

**The Armourers  
Hall Company  
Limited**

**Annual Report and Financial  
Statements**

31 March 2017

Company Registration Number  
2800134 (England and Wales)

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## Legal and administrative information

<b>Directors</b>	Mr E B Pitt Mr A J L Beare Mr C J Weston-Simons
<b>Secretary</b>	P Bateman
<b>Registered office</b>	Armourers' Hall 81 Coleman Street London EC2R 5BJ
<b>Registered number</b>	2800134 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	National Westminster Bank plc 94 Moorgate London EC2M 6XT
<b>Investment Manager</b>	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ

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## Directors' report 31 March 2017

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

### Principal activity

The principal activity of the company is managing the operating activities of the properties owned by the company. The directors intend to continue that activity for the foreseeable future.

### Review of business

A summary of the results of the year's trading is given on page 5 of the financial statements.

### Directors

The following directors served throughout the year:

Director	Appointed/resigned
E B Pitt	
A J L Beare	
Col D A Wynne Davies	Resigned 30 June 2016
C J Weston-Simons	Appointed 30 June 2016

### Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and 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 period.

In preparing these 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

**Statement of directors' responsibilities (continued)**

- ◆ 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.

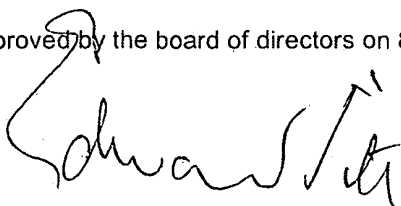
Each of the directors confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as set out in part 15 of the Companies Act 2006.

Approved by the board of directors on 8 June 2017



E B Pitt  
Director

**Independent auditor's report to the members of The Armourers Hall Company Limited**

We have audited the financial statements of The Armourers Hall Company Limited for the year ended 31 March 2017, which comprise the statement of comprehensive income, the statement of financial position, the principal accounting policies 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), including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the 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 the directors and auditor**

As explained more fully in the statement of directors' responsibilities set out in the directors' report, 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 (APB'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 directors' 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 the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Independent auditor's report Year to 31 March 2017**

**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 loss 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, 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. Also, in our opinion, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have identified no material misstatements in the directors' report.

**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 and the directors' report in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

*Buzzacott LLP*

C R Cooper, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

*26th June, 2017*

Statement of comprehensive income Year to 31 March 2017

	Notes	2017 £	Restated 2016 £
<b>Turnover</b>		<b>193,619</b>	<b>236,028</b>
Administrative expenses		(638,656)	(515,974)
Other operating income		—	50,000
Other operating expenses		(28,255)	(67,594)
<b>Operating loss</b>		<b>(473,292)</b>	<b>(297,540)</b>
Interest receivable and similar income	2	186,596	212,562
Net gains (losses) on listed investments	7	212,908	(75,004)
Net gains on investment property	7	900,000	200,000
<b>Profit on ordinary activities before taxation</b>		<b>826,212</b>	<b>40,018</b>
Taxation	5	(155,000)	(60,000)
<b>Profit (loss) for the financial year after taxation</b>		<b>671,212</b>	<b>(19,982)</b>

All of the company's activities derived from continuing operations during the above two financial periods.



**Statement of financial position 31 March 2017**

	Notes	2017 £	2017 £	Restated 2016 £	Restated 2016 £
<b>Fixed assets</b>					
Tangible fixed assets	6	181,237		103,377	
Investments	7	<u>5,130,183</u>		<u>5,017,276</u>	
			5,311,420		5,120,653
<b>Current assets</b>					
Stock		325		—	
Debtors	8	55,459		117,766	
Cash at bank and in hand		<u>1,087,207</u>		<u>16,391</u>	
		1,142,991		134,157	
<b>Creditors: amounts falling due within one year</b>	9	<u>(634,735)</u>		<u>(261,346)</u>	
<b>Net current assets (liabilities)</b>			508,256		(127,189)
<b>Total assets less current assets</b>			5,819,676		4,993,464
<b>Creditors: amounts falling due after more than one year</b>	10		(2,724,676)		(2,724,676)
<b>Provision for deferred taxation</b>	11		<u>(235,000)</u>		<u>(80,000)</u>
<b>Total net assets</b>			<u>2,860,000</u>		<u>2,188,788</u>
<b>Capital and reserves</b>					
Called up share capital	12		1,000,002		1,000,002
Profit and loss account	13		<u>1,859,998</u>		<u>1,188,786</u>
<b>Shareholder's funds</b>	14		<u>2,860,000</u>		<u>2,188,788</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime set out in part 15 of the Companies Act 2006.

Approved by the board of directors on 8 June 2017

E B Pitt  
Director

## Principal accounting policies 31 March 2017

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and FRS 102 Section 1A, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

This is the first year in which the financial statements have been prepared under FRS 102. Details of the transition to FRS 102 are disclosed below.

The financial statements are presented in sterling and are rounded to the nearest pound.

### Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the directors have considered whether in applying the accounting policies required by FRS 102, a restatement of comparative items was needed.

As required by section 35 of FRS 102, the final balance sheets for 2016 and 2015 have been restated as if FRS 102 were in force at the beginning of the previous accounting period. The reconciliations for 2016 and 2015 have been shown in order to demonstrate the effect of the change in reporting framework for the opening balances as at 1 April 2016 and 1 April 2015.

	2016 £	2015 £
Total funds at end of year as previously stated	2,268,788	2,228,770
Deferred taxation	(80,000)	(20,000)
Total funds as restated	2,188,788	2,208,770

The following reconciliation shows the effect of the change in reporting framework on the surplus for the year to 31 March 2016:

	2016 £
<b>Reconciliation of reported loss for the year</b>	
Loss for the year as previously stated	(114,021)
Unrealised gains on investment property previously not included as part of loss for the year	200,000
Unrealised gains on listed investments previously not included as part of loss for the year	(45,961)
Deferred tax charge	(60,000)
Loss for the year for the year as restated	(19,982)

#### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the directors to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- ◆ The provision for deferred taxation; and
- ◆ Investment property valuation.

#### **Assessment of going concern**

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The directors have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors are of the opinion that the company will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2018, the most significant areas that affect the carrying value of the assets held by the company are the level of investment return and the performance of the investment and property markets.

#### **Statement of cash flows**

The financial statements do not include a statement of cash flows, because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under FRS 102 Section 1A.

#### **Turnover**

Turnover is recognised in the period in which the company has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Turnover represents invoiced income during the period in respect of the letting of the company's property held as tangible fixed assets, excluding VAT.

#### **Investment income**

Investment income is recognised on an accruals basis.

## Principal accounting policies 31 March 2017

### Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

### Tangible fixed assets

All assets costing more than £3,000 and with an expected useful life exceeding one year, are capitalised. ~~Tangible fixed assets are included in the financial statements at cost~~

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

Hall improvements – 10 years

Hall equipment – 5 years

### Investment properties

Investment properties are stated at fair value. The gains or losses arising on disposals or revaluation are recognised in the statement of comprehensive income. No depreciation is provided in respect of freehold investment properties.

The directors consider that this accounting policy results in the financial statements giving a true and fair view.

### Listed investments

Listed investments are shown at market value based on the middle market price quoted on the London Stock Exchange.

### Stocks

Stocks are stated at the lower of cost and net realisable value.

### Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

**Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the company anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Current and deferred taxation**

The tax charge for the year comprises current and deferred tax. The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Provision for deferred taxation is made using the liability method in respect of all timing differences that have originated but not reversed by the balance sheet date, and is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**Pensions**

The company operates a defined contribution pension scheme for certain employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Notes to the financial statements 31 March 2017

**1 Loss on ordinary activities**

	2017 £	2016 £
This is stated after charging:		
Auditor's remuneration		
. Audit fee	6,650	5,650
. Other services	3,050	2,350
Depreciation of tangible fixed assets	21,082	16,906

**2 Interest receivable and similar income**

	2017 £	2016 £
Income from listed investments	90,073	99,513
Income from investment property	95,224	112,933
Other interest receivable	1,299	116
	<u>186,596</u>	<u>212,562</u>

**3 Staff costs**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	155,635	162,161
Pension costs	15,642	16,005
Social security costs	17,759	19,019
	<u>189,036</u>	<u>197,185</u>

The company has four full time employees (2016 - four).

**4 Directors' emoluments**

None of the directors received any emoluments in respect of their services as directors during the year (2016 - £nil).

Notes to the financial statements 31 March 2017

5 Taxation

	2017 £	2016 £
<b>Analysis of charge in the period</b>		
Corporation tax at 20% (2016: 20%) payable on profits	—	—
Total current tax charge	—	—
<b>Deferred tax</b>		
Origination and reversal of timing differences	155,000	60,000
Total tax charge	155,000	60,000

6 Tangible fixed assets

	Hall £	Hall improve- ments £	Hall equipment £	Total £
<b>Cost:</b>				
At 1 April 2016	1	462,604	10,703	473,308
Additions	—	98,942	—	98,942
At 31 March 2017	1	561,546	10,703	572,250
<b>Depreciation:</b>				
At 1 April 2016	—	359,228	10,703	369,931
Charge for year	—	21,082	—	21,082
At 31 March 2017	—	380,310	10,703	391,013
Net book value at 31 March 2017	1	181,236	—	181,237
Net book value at 31 March 2016	1	103,376	—	103,377

7 Investments

At 31 March 2017 investments comprised:

	2017 £	2016 £
Listed investments	2,730,183	2,517,276
Investment property	2,400,000	2,500,000
	5,130,183	5,017,276

Notes to the financial statements 31 March 2017

**7 Investments (continued)**

	2017 £	2016 £
Listed investments		
At valuation:		
At 1 April 2016	2,497,519	2,584,393
Additions at cost	398,713	430,681
Disposal proceeds	(494,367)	(442,551)
Net gains (losses) for the year	212,908	(75,004)
At 31 March 2017	2,614,773	2,497,519
Cash held by investment managers	115,410	19,757
	<u>2,730,183</u>	<u>2,517,276</u>
Cost of listed investments at 31 March 2017	<u>2,127,905</u>	<u>2,126,745</u>

	2017 £	2016 £
Investment property		
At valuation:		
At 1 April 2016	2,500,000	2,300,000
Sale of leasehold interest	(1,000,000)	—
Net gains for the year	900,000	200,000
At 31 March 2017	<u>2,400,000</u>	<u>2,500,000</u>

The investment property was valued at its estimated market value by the directors based on professional advice.

**8 Debtors**

	2017 £	2016 £
Trade debtors	33,030	29,886
Corporation tax/VAT	—	12,642
Investment income receivable	3,820	6,062
Rent receivable	—	33,683
Prepayments and accrued income	16,729	34,327
Other debtors	1,880	1,166
	<u>55,459</u>	<u>117,766</u>



Notes to the financial statements 31 March 2017

**9 Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	24,433	29,451
Accruals and deferred income	58,618	90,042
Other taxes and social security costs	7,714	6,124
Amounts due to parent undertaking	543,970	135,729
	<u>634,735</u>	<u>261,346</u>

**10 Creditors: amounts falling due after more than one year**

	2017 £	2016 £
Amounts due to parent undertaking	<u>2,724,676</u>	<u>2,724,676</u>

**11 Deferred taxation**

	2017 £	Restated 2016 £
At 1 April 2016	80,000	20,000
Deferred tax charge (note 5)	155,000	60,000
At 31 March 2017	<u>235,000</u>	<u>80,000</u>

**12 Called up share capital**

	2017 £	2016 £
Allotted, called up and fully paid		
1,000,002 ordinary shares of £1 each	<u>1,000,002</u>	<u>1,000,002</u>

**13 Profit and loss account reconciliation**

	2017 £	Restated 2016 £
Profit and loss account at 1 April 2016	1,188,786	1,208,768
Profit (loss) for the year after taxation	671,212	(19,982)
Profit and loss account at 31 March 2017	<u>1,859,998</u>	<u>1,188,786</u>

#### 14 Reconciliation of movements in shareholder's funds

	2017 £	2016 £
Opening shareholder's funds at 1 April 2016	2,188,788	2,208,770
Profit (loss) for the year after taxation	671,212	(19,982)
Closing shareholder's funds at 31 March 2017	2,860,000	2,188,788

#### 15 Pension commitments

The company operates a defined contribution scheme for certain employees. Premiums paid in the year amounted to £15,642 (2016: £16,005).

There are no outstanding or prepaid contributions at 31 March. The assets of the scheme are held separately from those of the company.

#### 16 Related parties and ultimate parent company

The company is a wholly owned subsidiary of the Worshipful Company of Armourers and Brasiers, a company incorporated by Royal Charter in 1453.

During the year the parent company charged £79,923 (2016: £81,431) for administration services and was charged £40,270 (2016: £33,704) for use of the premises.

#### 17 Leasing commitment

##### Operating leases

At 31 March 2017 the company's total future minimum amounts receivable from non-cancellable operating leases were as follows:

	Investment property	
	2017 £	2016 £
Within one year	100,000	100,000
In two to five years	400,000	400,000
After five years	237,500	337,500
	737,500	837,500

#### 18 General information

The Armourers Hall Company Limited is a private company limited by shares and incorporated in England. Its registered office is Armourers' Hall, 81 Coleman Street, London EC2R 5BJ.