

COMPANY REGISTRATION NUMBER: 1051420

ZERLAN ESTATES LIMITED
FILLETED FINANCIAL STATEMENTS
31 MARCH 2019



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

ZERLAN ESTATES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

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ZERLAN ESTATES LIMITED

BALANCE SHEET

31 MARCH 2019

	Note	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		15,350,000		16,260,898
CURRENT ASSETS					
Debtors	5	1,507,946		1,411,464	
Investments	6	776		776	
Cash at bank and in hand		218,796		198,339	
		<u>1,727,518</u>		<u>1,610,579</u>	
CREDITORS: amounts falling due within one year	7	<u>503,520</u>		<u>631,050</u>	
NET CURRENT ASSETS			<u>1,223,998</u>		<u>979,529</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,573,998</u>		<u>17,240,427</u>
CREDITORS: amounts falling due after more than one year	8		695,530		754,923
PROVISIONS			<u>2,360,545</u>		<u>2,593,000</u>
NET ASSETS			<u><u>13,517,923</u></u>		<u><u>13,892,504</u></u>
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Profit and loss account	10		<u>13,517,823</u>		<u>13,892,404</u>
SHAREHOLDERS FUNDS			<u><u>13,517,923</u></u>		<u><u>13,892,504</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.

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.

These financial statements were approved by the board of directors and authorised for issue on 28 October 2019, 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 2019

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 Section 1A of FRS 102, '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.

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.

Tangible assets

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

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

No depreciation is provided in respect of investment property applying the fair value model.

Investment property fair value is determined by the directors based on their understanding of property market conditions and the specific property.

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NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2019

3. ACCOUNTING POLICIES *(continued)*

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.

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.

4. TANGIBLE ASSETS

	Land and buildings £	Fixtures and fittings £	Total £
Fair value/cost			
At 1 April 2018	16,260,000	40,808	16,300,808
Additions	48,548	-	48,548
Revaluations	(958,548)	-	(958,548)
At 31 March 2019	<u>15,350,000</u>	<u>40,808</u>	<u>15,390,808</u>
Depreciation			
At 1 April 2018	-	39,910	39,910
Charge for the year	-	898	898
At 31 March 2019	<u>-</u>	<u>40,808</u>	<u>40,808</u>
Carrying amount			
At 31 March 2019	<u>15,350,000</u>	<u>-</u>	<u>15,350,000</u>
At 31 March 2018	<u>16,260,000</u>	<u>898</u>	<u>16,260,898</u>

The Company's investment properties were valued independently by a FRICS qualified chartered surveyor as at 31 March 2019 on the basis of market value.

The historical cost of the Freehold Properties is £840,578 (2018: £792,030). The historical cost of the Leasehold Properties is £10,500 (2018: £10,500).

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NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 MARCH 2019

5. DEBTORS

	2019	2018
	£	£
Trade debtors	8,955	125,404
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,424,731	1,216,060
Other debtors	74,260	70,000
	1,507,946	1,411,464

6. INVESTMENTS

	2019	2018
	£	£
Other investments	776	776

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

	2019	2018
	£	£
Bank loans and overdrafts	56,000	56,000
Trade creditors	2,705	2,704
Amounts owed to group undertakings and undertakings in which the company has a participating interest	234,510	234,510
Other creditors	210,305	337,836
	503,520	631,050

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

	2019	2018
	£	£
Bank loans and overdrafts	695,530	754,923

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

9. CALLED UP SHARE CAPITAL

Authorised share capital

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

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10. CAPITAL AND RESERVES

The balance on the profit and loss account at 31 March 2019 includes £1,379,446 of distributable reserves and £12,138,377 of unrealised profits which are not available for distribution.

11. SUMMARY AUDIT OPINION

The auditor's report for the year dated 28 October 2019 was unqualified.

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

12. RELATED PARTY TRANSACTIONS

Charitable donations totalling £236,305 were made to M & R Gross Charities Limited of which £176,305 was due to the charity as at 31 March 2019. 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 (2018: £50,000) and an amount of £1,500 (2018: £nil) due from Starcentre Limited. Mrs R Gross, director of this company is also a director of Crownless Limited and Starcentre Limited. Mrs S Padwa, a director of this company is also a director of Starcentre Limited.

These amounts are interest free and repayable on demand.

Included in other creditors is an amount of £30,000 (2018: £35,000) due to Astray Limited. Mrs R Gross, director of this company is also a director of Astray Limited.

This amount is interest free and repayable on demand.

13. PARENT COMPANY AND CONTROLLING PARTY

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