

COMPANY REGISTRATION NUMBER 1241065

**SPIRITVILLE INVESTMENTS LIMITED
FINANCIAL STATEMENTS
FOR
30 JUNE 2015**



COHEN ARNOLD
Chartered Accountants & Statutory Auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

SPIRITVILLE INVESTMENTS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

CONTENTS	PAGES
Company information	1
Directors' report	2 to 3
Independent auditor's report to the shareholders	4 to 5
Profit and loss account	6
Statement of total recognised gains and losses	7
Balance sheet	8
Notes to the financial statements	9 to 12
The following pages do not form part of the Financial Statements	
Detailed profit and loss account	14
Notes to the detailed profit and loss account	15

SPIRITVILLE INVESTMENTS LIMITED
COMPANY INFORMATION

The board of directors

Mr Leslie Frankel
Mrs Zisi Frankel

Company secretary

Mrs Zisi Frankel

Registered office

New Burlington House
1075 Finchley Road
London
NW11 0PU

Auditor

Cohen Arnold
Chartered Accountants
& Statutory Auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

SPIRITVILLE INVESTMENTS LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2015

The directors present their report and the Financial Statements of the company for the year ended 30 June 2015.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is property investment which has remained unchanged during the year and no change is envisaged in the immediate future.

RESULTS AND DIVIDEND

The financial results of the company's activities for the year ended 30 June 2015 are fully reflected in the attached financial statements together with the notes thereon.

The directors do not recommend the payment of a dividend for the year under review.

DIRECTORS

The directors who served the company during the year were as follows:

Mr Leslie Frankel
Mrs Zisi Frankel

The Articles of Association do not require Directors to retire by rotation. No Director has any beneficial interest in the share capital of the Company.

LAND AND BUILDINGS

Properties held for investment are included in the Balance Sheet at director's valuation.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 of the profit or loss of the company for that year.

In preparing these Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

SPIRITVILLE INVESTMENTS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2015

DONATIONS

During the year the company made the following contributions:

	2015	2014
	£	£
Charitable donations	<u>£752,000</u>	<u>£712,000</u>

Donations were made to the parent company.

AUDITOR

Cohen Arnold are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed by order of the directors



Mrs Zisi Frankel
Company Secretary

Approved by the directors on 29.03.2016

SPIRITVILLE INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SPIRITVILLE INVESTMENTS LIMITED
YEAR ENDED 30 JUNE 2015

We have audited the Financial Statements of Spiritville Investments Limited for the year ended 30 June 2015. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 set out on page 2, 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 the 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 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 the information given in the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

SPIRITVILLE INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SPIRITVILLE INVESTMENTS LIMITED *(continued)*

YEAR ENDED 30 JUNE 2015

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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; or
- 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 the exemption from the requirement to prepare a strategic report.



DOV HARRIS (Senior Statutory Auditor)

For and on behalf of
COHEN ARNOLD
Chartered Accountants
& Statutory Auditor

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

29.03.2016

SPIRITVILLE INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2015

	Note	2015 £	2014 £
TURNOVER	2	864,988	824,117
Property Expenses		<u>89,706</u>	<u>96,785</u>
GROSS PROFIT		775,282	727,332
Administrative Expenses		<u>763,235</u>	<u>721,024</u>
OPERATING PROFIT	3	12,047	6,308
Profit on disposal of fixed assets		<u>161,403</u>	<u>234,954</u>
		173,450	241,262
Interest Receivable		206,709	180,106
Interest Payable and Similar Charges		(370,509)	(376,733)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9,650	44,635
Tax on Profit on Ordinary Activities		25	49
PROFIT FOR THE FINANCIAL YEAR		<u>£9,625</u>	<u>£44,586</u>

The notes on pages 9 to 12 form part of these Financial Statements.

SPIRITVILLE INVESTMENTS LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 30 JUNE 2015

	2015 £	2014 £
Profit for the Financial Year Attributable to the Shareholders	9,625	44,586
Unrealised Profit on Revaluation of Certain Fixed Assets	—	1,051,107
Total Recognised Gains and Losses Relating to the Year	<u>9,625</u>	<u>1,095,693</u>
Prior Year Adjustment	<u>—</u>	<u>6,557,798</u>
Total Gains and Losses Recognised Since the Last Annual Report	<u><u>£9,625</u></u>	<u><u>£7,653,491</u></u>

The notes on pages 9 to 12 form part of these Financial Statements.

SPIRITVILLE INVESTMENTS LIMITED

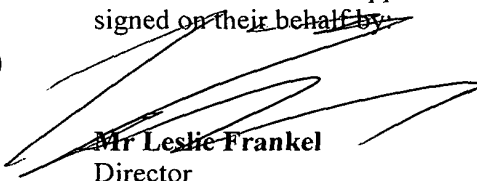
BALANCE SHEET

30 JUNE 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible Assets	4	10,600,943	10,602,640
CURRENT ASSETS			
Debtors	5	4,926,926	4,386,440
Cash at Bank		<u>137,004</u>	<u>717,559</u>
		5,063,930	5,103,999
CREDITORS: Amounts falling due within one year	6	<u>972,367</u>	<u>914,355</u>
NET CURRENT ASSETS		<u>4,091,563</u>	<u>4,189,644</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>14,692,506</u>	<u>14,792,284</u>
CREDITORS: Amounts falling due after more than one year	7	<u>5,687,968</u>	<u>5,797,371</u>
		<u>£9,004,538</u>	<u>£8,994,913</u>
CAPITAL AND RESERVES			
Called-Up Equity Share Capital	9	100	100
Revaluation Reserve	10	7,559,213	7,560,810
Profit and Loss Account	10	<u>1,445,225</u>	<u>1,434,003</u>
SHAREHOLDERS' FUNDS		<u>£9,004,538</u>	<u>£8,994,913</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the directors and authorised for issue on 29.03.2016, and are signed on their behalf by:


Mr Leslie Frankel
Director

Company Registration Number: 1241065

The notes on pages 9 to 12 form part of these Financial Statements.

SPIRITVILLE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES

Basis of accounting

The Financial Statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

The turnover of the company is represented by rent and charges receivable in respect of properties held for investment purposes.

Depreciation

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 properties

Properties held for investment are included in the Balance Sheet at director's valuation.

Any surplus, and any temporary deficit is transferred to the Revaluation Reserve, and on realisation this surplus or deficit is transferred to the Profit and Loss Account. Deficits which are expected to be permanent are charged to the Profit And Loss Account and subsequent reversals of such deficits are credited to Profit and loss Account in the same way.

Deferred taxation

Deferred tax is provided in respect of all timing differences that have originated but not reversed by the balance sheet date where an event has occurred that results in an obligation to pay more or less tax in future, except that:

- No provision is made in respect of unrealised property revaluation surpluses; and
- Deferred tax assets are recognised to the extent that they are considered recoverable.

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.

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.

SPIRITVILLE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

2. TURNOVER

The turnover of the company is represented by rents and charges receivable in respect of properties held for investment purposes.

The net rental income is comprised as follows:

	2015 £	2014 £
Rents and charges receivable	864,988	824,117
Property outgoings	<u>(89,706)</u>	<u>(96,785)</u>
Net rental income	<u>775,282</u>	<u>727,332</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2015 £	2014 £
Auditor's fees	<u>6,480</u>	<u>6,240</u>

4. TANGIBLE ASSETS

	Freehold Property £
VALUATION	
At 1 July 2014	10,602,640
Disposals	<u>(1,697)</u>
At 30 June 2015	<u>10,600,943</u>
NET BOOK VALUE	
At 30 June 2015	<u>10,600,943</u>
At 30 June 2014	<u>10,602,640</u>

The Company's Investment Properties are included in the Financial Statements at Directors' valuation.

The historical cost of the properties as at 30 June 2015 is £3,041,730.

In the event of a realisation of the company's investment properties at an amount equal to the valuation recorded in the Financial Statements, a liability to corporation tax on chargeable gains would arise which is estimated at £778,000 (2014: £780,000) for which no provision has been made in the Financial statements in accordance with Financial Reporting Standard for Smaller Entities (effective April 2008).

SPIRITVILLE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

5. DEBTORS

	2015	2014
	£	£
Trade debtors	50,835	78,610
Amounts owed by group undertakings	1,342,999	1,642,999
Other debtors	3,533,092	2,664,831
	<u>4,926,926</u>	<u>4,386,440</u>

Included in other debtors is an amount due from Bitochon Limited of £1,200,000 (2014: £1,200,000). Mr Leslie Frankel and Mrs Zisi Frankel, directors of Bitochon Limited are also directors of this company. The loan is repayable on demand and bears interest at 8% per annum.

Other debtors also include amounts due from Maida Vale Investments Limited of £1,209,199 (2014: £1,209,199) and £850,241 (2014: £Nil), a company in which Mr Leslie Frankel and Mrs Zisi Frankel are directors. The loan of £1,209,199 is secured on property, bears interest at 7% per annum and is repayable after more than one year. The loan of £850,241 is secured with a legal charge over the shares of Maida Vale Investments Limited, bears interest at 8% per annum and is repayable after more than one year.

6. CREDITORS: Amounts falling due within one year

	2015	2014
	£	£
Bank loans	109,403	102,845
Other creditors	862,964	811,510
	<u>972,367</u>	<u>914,355</u>

7. CREDITORS: Amounts falling due after more than one year

	2015	2014
	£	£
Bank loans and overdrafts	5,687,968	5,797,371

The mortgages are secured by fixed charges over properties of the company with a book value of £8,680,000.

Included within creditors falling due after more than one year is an amount of £5,250,356 (2014 - £5,385,991) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

8. RELATED PARTY TRANSACTIONS

Charitable donations in the sum of £752,000 (2014: £712,000) were paid to the parent company Frankgiving Limited, a registered charity in the United Kingdom. The directors of this company are also trustees of the Charity.

SPIRITVILLE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

9. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

10. RESERVES

	Revaluation reserve £	Profit and loss account £
Balance brought forward	7,560,810	1,434,003
Profit for the year	-	9,625
Other movements		
- transfer to/from revaluation reserve	(1,597)	1,597
Balance carried forward	<u>7,559,213</u>	<u>1,445,225</u>

11. PARENT COMPANY AND CONTROLLING PARTY

The parent company and controlling party is Frankgiving Limited, a registered charity company incorporated and operating in England and Wales.