

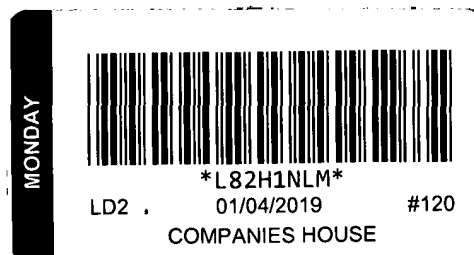
NETHERHALL RESIDENCES PLC

Company Number: 2845358

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2018



Netherhall Residences PLC

Company Information

Directors

M Boyle
A.J. Curtis

Secretary

J.M. Mirabal

Registered Office

18a Netherhall Gardens
London
NW3 5TH

Bankers

HSBC Bank plc
West End Business Banking Centre
2nd Floor
70 Pall Mall
London
SW1Y 5EZ

Solicitors

Dechert
2 Serjeants' Inn
London
EC4Y 1LT

Auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Netherhall Residences PLC

Report of the Directors

The directors present their report and the audited accounts for the year ended 30 September 2018.

Principal Activities

The principal activities of the company are the leasing and holding of residential properties which are then let on as shorthold tenancies under the terms of the 1988 Housing Act.

Review of Business and Future Developments

The profit and loss account for the year is set out on page 5.

The Directors have reviewed the business and are of the opinion that the present business activities will continue and no additional developments are necessary.

Risks and Uncertainties

The directors have reviewed the significant risks and are of the opinion that there are none.

Dividend and Transfers to Reserves

The directors cannot recommend the payment of a dividend in view of the deficit on revenue reserves and the loss for the year of £37,911 (2017 - £39,449) has been transferred to reserves.

Creditors Payment Policy

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

At 30 September 2018, the company had an average of zero days purchases outstanding in trade creditors.

Directors

The directors who served the company throughout the year together with their interests (including family interests) in the shares of the company, at the beginning and end of the year, were as follows:

	'A' Ordinary shares of 50p each		'A' Ordinary shares of 50p each	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
A.J. Curtis	1	1	1	1
M.Boyle	-	-	-	-

Mr A.J. Curtis held his share on the date of his appointment as a director. The share is a non-beneficial interest held on behalf of Netherhall Educational Association.

Auditors

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 2006 it is proposed that they be re-appointed auditors to the company for the ensuing year.

Netherhall Residences PLC

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable laws 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 & Applicable Law). Under company law, the Directors must not approve accounts 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that are sufficient to show and explain the Company's transactions which 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.

Statements of disclosure to auditors

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and;
- the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By Order of the Board



J. M. Mirabal
Secretary

28 March 2019

Independent Auditor's Report to the Members of Netherhall Residences plc

Opinion

We have audited the financial statements of Netherhall Residences plc for the year ended 30 September 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

Independent Auditor's Report to the Members of Netherhall Residences plc (Continued)

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors

Independent Auditor's Report to the Members of Netherhall Residences plc (Continued)

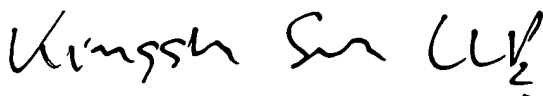
▪ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

▪ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.



Luke Holt (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

28/3/19

Devonshire House
60 Goswell Road
London
EC1M 7AD

Netherhall Residences Plc
Profit and Loss Account
For the year ended 30th September 2018

	Notes	2018 £	2017 £
Turnover	1	260,498	244,293
Cost of Sales		<u>(233,832)</u>	<u>(215,434)</u>
		26,666	28,859
Administrative expenses		<u>(64,577)</u>	<u>(68,308)</u>
Loss on Ordinary Activities before Taxation	2	(37,911)	(39,449)
Taxation	6	<u>-</u>	<u>-</u>
Loss on Ordinary Activities after Taxation		<u><u>(37,911)</u></u>	<u><u>(39,449)</u></u>

There were no gains or losses during the year apart from the loss of £37,911 shown above (2017 - £39,449) which relates to continuing activities.

Netherhall Residences Plc

Balance sheet at 30th September 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed Assets					
Tangible assets	3		3,703,474		3,752,807
Current Assets					
Debtors	4	284,496		273,144	
Cash at bank and in hand		<u>100</u>		<u>32</u>	
		284,597		273,176	
Creditors: Amounts falling due within one year	5	<u>(5,000)</u>		<u>(5,000)</u>	
Net Current Assets			<u>279,597</u>		<u>268,176</u>
Total Assets less Current Liabilities			<u>3,983,071</u>		<u>4,020,983</u>
Capital and Reserves					
Called up share capital	7		2,500,001		2,500,001
Share premium account	8		2,205,425		2,205,425
Profit and loss account	8		<u>(722,355)</u>		<u>(684,443)</u>
Shareholders' Funds	8		<u>3,983,071</u>		<u>4,020,983</u>

Approved and authorised by the Board on

28/03/19

M.Boyle
Director

m Boyle.

Company number: 2845358

Netherhall Residences Plc
Cash Flow Statement at 30 September 2018

	2018		2017	
	£	£	£	£
Deficit Before Taxation		(37,911)		(39,449)
Adjustments for Non-Cash Items:				
Depreciation	49,333	49,333	49,333	49,333
Adjusted Deficit		11,422		9,884
 Movements in Working Capital				
Decrease/(Increase) in Debtors	(11,354)		(9,394)	
Increase/(Decrease) in Creditors	-	(11,354)	(500)	(9,894)
Cash Generated from Operations		68		(10)
 Net Cash Flow		68		(10)
 Cash and Cash Equivalents at 1 October 2017		32		42
 Cash and Cash Equivalents at 30 September 2018		100		32
 Change in Cash and Cash Equivalents		68		(10)

Netherhall Residences Plc
Notes to the Financial Statements
For the year ended 30 September 2018

1 Accounting Policies

The accounting policies have remained unchanged during the year.

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents the total amount receivable by the company in the ordinary course of business for rental income excluding value added tax. Turnover and pre-tax result are attributable to one continuing class of business in the UK.

Expenditure

All expenditure is accounted for on an accruals basis. Most expenditure consists of recharges made by the parent, Netherhall Educational Association on a pre-determined basis which assessed annually by the Directors.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life as follows:-

Leasehold land and buildings: duration of the lease

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

2 Loss on Ordinary Activities before Taxation

	2018 £	2017 £
This is stated after charging:		
Depreciation	49,333	49,333
Auditors' remuneration : charge for year	3,360	5,686
over accrual from prior year	<u>(2,183)</u>	<u>-</u>

No directors received any remuneration during the year.

3 Tangible Fixed Assets

Cost

	Leasehold land and buildings
At 1st October 2017 and 30th September 2018	<u>4,693,734</u>

Depreciation

At 1st October 2017	891,594
Charge for the year	49,333

At 30th September 2018	<u>940,927</u>
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Net Book Value

at 30th September 2018	<u>3,752,807</u>
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For the year ended 30 September 2018
(Continued)

4 Debtors	2018	2017
	£	£
Amounts owed by parent undertaking	<u>284,496</u>	<u>273,144</u>
5 Creditors: Amounts falling due within one year	2018	2017
	£	£
Accruals and deferred income	<u>5,500</u>	<u>5,500</u>
	<u>5,500</u>	<u>5,500</u>
6 Taxation	2018	2017
	£	£
UK corporation tax charge	<u>-</u>	<u>-</u>
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	(37,911)	(39,449)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2017: 19.5%)	(7,203)	(7,693)
Effects of:		
Depreciation add back	9,373	9,620
Charges on income	(2,170)	(1,927)
	<u>7,203</u>	<u>7,693</u>
Current tax charge	<u>-</u>	<u>-</u>
7 Share Capital	2018	2017
	£	£
Authorised:		
5,000,000 ordinary shares of 50p each	2,500,000	2,500,000
2 'A' ordinary shares of 50p each	<u>1</u>	<u>1</u>
	<u>2,500,001</u>	<u>2,500,001</u>
Allotted, called up and fully paid:		
5,000,000 ordinary shares of 50p each	2,500,000	2,500,000
2 'A' ordinary shares of 50p each	<u>1</u>	<u>1</u>
	<u>2,500,001</u>	<u>2,500,001</u>

The ordinary shares and 'A' ordinary shares rank pari passu in all respects except that the holders of the 'A' ordinary shares have the right jointly to appoint and remove one director who does not retire by rotation.

Netherhall Residences Plc
Notes to the Financial Statements
For the year ended 30 September 2018
(Continued)

8 Reconciliation of Shareholders' Funds and Movements on Reserves

	Share Capital £	Share Premium Account £	Profit and Loss Account £	Total £
At 30th September 2016	2,500,001	2,205,425	(644,994)	4,060,432
Loss for the year	-	-	(39,449)	(39,449)
At 30th September 2017	<u>2,500,001</u>	<u>2,205,425</u>	<u>(684,443)</u>	<u>4,020,983</u>
Loss for the year	-	-	(37,911)	(37,911)
At 30th September 2018	<u><u>2,500,001</u></u>	<u><u>2,205,425</u></u>	<u><u>(722,354)</u></u>	<u><u>3,983,072</u></u>

9 Parent Undertaking and Controlling Party

In the directors' opinion, the company's ultimate parent undertaking and controlling party is Netherhall Educational Association, a company limited by guarantee and registered in England and Wales. Copies of its group accounts, which include the company are available from, 18a Netherhall Gardens, London NW3 5TH.

The company has taken advantage of the exemption within FRS102 not to disclose group transactions on the grounds that 100% of its voting rights are controlled within the group.

10 Directors Remuneration

No director received any remuneration as director. One of the directors is a paid employee of the Parent Company. Part of his salary costs including National Insurance has been charged under Administrative Expenses.