

Company Registration No. 06087717 (England and Wales)

**AMDALE SECURITIES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**



# AMDALE SECURITIES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	AA Khan A C Smith D Kennedy B Green A Pickering	(Appointed 6 October 2016)
<b>Secretary</b>	AA Khan	
<b>Company number</b>	06087717	
<b>Registered office</b>	Parkway House Sheen Lane London SW14 8LS	
<b>Auditor</b>	Clear & Lane Limited 340 Melton Road Leicester LE4 7SL	
<b>Business address</b>	Parkway House Sheen Lane London SW14 8LS	
<b>Bankers</b>	Handelsbanken Richmond Branch 31 The Green Richmond Surrey TW9 1LX	

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# AMDALE SECURITIES LIMITED

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# **AMDALE SECURITIES LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2017**

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The directors present their annual report and financial statements for the year ended 31 March 2017.

#### **Principal activities**

The principal activity of the company continued to be that of property investment.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

AA Khan

A C Smith

D Kennedy

B Green

A Pickering

(Appointed 6 October 2016)

P C Schorb

(Resigned 30 September 2016)

#### **Results and dividends**

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Auditor**

Clear & Lane Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

# AMDAL SECUITIES LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



A C Smith

Director 11/07/2017

# **AMDALÉ SECURITIES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF AMDALÉ SECURITIES LIMITED**

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We have audited the financial statements of Amdale Securities Limited for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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 FRS 102 "The Financial Reporting Standard applicable in the UK and 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 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 directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our 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.

# AMDALE SECURITIES LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AMDALE SECURITIES LIMITED

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### 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 company is entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.

*Clear & Lane Limited*

**Richard Lodder (Senior Statutory Auditor)  
for and on behalf of Clear & Lane Limited  
Chartered Accountants  
Statutory Auditor**

340 Melton Road  
Leicester  
LE4 7SL

*19<sup>th</sup> July 2017*

# AMDALE SECURITIES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

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	Notes	2017 £	2016 £
<b>Turnover</b>	<b>3</b>	1,182,782	821,123
Administrative expenses		(193,292)	(157,475)
<b>Operating profit</b>	<b>4</b>	989,490	663,648
Interest receivable and similar income	<b>6</b>	20,510	848,857
Interest payable and similar expenses	<b>7</b>	(92,156)	(334,049)
Amounts written off investments	<b>8</b>	-	383,646
Fair value gains and losses on investment properties		3,616,750	-
<b>Profit before taxation</b>		4,534,594	1,562,102
Taxation	<b>9</b>	11,556	(67,712)
<b>Profit for the financial year</b>		4,546,150	1,494,390

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The profit and loss account has been prepared on the basis that all operations are continuing operations.



# AMDALE SECURITIES LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Investment properties	11	23,381,321		19,944,571	
Investments	12	1,240,491		1,240,491	
		<u>24,621,812</u>		<u>21,185,062</u>	
<b>Current assets</b>					
Debtors	15	502,327	1,112,388		
Cash at bank and in hand		115,083	167,634		
		<u>617,410</u>	<u>1,280,022</u>		
<b>Creditors: amounts falling due within one year</b>	16	<u>(7,604,101)</u>	<u>(9,376,113)</u>		
<b>Net current liabilities</b>		<u>(6,986,691)</u>		<u>(8,096,091)</u>	
<b>Total assets less current liabilities</b>		<u>17,635,121</u>		<u>13,088,971</u>	
<b>Creditors: amounts falling due after more than one year</b>	17	<u>(3,000,000)</u>		<u>(3,000,000)</u>	
<b>Net assets</b>		<u>14,635,121</u>		<u>10,088,971</u>	
<b>Capital and reserves</b>					
Called up share capital	20	1,000	1,000		
Fair value reserve		11,069,352	-		
Profit and loss reserves		3,564,769	10,087,971		
<b>Total equity</b>		<u>14,635,121</u>		<u>10,088,971</u>	

The financial statements were approved by the board of directors and authorised for issue on 11/07/2017 and are signed on its behalf by:

  
.....  
A Pickering  
Director

Company Registration No. 06087717

# AMDALE SECURITIES LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Share capital £	Fair value reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2015</b>		1,000	-	8,993,581	8,994,581
<b>Year ended 31 March 2016:</b>					
Profit and total comprehensive income for the year		-	-	1,494,390	1,494,390
Dividends	10	-	-	(400,000)	(400,000)
<b>Balance at 31 March 2016</b>		1,000	-	10,087,971	10,088,971
<b>Year ended 31 March 2017:</b>					
Profit and total comprehensive income for the year		-	-	4,546,150	4,546,150
Transfer of opening movement in the fair value of investment properties		-	7,523,316	(7,523,316)	-
Transfer current year movement in the fair value of investment properties		-	3,616,750	(3,616,750)	-
Realised fair value gains		-	(70,714)	70,714	-
<b>Balance at 31 March 2017</b>		1,000	11,069,352	3,564,769	14,635,121

The fair value reserve relates to the movement in the fair value of the investment properties

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Company information

Amdale Securities Limited is a private company limited by shares incorporated in England and Wales. The registered office is Parkway House, Sheen Lane, London, SW14 8LS.

#### 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.

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 investment at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position, and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosures requirements:

- Section 4 'Statement of Financial Position' - Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instruments; basis of determining values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes in recognised in profit or loss and in other comprehensive income;
- Section 26 'Share Based Payment' - Share-based payment expense charged to profit or loss reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanations of modifications to arrangements;
- Section 33 'Related Party Disclosure' - Compensation for key management personnel.

The financial statements of the entity will be consolidated in the financial statements of Glenstone Property PLC. These consolidated financial statements are available from its registered office, Parkway House, Sheen Lane, East Sheen, London, SW14 8LS.

The company has taken advantage of the exemption under section 400 of the companies act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Amdale Securities Limited is a wholly owned subsidiary of Glenstone Property PLC and the results of Amdale Securities Limited will be included in the consolidated financial statements of Glenstone Property PLC which will be available from its registered office, Parkway House, Sheen Lane, East Sheen, London, SW14 8LS.

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies

(Continued)

##### 1.2 Going concern

As at 31 March 2017, the company had net current liabilities of £6,986,691. The directors have obtained confirmation from Glenstone Property PLC, the ultimate parent company, that it will continue to provide ongoing financial support to enable the company to continue in business and meet its liabilities as they fall due for the foreseeable future. In particular it has been confirmed that the group creditor included in liabilities within one year of £7,400,000 will not be called for payment until cashflow allows. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

##### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Revenue from lease extensions is recognised on completion of contracts.

Other income is recognised when 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 measured using the fair value model and stated at its fair value as the reporting end date. The current period surplus or deficit on revaluation is recognised on the profit and loss account. Subsequently movements on revaluations are transferred from the profit and loss reserve to the fair value reserve.

##### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

##### 1.6 Cash and cash equivalents

Cash and cash equivalents 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.

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies

(Continued)

##### 1.7 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 statement of financial position 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.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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.

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies

(Continued)

##### **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 receipts 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.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.8 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.

#### 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 tax is recognised in respect of material timing differences between the incidence of income and expenditure for taxation and account purposes, using a full provision basis. Deferred tax is measured on a non-discounted basis at the tax rates expected to apply in the periods in which timing differences reverse, based on tax rates or laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are only recognised when they arise from timing differences where their recoverability is regarded as more likely than not.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Fair value of investment properties

The annual revaluation of Investment properties is sensitive to the changes in the rental market and the economic climate of the surrounding area. The properties are revalued at fair value by independent external valuers, Jones Lang LaSalle Ltd each year at 31 March.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017	2016
	£	£
<b>Turnover</b>		
Rental Income	1,182,782	821,123
	<u>          </u>	<u>          </u>
<b>Other significant revenue</b>		
Interest income	20,510	-
Dividends received	-	848,857
	<u>          </u>	<u>          </u>

### 4 Operating profit

	2017	2016
	£	£
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	7,000	4,000
Profit on disposal of investment property	(40,000)	(47,933)
	<u>          </u>	<u>          </u>

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# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Directors	-	2
Administrative staff	-	1
	<u>-</u>	<u>3</u>

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	-	6,217
Social security costs	-	205
	<u>-</u>	<u>6,422</u>

#### 6 Interest receivable and similar income

	2017 £	2016 £
<b>Interest income</b>		
Other interest income	20,510	-
<b>Other income from investments</b>		
Dividends received	-	644,668
Total income excluding fixed asset investments	<u>20,510</u>	<u>644,668</u>
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	-	204,189
Total income	<u>20,510</u>	<u>848,857</u>

#### 7 Interest payable and similar expenses

	2017 £	2016 £
Interest on bank overdrafts and loans	91,390	334,043
Other interest	766	6
	<u>92,156</u>	<u>334,049</u>



# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 8 Amounts written off investments

	2017 £	2016 £
Gain on disposal of fixed asset investments	-	383,646

### 9 Taxation

	2017 £	2016 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	4,102	67,150
Adjustments in respect of prior periods	(15,658)	562
Total current tax	(11,556)	67,712

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	4,534,594	1,562,102
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	906,919	312,420
Tax effect of expenses that are not deductible in determining taxable profit	-	179
Tax effect of income not taxable in determining taxable profit	-	(4,114)
Adjustments in respect of prior years	(15,658)	562
Effect of revaluations of investments	(723,350)	-
Other permanent differences	-	669
Dividend income	-	(169,771)
Profit on sales of fixed assets	-	(86,316)
Wear and tear allowances	-	(7,856)
Capital gains	-	21,939
REIT exempt income and gains	(179,467)	-
Taxation for the year	(11,556)	67,712

The company obtained Real Estate Investment Trust status on 1 February 2016 and accordingly qualifying profits are not subject to corporation tax with effect from that date.

### 10 Dividends

	2017 £	2016 £
Final paid	-	400,000

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 11 Investment property

	2017 £
<b>Fair value</b>	
At 1 April 2016	19,944,571
Disposals	(180,000)
Fair value gains	3,616,750
At 31 March 2017	<u>23,381,321</u>

Investment property comprises freehold and long leasehold property. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 March 2017 by Jones Lang LaSalle Ltd, independent chartered surveyors. The valuation was made on an open market value basis by reference to existing use.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2017 £	2016 £
Cost	12,311,969	12,421,255
Accumulated depreciation	-	-
Carrying amount	<u>12,311,969</u>	<u>12,421,255</u>
	2017 £	2016 £
Freehold	21,613,821	18,299,571
Long leasehold	1,767,500	1,645,000
	<u>23,381,321</u>	<u>19,944,571</u>

The prior year financial statements contained an incorrect analysis of the investment properties between freehold and long leasehold. The comparative figures above have been amended to show the correct analysis.

#### 12 Fixed asset investments

	Notes	2017 £	2016 £
Investments in subsidiaries	13	600	600
Investments in associates	14	1,239,891	1,239,891
		<u>1,240,491</u>	<u>1,240,491</u>

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 12 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost or valuation</b>	
At 1 April 2016 & 31 March 2017	1,240,491
<b>Carrying amount</b>	
At 31 March 2017	1,240,491
At 31 March 2016	1,240,491

### 13 Subsidiaries

Details of the company's subsidiaries at 31 March 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Delrose Developments Limited	England and Wales	Property Development & Investment	Ordinary	60.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Delrose Developments Limited	259,586	451,400

### 14 Associates

Details of the company's associates at 31 March 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Deemark Limited	England and Wales	Property Development & Investment	Ordinary	34.09	

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

<b>15 Debtors</b>		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>			
Trade debtors		79,038	76,367
Amounts due from subsidiary undertakings		-	629,040
Amounts due from associate undertakings		374,667	374,667
Prepayments and accrued income		48,622	32,314
		<u>502,327</u>	<u>1,112,388</u>
<b>16 Creditors: amounts falling due within one year</b>		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
Trade creditors		4,972	13,132
Amounts due to group undertakings		7,400,000	9,100,000
Corporation tax		4,102	67,150
Other taxation and social security		5,500	5,500
Other creditors		57,453	57,453
Accruals and deferred income		132,074	132,878
		<u>7,604,101</u>	<u>9,376,113</u>
<b>17 Creditors: amounts falling due after more than one year</b>		<b>2017</b>	<b>2016</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>18</b>	<u>3,000,000</u>	<u>3,000,000</u>
<b>18 Loans and overdrafts</b>		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
Bank loans		<u>3,000,000</u>	<u>3,000,000</u>
Payable after one year		<u>3,000,000</u>	<u>3,000,000</u>

The long-term loans are secured by fixed charges over certain of the company's investment properties, a debenture and a deed of subordination in respect of all amounts owed to the parent company.

The bank loans are interest only and repayable in full on the maturity dates. Interest is payable at 2.5% over LIBOR.

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 19 Deferred taxation

At the date of transition to FRS 102 on 1 April 2014 the directors did not consider a deferred tax provision in relation to the fair value adjustment to investment property. The balance as at 1 May 2015 would have fully reversed on 1 February 2016 as the company entered the REIT of Glenstone Property Plc, its parent, and therefore has no liability to corporation tax on such gains from that date.

#### 20 Share capital

	2017	2016
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,000 ordinary of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

The company has one class of ordinary shares which carry no right to fixed income.

#### 21 Operating lease commitments

##### Lessor

The operating leases represent leases of investment properties to third parties. The leases are negotiated over terms of 1-50 years. All leases include a provision for periodic upward rent reviews according to the lease terms. There are no options in place for either party to extend the lease terms.

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2017	2016
	£	£
Within one year	855,944	980,182
Between two and five years	2,895,330	3,014,094
In over five years	17,893,499	18,604,758
	<u>21,644,773</u>	<u>22,599,034</u>

#### 22 Related party transactions

##### Transactions with related parties

	Accountancy fees		Interest received	
	2017	2016	2017	2016
	£	£	£	£
Entities over which the entity has control, joint control or significant influence	-	-	20,510	-
Key management personnel	-	18,363	-	-
	<u>-</u>	<u>18,363</u>	<u>-</u>	<u>-</u>

# AMDALE SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 22 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2017		Amounts owed by related parties 2016	
	Balance £	Net £	Balance £	Net £
Entities over which the entity has control, joint control or significant influence	20,510	20,510	629,040	629,040
	<u>20,510</u>	<u>20,510</u>	<u>629,040</u>	<u>629,040</u>
	<u><u>20,510</u></u>	<u><u>20,510</u></u>	<u><u>629,040</u></u>	<u><u>629,040</u></u>

### 23 Directors' transactions

Dividends totalling £0 (2016 - £200,400) were paid in the year in respect of shares held by the company's directors.

### 24 Controlling party

The immediate and ultimate parent company is Glenstone Property PLC.

The smallest and largest group into which the company's accounts are consolidated is Glenstone Property PLC.