

**COMPANY REGISTRATION NUMBER: 1051420**

**ZERLAN ESTATES LIMITED**  
**FILLETED FINANCIAL STATEMENTS**  
**31 MARCH 2017**

**COHEN ARNOLD**  
Chartered accountant & statutory auditor  
New Burlington House  
1075 Finchley Road  
LONDON  
NW11 0PU



**ZERLAN ESTATES LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

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**ZERLAN ESTATES LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>THE BOARD OF DIRECTORS</b>	Mrs R Gross Mrs S Padwa
<b>COMPANY SECRETARY</b>	Mr E Moore
<b>REGISTERED OFFICE</b>	New Burlington House 1075 Finchley Road London NW11 0PU
<b>AUDITOR</b>	Cohen Arnold Chartered accountant & statutory auditor New Burlington House 1075 Finchley Road LONDON NW11 0PU

**ZERLAN ESTATES LIMITED**  
**DIRECTORS' RESPONSIBILITIES STATEMENT**  
**YEAR ENDED 31 MARCH 2017**

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.

# ZERLAN ESTATES LIMITED

## BALANCE SHEET


31 MARCH 2017

	Note	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	4	16,261,197	14,921,597
<b>CURRENT ASSETS</b>			
Debtors	5	1,245,462	1,311,613
Investments	6	776	776
Cash at bank and in hand		4,517	110,674
		<u>1,250,755</u>	<u>1,423,063</u>
<b>CREDITORS: amounts falling due within one year</b>	7	<u>594,856</u>	<u>395,214</u>
<b>NET CURRENT ASSETS</b>		<u>655,899</u>	<u>1,027,849</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>16,917,096</u>	<u>15,949,446</u>
<b>CREDITORS: amounts falling due after more than one year</b>	8	624,320	683,048
<b>PROVISIONS</b>		<u>2,619,000</u>	<u>2,534,000</u>
<b>NET ASSETS</b>		<u><u>13,673,776</u></u>	<u><u>12,732,398</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		100	100
Profit and loss account		<u>13,673,676</u>	<u>12,732,298</u>
<b>MEMBERS FUNDS</b>		<u><u>13,673,776</u></u>	<u><u>12,732,398</u></u>

These financial statements have been prepared and delivered 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'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 19 October 2017, and are signed on behalf of the board by:

  
Mrs R Gross  
Director

Company registration number: 1051420

**ZERLAN ESTATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2017**

**1. GENERAL INFORMATION**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is New Burlington House, 1075 Finchley Road, London, NW11 0PU.

**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**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Acquisitions and disposals of properties**

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

**Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 12.

**Turnover**

Turnover represents rents receivable and charges recoverable from the tenants of the company's properties, credit for which is taken when the charge is made to the tenants.

**Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**ZERLAN ESTATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 MARCH 2017**

**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.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings                      -    25% reducing balance

In accordance with Financial Reporting Standard for Smaller Entities, no depreciation or amortisation is provided in respect of freehold investment properties nor on leasehold investment properties having an unexpired term of more than twenty years. This departure from the requirements of the Companies Act 2006, for all properties to be depreciated, is necessary, as the directors consider that this accounting policy results in the financial statements giving a true and fair view.

**Investment property**

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**ZERLAN ESTATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 MARCH 2017**

**4. TANGIBLE ASSETS**

	Land and buildings £	Fixtures and fittings £	Total £
<b>Fair value</b>			
At 1 April 2016	14,920,000	40,808	<b>14,960,808</b>
Additions	406,609	—	<b>406,609</b>
Revaluations	933,391	—	<b>933,391</b>
<b>At 31 March 2017</b>	<b>16,260,000</b>	<b>40,808</b>	<b>16,300,808</b>
<b>Depreciation</b>			
At 1 April 2016	—	39,211	<b>39,211</b>
Charge for the year	—	400	<b>400</b>
<b>At 31 March 2017</b>	<b>—</b>	<b>39,611</b>	<b>39,611</b>
<b>Carrying amount</b>			
<b>At 31 March 2017</b>	<b>16,260,000</b>	<b>1,197</b>	<b>16,261,197</b>
At 31 March 2016	14,920,000	1,597	14,921,597

Included within the above is investment property as follows:

	£
At 1 April 2016	<b>14,920,000</b>
Additions	<b>406,609</b>
Fair value adjustments	<b>933,391</b>
<b>At 31 March 2017</b>	<b>16,260,000</b>

The Company's investment properties were valued independently by a FRICS qualified chartered surveyor as at 31 March 2017 on the basis of market value.

The historical cost of the Freehold Properties is £792,030 (2016: £385,421). The historical cost of the Leasehold Properties is £10,500 (2016: £10,500).

**5. DEBTORS**

	2017 £	2016 £
Trade debtors	<b>124,652</b>	92,283
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<b>1,070,810</b>	1,169,330
Other debtors	<b>50,000</b>	50,000
	<b>1,245,462</b>	1,311,613

**6. INVESTMENTS**

	2017 £	2016 £
Other investments	<b>776</b>	776



**ZERLAN ESTATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 MARCH 2017**

**6. INVESTMENTS** *(continued)*

Other investments relates to shares held by the company in a public company listed on the London Stock Exchange.

**7. CREDITORS: amounts falling due within one year**

	2017	2016
	£	£
Bank loans and overdrafts	56,000	56,000
Trade creditors	12,703	2,704
Amounts owed to group undertakings and undertakings in which the company has a participating interest	234,510	234,510
Corporation tax	–	38,000
Other creditors	291,643	64,000
	<u>594,856</u>	<u>395,214</u>

**8. CREDITORS: amounts falling due after more than one year**

	2017	2016
	£	£
Bank loans and overdrafts	<u>624,320</u>	<u>683,048</u>

Bank loans and overdrafts are secured by legal charges over certain of the company's trading properties.

**9. SUMMARY AUDIT OPINION**

The auditor's report for the year dated 19 October 2017 was unqualified.

The senior statutory auditor was Dov Harris FCA, for and on behalf of Cohen Arnold.

**10. RELATED PARTY TRANSACTIONS**

Included in charitable donations is an amount of £287,643 due to M & R Gross Charities Limited. The directors of this Company are also trustees of M & R Gross Charities Limited.

Included in other debtors is an amount of £50,000 due from Crownlife Limited (2016: £50,000). Mrs R Gross, director of this company is also a director of Crownlife Limited. This amount is interest free and repayable on demand.

**11. PARENT COMPANY AND CONTROLLING PARTY**

The ultimate parent company is M & R Gross Charities Limited, a company incorporated in England and Wales.

**12. TRANSITION TO FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

**ZERLAN ESTATES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**YEAR ENDED 31 MARCH 2017**

**12. TRANSITION TO FRS 102** *(continued)*

**Reconciliation of equity**

	<b>1 April 2015</b>			<b>31 March 2016</b>		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	11,364,629	–	11,364,629	14,921,597	–	14,921,597
Current assets	1,347,911	–	1,347,911	1,423,063	–	1,423,063
Creditors: amounts falling due within one year	(547,668)	–	(547,668)	(395,214)	–	(395,214)
Net current assets	800,243	–	800,243	1,027,849	–	1,027,849
Total assets less current liabilities	12,164,872	–	12,164,872	15,949,446	–	15,949,446
Creditors: amounts falling due after more than one year	(739,907)	–	(739,907)	(683,048)	–	(683,048)
Provisions	–	(2,102,000)	(2,102,000)	–	(2,534,000)	(2,534,000)
Net assets	11,424,965	(2,102,000)	9,322,965	15,266,398	(2,534,000)	12,732,398
Capital and reserves	11,457,235	(2,102,000)	9,355,235	15,266,398	(2,534,000)	12,732,398

**Changes in accounting policies**

The following were changes in accounting policies arising from the transition to FRS 102:

**(a) Investment properties**

Previously, the Company's investment properties were held at market value, with aggregate surplus or deficit being recorded in the revaluation reserve, with the exception of permanent diminutions in value which were written off through the profit and loss account. Under FRS 102, these properties are held at fair value, with changes in fair value being recorded in the profit and loss account.

**(b) Deferred tax on unrealised gains and losses on investment properties**

Previously, no deferred tax was recognised on the timing differences between the accounting and tax treatment of the revaluation of the Company's investment properties. Under FRS 102, deferred tax is recognised on the difference between the cost for tax purposes and the fair value of the company's investment properties, with movements recorded in the profit and loss account.