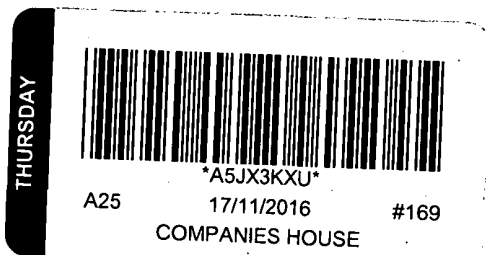


REGISTERED NUMBER: 00258846 (England and Wales)

ABRAHAMS CONSOLIDATED LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016



ABRAHAMS CONSOLIDATED LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2016**

DIRECTORS:

P D Abrahams
G E Wood
D P Wray
R N Arthur

SECRETARY:

N M Birch

REGISTERED OFFICE:

Ground Floor
4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

REGISTERED NUMBER:

00258846 (England and Wales)

AUDITORS:

Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Gladstone House
77-79 High Street
Egham
Surrey
TW20 9HY

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016**

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

P D Abrahams
G E Wood
D P Wray
R N Arthur

PROPERTY VALUATION

As stated in Note 5 to the financial statements, the company's investment property portfolio was valued as at 31 March 2016 by Colliers International Valuation UK LLP at a value of £26,710,000. This valuation was completed before the referendum where the UK voted to leave the EU. Since the result of the vote, the values of shares in listed commercial property investment companies have fallen sharply and substantial withdrawals have been requested by investors in commercial property funds. At the date of signing this report, based on an updated valuation from the company's valuers, the board considers that the valuation of the portfolio has fallen from 31 March 2016 by approximately 1.5%.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 period. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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 auditors are aware of that information.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
P D Abrahams - Director

Date: 10th November 2016

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ABRAHAMS CONSOLIDATED LIMITED**

We have audited the financial statements of Abrahams Consolidated Limited for the year ended 31 March 2016 on pages six to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 Report of the Directors 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 31 March 2016 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ABRAHAMS CONSOLIDATED LIMITED**

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 from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Wilkins Kennedy LLP

Mr Kevin Walmsley (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Gladstone House
77-79 High Street
Egham
Surrey
TW20 9HY

14 November 2016

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
TURNOVER		1,447,680	1,433,267
Staff costs		(241,033)	(243,054)
Depreciation and other amounts written off tangible fixed assets:			
Impairment of tangible fixed assets		(77,203)	-
Other operating charges		(199,503)	(163,125)
OPERATING PROFIT	2	929,941	1,027,088
Interest receivable and similar income		4,421	3,886
		934,362	1,030,974
Interest payable and similar charges		(127,264)	(147,465)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		807,098	883,509
Tax on profit on ordinary activities	3	(176,860)	(185,537)
PROFIT FOR THE FINANCIAL YEAR		630,238	697,972

The notes form part of these financial statements

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2016

	2016 £	2015 £
PROFIT FOR THE FINANCIAL YEAR	630,238	697,972
Revaluation of land and buildings	<u>1,249,581</u>	<u>866,719</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>1,879,819</u>	<u>1,564,691</u>

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Investment property	5	26,710,000	25,840,000
CURRENT ASSETS			
Stocks	6	634,247	-
Debtors	7	241,229	123,533
Cash at bank		1,392,590	1,464,424
		<u>2,268,066</u>	<u>1,587,957</u>
CREDITORS			
Amounts falling due within one year	8	(3,087,269)	(3,246,491)
NET CURRENT LIABILITIES			
		<u>(819,203)</u>	<u>(1,658,534)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>25,890,797</u>	<u>24,181,466</u>
CREDITORS			
Amounts falling due after more than one year	9	(916,660)	(1,049,996)
NET ASSETS			
		<u>24,974,137</u>	<u>23,131,470</u>
CAPITAL AND RESERVES			
Called up share capital	13	589,810	589,810
Revaluation reserve	14	8,751,331	7,285,003
Profit and loss account	14	15,632,996	15,256,657
SHAREHOLDERS' FUNDS			
		<u>24,974,137</u>	<u>23,131,470</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 10th November 2016 and were signed on its behalf by:


.....
P D Abrahams - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts are prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents rental income achieved in the year on an accruals basis, net of value added tax. In accordance with UK GAAP, where rent free periods are granted, the aggregate cost of the incentive is recognised as a reduction against rental income on a straight-line basis from the commencement date until the first review date.

Investment properties

The company's properties are held for long term investment and are included in the Balance Sheet at their market values. The surpluses or deficits on revaluation of such properties are transferred to the investment property revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent in which case it is recognised in the profit and loss account for the year. Depreciation is not provided in respect of freehold investment properties. Leasehold investment properties are not amortised where the unexpired term is over twenty years.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Property sales and purchases

Property sales and purchases are recognised on completion.

Interest costs

Gains/Losses recognised on interest rate swap contracts on loan facilities held are recognised as loan interest payable.

No liability has been recognised in the financial statements in relation to the interest rate swap contracts held.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	9,900	9,600
Pension to widow of former director	<u>3,150</u>	<u>3,075</u>
Directors' remuneration and other benefits etc	<u>211,200</u>	<u>211,200</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	176,860	185,537
Less double taxation relief	(8,250)	(8,250)
Add overseas tax	8,250	8,250
	<u>176,860</u>	<u>185,537</u>
Tax on profit on ordinary activities	<u>176,860</u>	<u>185,537</u>

UK corporation tax has been charged at 20%.

4. DIVIDENDS

	2016 £	2015 £
Ordinary shares of £1 each		
Interim	22,923	22,923
6% cumulative preference shares of £1 each		
Preference dividends	14,229	14,229
	<u>37,152</u>	<u>37,152</u>

5. INVESTMENT PROPERTY

	Freehold property £	Long leasehold £	Totals £
COST OR VALUATION			
At 1 April 2015	24,890,000	950,000	25,840,000
Additions	330,419	-	330,419
Disposals	(1,701,747)	-	(1,701,747)
Revaluation	1,024,581	225,000	1,249,581
Reversal of impairments	991,747	-	991,747
	<u>25,535,000</u>	<u>1,175,000</u>	<u>26,710,000</u>
NET BOOK VALUE			
At 31 March 2016	<u>25,535,000</u>	<u>1,175,000</u>	<u>26,710,000</u>
At 31 March 2015	<u>24,890,000</u>	<u>950,000</u>	<u>25,840,000</u>

All fixed assets are held for use in operating leases.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

5. INVESTMENT PROPERTY - continued

Cost or valuation at 31 March 2016 is represented by:

	Freehold property £	Long leasehold £	Totals £
Valuation in 2016	7,720,552	1,030,779	8,751,331
Cost	17,814,448	144,221	17,958,669
	<u>25,535,000</u>	<u>1,175,000</u>	<u>26,710,000</u>

If investment properties had not been revalued they would have been included at the following historical cost:

	2016 £	2015 £
Cost	<u>17,958,669</u>	<u>19,329,997</u>

Investment properties were valued on an open market basis on 31 March 2016 by Colliers International Valuation UK LLP.

6. STOCKS

Stocks relate to a disposal of a property that was completed post year end. The property was written down to its net realisable value and reclassified to current assets.

7. DEBTORS

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	140,476	49,481
Other debtors	31,109	22,238
Prepayments and accrued income	9,019	3,240
	<u>180,604</u>	<u>74,959</u>
Amounts falling due after more than one year:		
Other debtors	<u>60,625</u>	<u>48,574</u>
Aggregate amounts	<u>241,229</u>	<u>123,533</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts	2,558,336	2,633,336
Trade creditors	18,809	75,716
Corporation tax	75,511	86,901
Other taxes and social security	9,943	9,853
VAT	56,449	52,657
Other creditors	10,049	10,045
Accruals and deferred income	358,172	377,983
	<u>3,087,269</u>	<u>3,246,491</u>

Included within bank loans and overdrafts due within one year is a loan of £2,425,000. The directors are confident that this loan can either be renewed or that replacement finance will be obtained to cover this liability.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Bank loans - 1-2 years	916,660	-
Bank loans - 2-5 years	-	1,049,996
	<u>916,660</u>	<u>1,049,996</u>

10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2016 £	2015 £
Expiring: Between one and five years	7,440	7,440
	<u>7,440</u>	<u>7,440</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2016 £	2015 £
Bank loans	3,474,996	3,683,332
	<u>3,474,996</u>	<u>3,683,332</u>

The bank has a first legal charge over various properties for the purpose of enabling the company to draw against the loan facilities (see note 15).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

12. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation

If all the properties were sold at their balance sheet values, capital gains of approximately £2,237,992 (2015 - £1,142,137) would arise with a potential tax effect thereon, using 18% (2015 - 20%), of approximately £405,000 (2015 - £228,000) No provision for deferred tax has been made for this potential liability.

There are no other material fixed asset timing differences.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
352,660	Ordinary	£1	352,660	352,660
237,150	6% cumulative preference	£1	237,150	237,150
			<u>589,810</u>	<u>589,810</u>

The preference shares carry the right to a preferential dividend, at the rate of 6% per annum, but carry no voting rights, and on any capital distribution (including on winding up) shall be entitled only to the repayment of the amounts paid up on such shares and any accumulated dividend.

The preference shares carry rights of redemption at the option of the company.

14. RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 April 2015	15,256,657	7,285,003	22,541,660
Profit for the year	630,238		630,238
Dividends	(37,152)		(37,152)
Transfer between reserves	(216,747)	216,747	-
Revaluation in year	-	1,249,581	1,249,581
At 31 March 2016	<u>15,632,996</u>	<u>8,751,331</u>	<u>24,384,327</u>

The transfer from the revaluation reserve to profit and loss reserve relates to the release of accumulated revaluation gains and losses for a property that has been transferred to stock prior to the completion of the sale post year end.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

15. CAPITAL COMMITMENTS

	2016 £	2015 £
Contracted but not provided for in the financial statements	-	330,000

There are no capital commitments at 31 March 2016.

At 31 March 2015 the company was committed to the completion of works on two properties, under the Building Contract agreed with the contractor. The outstanding value of these works at 31 March 2015 has been estimated at £330,000. This amount excludes works already completed prior to 31 March 2015, for which any unbilled costs have been recognised within accruals.

16. OTHER FINANCIAL COMMITMENTS

In March 2010, National Westminster Bank plc granted a £2,800,000 loan facility to the company. The company could draw from this facility until 30 March 2015 at an interest rate of 2.25% above LIBOR per annum. At the year end £2,800,000 of this loan had been utilised, against which scheduled repayments of £75,000 have been made during the year and the outstanding balance at 31 March 2016 was £2,425,000 (2015 - £2,500,000).

In July 2012, National Westminster Bank plc granted an additional £2,500,000 loan facility to the company. The company can draw from this facility until 10 July 2017 at an interest rate of 3.5% above LIBOR per annum. At the year end £1,250,000 of this loan had been utilised against which scheduled repayments of £133,336 have been made during the year and the outstanding balance at 31 March 2016 was £1,049,996 (2015 - £1,183,332).

17. RELATED PARTY DISCLOSURES

During the year, the company paid dividends to the following related parties:

	2016 £	2015 £
Mr P D Abrahams, director	16,942	16,942
Mrs L J Abrahams	10,537	10,537
Mr P D Abrahams, Mrs L J Abrahams & Farrer & Co Trust Corporation Limited, as trustees of the D A Abrahams 1966 Settlement	6,500	6,500
Felden Park Farms Limited, a company under common control	1,973	1,973
Miss C Z Abrahams	600	600
Mr J P Abrahams	600	600

During the year directors' fees of £9,785 (2015 - £9,785) including VAT were invoiced by Dexter Wood & Partners Limited, an entity in which G E Wood is a director. The entity also charged £93,102 (2015 - £81,037) including VAT in respect of administrative and professional fees.

During the year directors' fees of £6,000 (2015 - £5,505) including VAT were invoiced by TMF Management (UK) Limited, an entity in which R N Arthur is a director. The entity also charged £12,852 (2015 - £5,070) including VAT in respect of administrative and professional fees.

18. ULTIMATE CONTROLLING PARTY

The company is controlled by Mr P D Abrahams.