>802,713</u>
Tax on profit	6	(162,451)	(159,882)
PROFIT FOR THE YEAR		<u><u>692,554</u></u>	<u><u>642,831</u></u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>692,554</u></u>	<u><u>642,831</u></u>

The notes on pages 5 to 11 form part of these financial statements.

WHITEHALL PLACE PROPERTIES LIMITED
REGISTERED NUMBER: 1018960

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2018

	Note	2018 £	2017 £
CURRENT ASSETS			
Stocks	7	1,623,849	1,785,315
Debtors: amounts falling due within one year	8	3,397,295	2,536,325
Cash at bank and in hand		19,412	12,410
		<u>5,040,556</u>	<u>4,334,050</u>
Creditors: amounts falling due within one year	9	(346,151)	(332,199)
NET CURRENT ASSETS		<u>4,694,405</u>	<u>4,001,851</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,694,405</u>	<u>4,001,851</u>
NET ASSETS		<u>4,694,405</u>	<u>4,001,851</u>
CAPITAL AND RESERVES			
Called up share capital		10	10
Profit and loss account	10	<u>4,694,395</u>	<u>4,001,841</u>
TOTAL EQUITY		<u>4,694,405</u>	<u>4,001,851</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 on 4 December 2018.

David Pears
Director

The notes on pages 5 to 11 form part of these financial statements.

WHITEHALL PLACE PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2018

	Share Capital £	Retained Earnings £	Total equity £
At 1 May 2017	10	4,001,841	4,001,851
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	692,554	692,554
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	692,554	692,554
AT 30 APRIL 2018	<u>10</u>	<u>4,694,395</u>	<u>4,694,405</u>

The notes on pages 5 to 11 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2017

	Share Capital £	Retained Earnings £	Total equity £
At 1 May 2016	10	3,359,010	3,359,020
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	642,831	642,831
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	642,831	642,831
AT 30 APRIL 2017	<u>10</u>	<u>4,001,841</u>	<u>4,001,851</u>

The notes on pages 5 to 11 form part of these financial statements.

WHITEHALL PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

1. GENERAL INFORMATION

Whitehall Place Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ground Floor, 30 City Road, London, EC1Y 2AB. The principal place of business is Haskell House, 152 West End Lane, London, NW6 1SD.

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 other than where additional disclosure is required to show a true and fair view.

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's accounting policies (see note 3).

The company's functional and presentational currency is GBP and rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing these financial statements.

2.3 Turnover

Turnover 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. Turnover is measured as the fair value of the rents receivable and sales of property trading stock.

2.4 Property transactions

Purchases and sales of properties are included on the basis of completions occurring during the year.

2.5 Stocks

Stocks of properties are valued at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, Stocks are assessed for impairment. If property is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in Income statement.

All repairs, maintenance costs and renewals are written off as incurred.

Certain refurbishment costs which are part of major property refurbishment programmes may, depending on the nature of the works being undertaken, be capitalised in the Statement of financial position as part of property stock.

WHITEHALL PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.6 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.

2.7 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.

2.8 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 debtors and creditors and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, 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 financing 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 the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 the Statement of Comprehensive Income.

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 best estimate of the recoverable amount, 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.

2.9 Creditors

Short term creditors are measured at the transaction price.

WHITEHALL PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

2. ACCOUNTING POLICIES (CONTINUED)

2.10 Interest Income

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

2.11 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.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Company's significant accounting policies are stated in note 2 above. Not all of these accounting policies require management to make subjective or complex judgments or estimates. The following is intended to provide further detail relating to those accounting policies that management consider critical because of the level of complexity, judgment or estimation involved in their application and their impact on the financial statements.

The Company's trading property is carried in the statement of financial position at the lower of cost and net realisable value. A net realisable value provision is made to write down properties to fair value if this is below cost.

The valuation methodology described below determines the fair value of property.

Properties held in the residential and commercial portfolios were valued by the in-house surveyors at Managing Agents employed by the Company. These valuations were reviewed and approved by the directors.

For residential property, the Managing Agent's own qualified surveying team provided a vacant possession value and also recommend the discount to apply to the vacant possession valuations to establish the market value of each property. The discounts are established by tenancy type and are based on evidence gathered from recent transactional market evidence.

Similarly, for Commercial property, the Managing Agent's own qualified surveyors recommend the yield to be applied to the Estimated Rental Value ("ERV") based on the type of property and location to establish the market value of each property.

However, if any assumptions made by the Managing Agent's valuers prove to be incorrect, this may mean that the value of the Company's properties differs from their valuation reported in the financial statements, which could have a material effect on the Company's financial position.

WHITEHALL PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

4. **TURNOVER**

All turnover arose within the United Kingdom.

	Turnover 2018	2017	Cost of sales		Gross profit	
	£	£	2018	2017	2018	2017
			£	£	£	£
Sale of trading stock properties	2,838,735	1,815,060	(976,238)	(275,104)	1,862,497	1,539,956
Rental income	686,804	693,107	(47,825)	(81,555)	638,979	611,552
	<u>3,525,539</u>	<u>2,508,167</u>	<u>(1,024,063)</u>	<u>(356,659)</u>	<u>2,501,476</u>	<u>2,151,508</u>

Cost of sales of rental income comprises property outgoings.

5. **EMPLOYEES**

The average monthly number of employees, including the directors, during the year was as follows:

	2018	2017
	No.	No.
Directors	<u>3</u>	<u>3</u>

6. **TAXATION**

	2018	2017
	£	£
CORPORATION TAX		
Current tax on profits for the year	162,451	159,882
	<u>162,451</u>	<u>159,882</u>
TOTAL CURRENT TAX	<u>162,451</u>	<u>159,882</u>

WHITEHALL PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

6. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is the same as (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	<u>855,005</u>	<u>802,713</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	162,451	160,543
EFFECTS OF:		
Changes in provisions leading to a decrease in the tax charge	-	(661)
TOTAL TAX CHARGE FOR THE YEAR	<u>162,451</u>	<u>159,882</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

7. STOCKS

	2018 £	2017 £
Freehold and leasehold property	<u>1,623,849</u>	<u>1,785,315</u>
	<u>1,623,849</u>	<u>1,785,315</u>

8. DEBTORS

	2018 £	2017 £
Amounts owed by group undertakings	3,241,231	2,388,992
Other debtors	<u>156,064</u>	<u>147,333</u>
	<u>3,397,295</u>	<u>2,536,325</u>

WHITEHALL PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

9. CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Corporation tax	102,413	91,732
Other creditors	106,807	103,573
Accruals and deferred income	136,931	136,894
	<u>346,151</u>	<u>332,199</u>

10. RESERVES

Profit & loss account

The profit and loss account includes all current and prior year retained profits and losses.

11. RELATED PARTY TRANSACTIONS

During the year there were the following transactions with companies and entities in which the directors, Mark Pears CBE, Sir Trevor Pears CMG and David Pears have an interest.

	2018	2017
	£	£
Management fees payable	66,000	72,000
Loan interest receivable from The William Pears Group of Companies Limited	15,172	10,231
Loan interest receivable from Industrial & Mercantile Investments Limited	32,741	26,206
Profit share payable to Industrial & Mercantile Investments Limited	<u>1,628,154</u>	<u>1,313,069</u>

At the year end there were the following balances with companies and entities in which the directors, Mark Pears CBE, Sir Trevor Pears CMG and David Pears have an interest.

	2018	2017
	£	£
Loan due from Industrial & Mercantile Investments Limited	3,241,231	2,388,992
Balance due from Hamways Limited	<u>122,826</u>	<u>114,877</u>

The company received estate agents services from a partnership in which the directors have an interest, the cost of which amounted to £10,680 (2017 - £10,560).

WHITEHALL PLACE PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018**

12. CONTROLLING PARTY

The Company is a wholly owned subsidiary of Industrial and Mercantile Investments Limited, a company incorporated in England. The registered office is Ground Floor, 30 City Road, London EC1Y 2AB.