Woolford Properties Limited

Report and Accounts

30 March 2018
Woolford Properties Limited
Report and accounts
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<td>8</td>
</tr>
</tbody>
</table>
Woolford Properties Limited
Company Information

Directors
M Franckel
S Greenhalgh
G Magal

Secretary
PITSEC Limited

Registered office
47 Castle Street
Reading
Berkshire
RG1 7SR

Registered number
04623971
Woolford Properties Limited is a Private Limited Company, incorporated in the United Kingdom. The address of its registered office and principal place of business are disclosed on the Company Information Page.

The directors present their strategic report for the period ended 30 March 2018

Principal activities
The Company's principal activity during the year continued to be the management of property.

Accounting Date
To bring it in line with Arlington Industries Group Limited, the largest group in which the results of the company are consolidated, the accounting date for Woolford Properties Limited was changed from 30 June to 30 March during the period. The accounts prepared for the period to 30 March 2018 represent a 9 month period and are therefore not directly comparable to the 30 June 2017 figures

Review of the business
The Company achieved a turnover of £112,500 (2017 - £150,000) and a profit before taxation of £112,500 (2017 - £150,000).

Principal risks and uncertainties
The management of the business and the execution of the company's strategy are subject to a number of risks. These risks are managed at a Group level.

The property managed by the Company, is occupied by a Magal Group Company which operates in the Automotive Industry. As a consequence the business risks and uncertainties affecting the Group are considered to impact on the company. Magal's ultimate customer base is the Original Equipment Manufacturers "OEM" market which continues to restructure, consolidate and reorganise.

The Company's approach to Liquidity Risk is to manage cash flow on a daily basis, which includes forecasting under normal and stressed scenarios, commitments and headroom over the foreseeable future to ensure liabilities may be met as and when they fall due.

Key Performance Indicators
KPI's are managed at the group level. The company has financial objectives which include, Sales, Cash Flow, Investment and Profit Performance. These are continually monitored.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Turnover</td>
<td>112,500</td>
<td>150,000</td>
</tr>
<tr>
<td>Earnings</td>
<td>Operating profit</td>
<td>112,500</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

The Group has non-financial objectives that incorporate quality and customer service indicators. These are continually monitored in conjunction with the customers.

This report was approved by the board on and signed by its order.

M Franckel
Director
Woolford Properties Limited  Registered number:  04623971

Directors' Report

The directors present their report and accounts for the period ended 30 March 2018.

Dividends
No dividends have been paid or declared in the year (2017: £265,000).

Directors
The following persons served as directors during the period:

  M Franckel
  S Greenhalgh
  G Magal

Third party indemnity provisions
All directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Audit Exemption
For the period ended 30 March 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

This report was approved by the board on and signed by its order.

M Franckel
Director
Registered Office
47 Castle Street
Reading
Woolford Properties Limited
Statement of Directors’ Responsibilities

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.
Woolford Properties Limited
Registered number 04623971
Statement of comprehensive income
for the period from 1 July 2017 to 30 March 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>2018 £</th>
<th>2017 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>112,500</td>
<td>150,000</td>
</tr>
<tr>
<td>Operating profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit on ordinary activities before taxation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax on profit on ordinary activities</td>
<td>112,500</td>
<td>150,000</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the period</td>
<td>119,625</td>
<td>123,490</td>
</tr>
<tr>
<td>Other comprehensive income for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>119,625</td>
<td>123,490</td>
</tr>
</tbody>
</table>

The notes on pages 8 to 12 form part of these financial statements.
Woolford Properties Limited  
Registered number 04623971

Balance Sheet  
as at 30 March 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>2018 £</th>
<th>2017 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment property</td>
<td>4</td>
<td>1,250,000</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts owed to group undertakings</td>
<td>5</td>
<td>296,834</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>296,834</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,546,834</td>
</tr>
<tr>
<td><strong>Provisions for liabilities</strong></td>
<td>6</td>
<td>(59,762)</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,487,072</td>
</tr>
<tr>
<td><strong>Capital and reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called up share capital</td>
<td>7</td>
<td>320,964</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td></td>
<td>1,166,108</td>
</tr>
<tr>
<td><strong>Shareholder’s funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,487,072</td>
</tr>
</tbody>
</table>

The notes on pages 8 to 12 form part of these financial statements.

**Audit Exemption**
For the period ended 30 March 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

**Directors’ responsibilities:**
• the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
• the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

M Franckel
Director
Approved by the board on
Woolfords Properties Limited
Statement of Changes in Equity
as at 30 March 2018

<table>
<thead>
<tr>
<th></th>
<th>Called up Share Capital</th>
<th>Retained earnings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 2 July 2016</td>
<td>320,964</td>
<td>1,187,993</td>
<td>1,508,957</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>-</td>
<td>123,490</td>
<td>123,490</td>
</tr>
<tr>
<td>Equity Dividends</td>
<td>-</td>
<td>(265,000)</td>
<td>(265,000)</td>
</tr>
<tr>
<td>Balance at 30 June 2017</td>
<td>320,964</td>
<td>1,046,483</td>
<td>1,367,447</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Called up Share Capital</th>
<th>Retained earnings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July 2017</td>
<td>320,964</td>
<td>1,046,483</td>
<td>1,367,447</td>
</tr>
<tr>
<td>Total comprehensive income for the period</td>
<td>-</td>
<td>119,625</td>
<td>119,625</td>
</tr>
<tr>
<td>Equity Dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 30 March 2018</td>
<td>320,964</td>
<td>1,166,108</td>
<td>1,487,072</td>
</tr>
</tbody>
</table>

**Retained earnings**
This reserve represents cumulative profits and losses net of any dividends.

The notes on pages 8 to 12 form part of these financial statements.
Woolford Properties Limited
Notes to the Accounts
for the period ended 30 March 2018

1 Accounting policies

General Information and basis of preparation
Woolford Properties Limited is a company limited by shares and incorporated and domiciled in the UK. The registered office is given on page 1, and the nature of the Company's operations and principal activities are set out in the Strategic Report on page 2.

To bring it in line with Arlington Industries Group Limited, the Company's ultimate parent undertaking, these financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2015/15 Cycle) issued in July 2016 and effective immediately have been applied.

This is the first year that the Company has presented its results under FRS 101. The last financial statements prepared under FRS102 were for the year ended 30 June 2017. In the transition to FRS101 the company has made no measurement and recognition adjustments.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:
- a Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries and other related parties;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The presentational and functional currency of the Company is pound sterling, as this is the currency of the economic area in which the Company operates.
Wooford Properties Limited
Notes to the Accounts
for the period ended 30 March 2018

1 Accounting policies (Continued)

**Accounting Date**
To bring it in line with Arlington Industries Group Limited the accounting date for Magal Engineering Limited was changed from 30 June to 30 March during the period. The accounts prepared for the period to 30 March 2018 represent a 9 month period and are therefore not directly comparable to the 30 June 2017 figures which represent 12 months.

**Going concern**
The financial statements have been prepared on a going concern basis which the directors believe to be appropriate. The directors have reviewed the cash position of the company, together with Group’s order pipeline and current sales orders, and have satisfied themselves that the company will be able to meet external liabilities as they fall due for payment for at least 12 months following the date of signing of these financial statements.

**Investment property**
Investment property is carried at fair value. Revaluation surpluses are recognised in the Income statement. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

**Current taxation**
Current tax, including Corporation Tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been substantially enacted by the balance sheet date.

**Deferred taxation**
 Deferred taxation is recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset is not recognised to the extent that the transfer of economic benefit in the future is uncertain. Deferred tax assets and liabilities recognised are not discounted.

**Non-derivative financial instruments**
Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents and trade and other payables.

**Trade and other receivables**
Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

**Trade and other payables**
Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

**Cash and cash equivalents**
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company’s cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.
Woolford Properties Limited
Notes to the Accounts
for the period ended 30 March 2018

1 Accounting policies (Continued)

Revenue
Revenue, which excludes value added tax, represents the invoiced value of goods and services supplied in the normal course of business. Recognition of income is at the point when persuasive evidence exists that risks and rewards of ownership have been transferred to the customer.

2 Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The principal accounting estimates, assumptions and judgements employed in the preparation of these financial statements which could affect the carrying amounts of assets and liabilities at the balance sheet dates are as follows:

Revaluation of investment properties
The Company carries its investment properties at fair value, with changes in fair values being recognised in the income statement. The Company engaged independent valuation specialists to determine fair value as at February 2016. The directors believe this to be a reasonable proxy to fair value and do not consider the value changed from this date.

Taxation
Management judgement is required to determine the amount of deferred tax liabilities that should be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 7.
Woolford Properties Limited
Notes to the Accounts
for the period ended 30 March 2018

3 Taxation

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK corporation tax</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>7,125</td>
<td>26,510</td>
</tr>
<tr>
<td></td>
<td>7,125</td>
<td>26,510</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit on ordinary activities before tax</td>
<td>112,500</td>
<td>150,000</td>
</tr>
<tr>
<td>Standard rate of corporation tax in the UK</td>
<td>19.00%</td>
<td>19.75%</td>
</tr>
<tr>
<td>Profit on ordinary activities multiplied by the standard rate of corporation tax</td>
<td>21,375</td>
<td>29,625</td>
</tr>
<tr>
<td>Effects of: Group relief for nil consideration</td>
<td>21,375</td>
<td>29,625</td>
</tr>
<tr>
<td>Change in timing differences on capital allowances and accumulated losses on foreseeable future profits</td>
<td>7,125</td>
<td>26,510</td>
</tr>
<tr>
<td>Total tax charge for period</td>
<td>7,125</td>
<td>26,510</td>
</tr>
</tbody>
</table>

The deferred tax liability at 30 March 2018 has been calculated based on the rate of 19% the rate enacted at the balance sheet date. Further reductions in the enacted rates will reduce the company’s future current tax charge accordingly.

4 Investment property

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
</tr>
<tr>
<td>Deemed cost at 2 Jul 2016</td>
<td>725,000</td>
</tr>
<tr>
<td>Net gains from fair value adjustments</td>
<td>525,000</td>
</tr>
<tr>
<td>Fair value at 1 July 2017 and 30 March 2018</td>
<td>1,250,000</td>
</tr>
</tbody>
</table>

The investment property was valued on an existing use basis by Savills in February 2016. The directors believe this to be a reasonable proxy to fair value and do not consider the value has changed from this date.

5 Debtors

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts owed by group undertakings and undertakings in which the company has a participating interest</td>
<td>296,834</td>
<td>184,334</td>
</tr>
</tbody>
</table>
Woolford Properties Limited
Notes to the Accounts
for the period ended 30 March 2018

6 Provisions for liabilities

Deferred taxation:  

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Other timing differences  

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

At start of the year  

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Deferred tax charge in Income statement  

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(£)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

At the end of the year  

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7 Share capital

<table>
<thead>
<tr>
<th>Nominal value</th>
<th>Number</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Allotted, called up and fully paid:

Ordinary shares  

<table>
<thead>
<tr>
<th>£1 each</th>
<th>320,964</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8 Dividends

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Dividends for which the company became liable during the period:

Dividends paid  

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td>265,000</td>
</tr>
</tbody>
</table>

9 Contingent liabilities

The bank loans of the Arlington Group are secured by a fixed and floating charge across the UK assets, including the assets of Woolford Properties Limited.

10 Ultimate controlling party

At 30 March 2018 the company’s immediate parent company was Magal Engineering Limited, which is the parent of the smallest group of which the company is a member.

The largest group in which the results of the company are consolidated is that headed by Arlington Industries Group Limited. The consolidated financial statements of the group are available to the public and may be obtained from Companies House, Cardiff CF4 3UZ. The ultimate controlling party is Pangaea Two Acquisition Holdings VIII, LLC.