

Registered number: 00712408

## FAIRHOOD PROPERTIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2017

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COMPANIES HOUSE

PKF Littlejohn LLP

**PKF**

Accountants &  
business advisers

# FAIRHOOD PROPERTIES LIMITED

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[REDACTED]

**FAIRHOOD PROPERTIES LIMITED****COMPANY INFORMATION****Directors**

J F M Rodwell  
P R Holcroft  
G R S Broke  
P G Chamberlin  
A E Fanshawe

**Company Secretary**

M Kitto

**Registered Number**

00712408

**Registered Office**

1-3 College Hill  
London  
EC4R 2RA

**Independent Auditor**

PKF Littlejohn LLP  
1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

**Bankers**

Royal Bank of Scotland  
4th Floor  
Regents House  
42 Islington High Street  
London  
N1 8XL

**Solicitors**

Macfarlanes LLP  
20 Cursitor Street  
London  
EC4A 1LT

The Directors present their report and the financial statements for the year ended 31 March 2017.

**Results and dividends**

The result for the year, after taxation, amounted to £NIL (2016 - £NIL).

**Directors**

The Directors who served during the year were:

J F M Rodwell  
P R Holcroft  
G R S Broke  
P G Chamberlin  
A E Fanshawe

**Future developments**

The Company will continue to rent property and return the profits to the parent each year.

**Disclosure of information to auditor**

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

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that 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 auditor is aware of that information.

**Post balance sheet events**

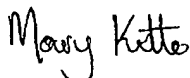
The property in Swaffham was sold in April 2017 for £910,000.

**Auditors**

The auditor, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Directors have taken advantage of the exemptions permitted under the small companies regime.

This report was approved by the Board on 20 September 2017 and signed on its behalf.



**M Kitto**  
Secretary

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 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 financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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.

**FAIRHOOD PROPERTIES LIMITED** \_\_\_\_\_ **INDEPENDENT AUDITOR'S REPORT TO THE  
MEMBERS OF FAIRHOOD PROPERTIES LIMITED**

We have audited the financial statements of Fairhood Properties Limited for the year ended 31 March 2017 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual 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 March 2017 and of its result 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, 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 the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In 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 Directors' Report.

**FAIRHOOD PROPERTIES LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE  
MEMBERS OF FAIRHOOD PROPERTIES LIMITED**

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.
- 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.

*P*  
**PKF LITTLEJOHN LLP**

Ian Mathieson (Senior Statutory Auditor)

For and on behalf of  
**PKF Littlejohn LLP**

Statutory Auditor

1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

Date: *26 SEPTEMBER 2017*

**FAIRHOOD PROPERTIES LIMITED**
**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2017**

		2017 £	2016 £
Turnover		114,050	114,050
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross profit</b>		114,050	114,050
Administrative expenses		(34,561)	(35,378)
		<hr/>	<hr/>
<b>Operating profit</b>		79,489	78,672
Payment under Deed of Covenant		(74,827)	(74,032)
Interest payable and expenses	8	(4,662)	(4,640)
		<hr/>	<hr/>
<b>Result before and after tax</b>		-	-
		<hr/>	<hr/>
<b>Other comprehensive income</b>			
Revaluation of investment property		35,000	120,000
		<hr/>	<hr/>
<b>Other comprehensive income for the year</b>		35,000	120,000
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>		35,000	120,000
		<hr/>	<hr/>

All amounts relate to continuing operations

The notes on pages 9 to 15 form part of these financial statements.



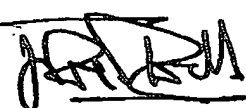
**FAIRHOOD PROPERTIES LIMITED**  
Registered number: 00712408

**BALANCE SHEET**  
**AS AT 31 MARCH 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Investment property	9	775,000	1,650,000
		<u>775,000</u>	<u>1,650,000</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	761,105	756,356
Cash at bank and in hand	11	4,636	4,310
Assets held for sale		910,000	-
		<u>1,675,741</u>	<u>760,666</u>
Creditors: amounts falling due within one year	12	(1,122,876)	(1,117,801)
		<u>552,865</u>	<u>(357,135)</u>
<b>Net current assets / (liabilities)</b>			
		<u>1,327,865</u>	<u>1,292,865</u>
<b>Total assets less current liabilities</b>			
		<u>1,327,865</u>	<u>1,292,865</u>
<b>Net assets</b>			
		<u>1,327,865</u>	<u>1,292,865</u>
<b>Capital and reserves</b>			
Called up share capital	14	11,000	11,000
Investment property reserve	15	317,500	282,500
Profit and loss account	15	999,365	999,365
		<u>1,327,865</u>	<u>1,292,865</u>

The Company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 20 September 2017.



**J F M Rodwell**  
Director

The notes on pages 9 to 15 form part of these financial statements.

**FAIRHOOD PROPERTIES LIMITED**
**STATEMENT OF CHANGES IN EQUITY  
AS AT 31 MARCH 2017**

	Share capital £	Investment property revaluation reserve £	Retained earnings £	Total equity £
At 1 April 2016	11,000	282,500	999,365	1,292,865
<b>Comprehensive income for the year</b>				
Result for the year	-	-	-	-
<b>Other comprehensive income for the year</b>	-	35,000	-	35,000
<b>Total comprehensive income for the year</b>	-	35,000	-	35,000
<b>Total transactions with owners</b>	-	-	-	-
<b>At 31 March 2017</b>	<u>11,000</u>	<u>317,500</u>	<u>999,365</u>	<u>1,327,865</u>

The notes on pages 9 to 15 form part of these financial statements.

**FAIRHOOD PROPERTIES LIMITED**
**STATEMENT OF CHANGES IN EQUITY  
AS AT 31 MARCH 2016**

	Share capital £	Investment property revaluation reserve £	Retained earnings £	Total equity £
At 1 April 2015	11,000	162,500	999,365	1,172,865
Revaluation of investment property	-	-	-	-
<b>Other comprehensive expenditure for the year</b>	-	120,000	-	-
<b>Total comprehensive expenditure for the year</b>	-	120,000	-	-
Total transactions with owners	-	-	-	-
<b>At 31 March 2016</b>	<b>11,000</b>	<b>282,500</b>	<b>999,365</b>	<b>1,292,865</b>

The notes on pages 9 to 15 form part of these financial statements.

**1. General information**

The principal activity of the Company continued throughout the year to be that of the management and letting of properties.

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 1-3 College Hill, London, EC4R 2RA.

**2. Accounting policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with *Financial Reporting Standard 102*, the Financial Reporting Standard applicable in the United Kingdom 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's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going concern**

The Company has net current assets of £492,865 at the balance sheet date (2016 - net current liabilities £357,135). The Directors believe that the Company has sufficient resources to meet its liabilities as they fall due because they can call upon the Parent Company or other group companies, for short term working capital, as and when required. The Financial Statements have therefore been prepared on the basis that the Company is a going concern.

**2.3 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.

**2. Accounting Policies (continued)****2.4 Investment property**

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Profit and loss account.

Assets held for sale (being actively marketed and expected to be disposed within 12 months of the Balance Sheet date) are measured at valuation (or sale price if this is known) and shown within current assets on the Balance Sheet.

**2.5 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.

**2.6 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.

**2.7 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.

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.8 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.

**2.9 Finance costs**

Finance costs are charged to the Profit and loss account 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.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Impairment of debtors**

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for the net carrying amount of the debtors and associated impairment provision.

**(ii) Valuation of investment properties**

The Company makes an estimate of the fair value of investment properties. When assessing the fair value, management seeks the help of an expert in this area and considers, amongst other things the expected rental yields, valuation of other properties in the immediate vicinity of the property and the condition of the building.

**4. Analysis of turnover**

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Rental income	114,050	114,050
	<hr/>	<hr/>
	114,050	114,050
	<hr/>	<hr/>

All turnover derives from the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the company's annual accounts	2,575	3,477
Fees payable to the Company's auditor and its associates for non-audit services	1,344	1,100
Fees payable to the Company's auditor and its associates in respect of the prior year	532	-
	<hr/>	<hr/>

**6. Employees**

Staff costs, including Directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	23,000	23,000
Social security costs	1,503	1,530
	<u>24,503</u>	<u>24,530</u>

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

	2017 No	2016 No
Directors	<u>2</u>	<u>2</u>

**7. Directors' remuneration**

	2017 £	2016 £
Directors' emoluments	<u>23,000</u>	<u>23,000</u>

The Directors are considered to be the key management personnel of the Company.

No post-employment or other benefits were paid to the Directors during the year (2016 - £nil).

**8. Interest payable and similar charges**

	2017 £	2016 £
Loans from group undertakings	<u>4,662</u>	<u>4,640</u>

**9. Investment property**

	Freehold Investment Property £
Valuation At 1 April 2016	<u>1,650,000</u>
 At 31 March 2017	 <u>775,000</u>

**9. Investment property (continued)**

The 2017 valuations were made by Clive Thomas of Clive Thomas & Co Chartered Surveyors in conjunction with Robin Hanson of Brackenridge Hanson, Tate, Chartered Surveyors and Property Consultants. Both Messrs Hanson and Thomas are Fellows of the Royal Institute of Chartered Surveyors. The valuations are based on an open market value for existing use basis.

	2017 £	2016 £
<b>Revaluation reserves</b>		
At 1 April 2016	282,500	162,500
Net (deficit) / gain in movement properties	35,000	120,000
	<hr/>	<hr/>
At 31 March 2017	317,500	282,500
	<hr/>	<hr/>

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2017 £	2016 £
Historic cost	1,367,500	1,367,500
	<hr/>	<hr/>

No deferred tax is provided on the investment properties as the availability of indexation allowances reduces any gains to nil.

**10. Debtors**

	2017 £	2016 £
Amounts owed by group undertakings	754,517	742,317
Other debtors	6,588	14,039
	<hr/>	<hr/>
	761,105	756,356
	<hr/>	<hr/>

**11. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	4,636	4,310
	<hr/>	<hr/>



<b>12. Creditors: Amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	1,115,410	1,109,953
Accruals and deferred income	7,466	7,848
	<u>1,122,876</u>	<u>1,117,801</u>

The amount owed to a fellow subsidiary, included in amounts owed to group undertakings above, is unsecured, bears interest at an average bank rate for the year and is repayable on demand. The amount owed to the parent undertaking, included in amounts owed to group undertakings above, is secured on the investment properties.

Included within amounts owed to group undertakings is £74,827 (2016 - £74,032) payable to the parent undertaking under a Deed of Covenant.

<b>13. Financial instruments</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at amortised cost	761,105	756,356
	<u>761,105</u>	<u>756,356</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(1,122,876)	(1,117,801)
	<u>(1,122,876)</u>	<u>(1,117,801)</u>

Financial assets measured at amortised cost comprise rents receivable and amounts owed by the parent undertaking.

Financial liabilities measured at amortised cost comprise amounts payable to the parent company and a fellow subsidiary, as well as accruals.

**14. Share capital**

	2017 £	2016 £
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**Allotted, called up and fully paid**

11,000 Ordinary shares of £1 each

11,000

11,000

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

**15. Reserves****Investment property revaluation reserve**

This represents the difference between fair value of the investment properties and the original cost.

**Profit & loss account**

This comprises the accumulated profits and losses of the Company since incorporation.

**16. Related party transactions**

There have been no related party transactions in the year apart from those between the Company and other members of The Hedley Foundation Limited Group of Companies and the remuneration paid to the Directors.

The Company has taken advantage of the exemptions available to 100% owned subsidiaries under Section 33.1A of FRS 102 from disclosing transactions with other members of The Hedley Foundation Group of Companies.

**17. Ultimate Controlling party**

The Hedley Foundation Limited, a charitable company incorporated in England & Wales, is the ultimate Parent undertaking. The Hedley Foundation Limited prepares group financial statements and these are publicly available from Companies House, Cardiff, CF14 3UZ.

**18. Post Balance Sheet Events**

The asset held for sale at year end, the property known as 77-81 Market Place Swaffham, was sold successfully post year end for £910,000 with completion on 18 April 2017.