

Company Registration No. 06396474 (England and Wales)

CRYSTAL WHITE RESIDENTIAL LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
PAGES FOR FILING WITH REGISTRAR

CRYSTAL WHITE RESIDENTIAL LIMITED

COMPANY INFORMATION

Directors	A Holmwood M Cook
Secretary	A Holmwood
Company number	06396474
Registered office	8 Durweston Street London W1H 1EW
Accountants	Simon Silver-Myer 8 Durweston Street London W1H 1EW

CRYSTAL WHITE RESIDENTIAL LIMITED

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CRYSTAL WHITE RESIDENTIAL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investment properties	2		7,280,603		6,361,014
Current assets					
Debtors	3	547,712		400,439	
Cash at bank and in hand		11,283		15,909	
		<u>558,995</u>		<u>416,348</u>	
Creditors: amounts falling due within one year	4	<u>(4,118,020)</u>		<u>(3,958,335)</u>	
Net current liabilities			(3,559,025)		(3,541,987)
Total assets less current liabilities			3,721,578		2,819,027
Provisions for liabilities			(300,000)		(120,000)
Net assets			<u>3,421,578</u>		<u>2,699,027</u>
Capital and reserves					
Called up share capital	5		1		1
Other reserves	6		3,134,184		2,234,184
Profit and loss reserves			287,393		464,842
Total equity			<u>3,421,578</u>		<u>2,699,027</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

CRYSTAL WHITE RESIDENTIAL LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2016

The financial statements were approved by the board of directors and authorised for issue on 27 September 2017 and are signed on its behalf by:

M Cook
Director

Company Registration No. 06396474

CRYSTAL WHITE RESIDENTIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Crystal White Residential Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8 Durweston Street, London, W1H 1EW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Crystal White Residential Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 9.

1.2 Going concern

Funding for long term investment property is through a facility granted to an associated company and is renewable annually. This funding is therefore disclosed in current liabilities.

The directors have a good working relationship with the principal bankers which has existed for many years. The current facility (renewed 30th June 2017) is for a term of three years. The directors are confident therefore that the financial support will continue for as long as it is required. The accounts therefore are prepared on the going concern basis.

1.3 Turnover

Turnover represents rent receivable and occasional sales of let property where the property or part of the property has been bought for trade rather than investment.

Revenue from the sale of property is recognised when the significant risks and rewards of ownership of the property have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

CRYSTAL WHITE RESIDENTIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

CRYSTAL WHITE RESIDENTIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.8 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted. Deferred tax is not provided on timing differences arising from the revaluation of fixed asset where there is no commitment to sell.

2 Investment property

	2016 £
Fair value	
At 1 January 2016	6,361,014
Additions	19,589
Revaluations	900,000
	<hr/>
At 31 December 2016	7,280,603
	<hr/>

Investment property was valued on an open market basis on 31 December 2016 by Mr A Holmwood ARICS, a director of the company.

3 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	9,475	699
Other debtors	538,237	399,740
	<hr/>	<hr/>
	547,712	400,439
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CRYSTAL WHITE RESIDENTIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

4 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	6,678	12
Corporation tax	-	15,016
Other creditors	4,111,342	3,943,307
	<u>4,118,020</u>	<u>3,958,335</u>

The following secured debts are included within creditors:

Associated companies: £ 4,076,116 (2015 - £3,878,197)

This company and other companies under common ownership have agreed a corporate facility with their principal bank, the terms of which are that a facility is provided to Ernle Estates Limited, which in turn finances the property assets of commonly controlled companies. Principal finance for this company is therefore accounted for in the balance sheet within amounts owed to associated companies. The amount due is secured by a charge over the property stock.

5 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

6 Other reserves

This reserve is used to record increases in the fair value of investment property and decreases to the extent that such decrease relates to an increase on the same asset.

7 Financial commitments, guarantees and contingent liabilities

The company is a party to a cross guarantee for bank facilities as described in note 4 above. At the balance sheet date the amount utilised under this agreement was £ 53.3m (31 December 2015 - £ 52.9m).

8 Related party transactions

CRYSTAL WHITE RESIDENTIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

8 Related party transactions

(Continued)

Intercompany balances existing at the balance sheet date between the company and companies associated with the directors are unsecured, repayable on demand and carry no interest.

Included in interest payable and similar charges is £ 134,652 (2015 : £ 128,347) in respect of interest and £28,568 (2015 - £29,818) in respect of facility fees on the corporate loan through Ernle Estates Limited.

Included in administrative expenses is £nil (2015 : £60,000) in respect of staff salaries and national insurance incurred by staff employed by Ernle Estates Limited in respect of work performed for and on behalf of the company.

9 Reconciliations on adoption of FRS 102

Reconciliations and descriptions of the effect of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under previous UK GAAP are given below.

Reconciliation of equity

	Notes	1 January 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP		2,418,475	2,819,027
Adjustments arising from transition to FRS 102:			
Deferred tax adjustment	2	(60,000)	(120,000)
Fair value adjustment for previous year	1	-	-
Equity reported under FRS 102		<u>2,358,475</u>	<u>2,699,027</u>

Reconciliation of profit for the financial period

	Notes	2015 £
Profit as reported under previous UK GAAP		50,552
Adjustments arising from transition to FRS 102:		
Deferred tax adjustment	2	(60,000)
Fair value adjustment for previous year	1	350,000
Profit reported under FRS 102		<u>340,552</u>

Notes to reconciliations on adoption of FRS 102

1. Investment properties

Under FRS 102, changes in the fair value of investment properties are recorded in the profit and loss account.

Under previous UK GAAP these changes were recorded in the Statement of Total Recognised Gains and Losses.

CRYSTAL WHITE RESIDENTIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Reconciliations on adoption of FRS 102

(Continued)

2. Deferred tax

Under previous UK GAAP the company was not required to provide for taxation on revaluation, unless the company had entered into a binding sale agreement and recognised the gain or loss expected to arise. Under FRS 102 deferred taxation is provided on the temporary difference arising from the revaluation. A deferred tax charge of £120,000 arose on transition to FRS 102.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.