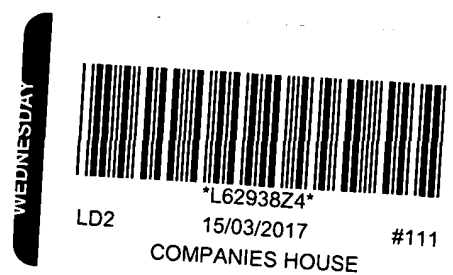


Registered number: 01817152

Rubyhill Properties Limited

**Directors' report and financial statements
for the year ended 30 June 2016**



Rubyhill Properties Limited

Company Information

Directors

R M Harris
J D Harris CBE, F Inst CPD, FRICS
R G Williams

Company secretary

H G Williams

Registered number

01817152

Registered office

Third Floor
24 Chiswell Street
London
EC1Y 4YX

Independent auditors

Kreston Reeves LLP
Chartered Accountants and Statutory Auditors
Third Floor
24 Chiswell Street
London
EC1Y 4YX

Rubyhill Properties Limited

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Rubyhill Properties Limited

Directors' report For the year ended 30 June 2016

The directors present their report and the financial statements for the year ended 30 June 2016.

Principal activity

The principal activity of the company continued to be that of investment in property partnerships based in the USA.

Directors

The directors who served during the year were:

R M Harris
J D Harris CBE, F Inst CPD, FRICS
R G Williams

Directors' responsibilities statement

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Rubyhill Properties Limited

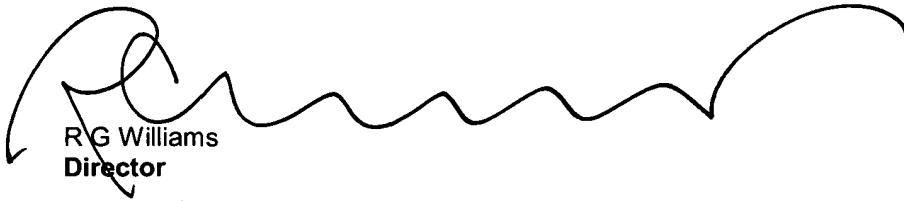
Directors' report (continued)
For the year ended 30 June 2016

Auditors

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 7 March 2017 and signed on its behalf.



R G Williams
Director

Rubyhill Properties Limited

Independent auditors' report to the shareholders of Rubyhill Properties Limited

We have audited the financial statements of Rubyhill Properties Limited for the year ended 30 June 2016, set out on pages 5 to 16. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 to them in an Auditors' 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 auditors

As explained more fully in the Directors' responsibilities statement on page 1, 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 Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of 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 30 June 2016 and of its profit or loss 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements.

Rubyhill Properties Limited

Independent auditors' report to the shareholders of Rubyhill Properties Limited (continued)

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Michael Cook **Kreston Reeves LLP**

Michael Cook BA(Hons) FCA (Senior statutory auditor)
for and on behalf of

Kreston Reeves LLP

Chartered Accountants and Statutory Auditors

Third Floor
24 Chiswell Street
London
EC1Y 4YX

7 March 2017

Rubyhill Properties Limited

Profit and loss account For the year ended 30 June 2016

	Note	2016 £	2015 £
Administrative expenses		267,213	57,655
Operating profit	4	267,213	57,655
Income from fixed asset investments		67,350	207,737
Income from dividends		-	722,965
Profit on disposal of fixed asset investments		66,803	489,489
Revaluation of fixed asset investments	7	572,556	48,715
Profit before tax		973,922	1,526,561
Tax on profit	6	(187,256)	(117,193)
Profit for the year		786,666	1,409,368

There was no other comprehensive income for 2016 (2015: £NIL).

The notes on pages 8 to 16 form part of these financial statements.

Rubyhill Properties Limited
Registered number: 01817152

Balance sheet
as at 30 June 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	7	2,144,622	1,322,779
Current assets			
Debtors	8	98,382	43,287
Cash at bank	9	74,563	835,893
		<u>172,945</u>	<u>879,180</u>
Creditors: amounts falling due within one year	10	(72,957)	(796,636)
Net current assets		99,988	82,544
Provisions for liabilities			
Deferred tax	11	(152,621)	-
		<u>(152,621)</u>	<u>-</u>
Net assets		<u>2,091,989</u>	<u>1,405,323</u>
Capital and reserves			
Called up share capital	12	2	2
Non-distributable reserve	14	636,298	327,620
Profit and loss account	14	1,455,689	1,077,701
		<u>2,091,989</u>	<u>1,405,323</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 March 2017.

R G Williams
Director

The notes on pages 8 to 16 form part of these financial statements.

Rubyhill Properties Limited

Statement of changes in equity For the year ended 30 June 2016

	Called up share capital	Non- distributable reserve	Profit and loss account	Total
	£	£	£	£
At 1 July 2015	2	327,620	1,077,701	1,405,323
Profit for the year	-	-	786,666	786,666
Interim dividends: Equity capital	-	-	(100,000)	(100,000)
Transfer to/(from) profit and loss account	-	308,678	(308,678)	-
At 30 June 2016	2	636,298	1,455,689	2,091,989

Statement of changes in equity For the year ended 30 June 2015

	Called up share capital	Non- distributable reserve	Profit and loss account	Total
	£	£	£	£
At 1 July 2014	2	352,372	116,741	469,115
Profit for the year	-	-	1,409,368	1,409,368
Interim dividends: Equity capital	-	-	(473,160)	(473,160)
Transfer to/(from) profit and loss account	-	(24,752)	24,752	-
At 30 June 2015	2	327,620	1,077,701	1,405,323

The notes on pages 8 to 16 form part of these financial statements.

Rubyhill Properties Limited

Notes to the financial statements For the year ended 30 June 2016

1. General information

The Company is a private limited company, incorporated and domiciled in England & Wales. The Company's registered office is Third Floor, 24 Chiswell Street, London, EC1Y 4YX and their principal activity can be found on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 16.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Cardinal Group Limited as at 30 June 2016 and these financial statements may be obtained from Companies House.

2.3 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss account.

**Notes to the financial statements
For the year ended 30 June 2016**

2. Accounting policies (continued)

2.4 Fixed asset investments

Subsidiary undertakings

Investments in subsidiary undertakings are valued at cost less provision for impairment.

Loans to property partnerships

Loans to property partnerships represent the company's share of the assets and liabilities of US partnerships invested in, including the revaluation of the tangible fixed assets of those partnerships to market value at the balance sheet date.

Unlisted investments

Unlisted investments are valued at the open market value.

2.5 Financial instruments

The Company only enters into basic financial instruments that result in the recognition of financial assets and liabilities like other debtors and creditors and loans from related parties.

2.6 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.7 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the financial statements
For the year ended 30 June 2016**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 2, the directors are required to make judgments, estimates and assumptions which affect the reported amounts of assets, liabilities, revenues and expenses. The directors base their judgments, estimates and assumptions on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different judgments or assumptions.

The company carries its property partnership interests at fair value, with changes in fair value being recognised in the Profit and loss account. The valuation was completed by the directors using their extensive knowledge of the property market in order to assess the estimated amount for which the asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

The company carries its investment in subsidiaries at cost less provision for impairment. The directors regularly review its investments to ensure that the carrying amount does not exceed its recoverable amount.

4. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>4,182</u>	<u>2,350</u>

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration.

Rubyhill Properties Limited

Notes to the financial statements For the year ended 30 June 2016

6. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	22,000	83,400
Group taxation relief	-	14,300
	<u>22,000</u>	<u>97,700</u>
Foreign tax		
Foreign tax on income for the year	12,635	19,493
Deferred tax		
Origination and reversal of timing differences	152,621	-
Taxation on profit on ordinary activities	<u>187,256</u>	<u>117,193</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.75%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>973,922</u>	<u>1,526,561</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.75%)	194,784	316,761
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	22	1,893
Non-taxable income	(172,973)	(226,075)
Book profit on chargeable assets	(13,361)	(101,569)
Capital gains	13,500	84,203
Group relief	-	14,300
Foreign tax	12,635	19,493
Deferred tax	152,621	-
Other adjustments	28	8,187
Total tax charge for the year	<u>187,256</u>	<u>117,193</u>

Rubyhill Properties Limited

Notes to the financial statements For the year ended 30 June 2016

7. Fixed asset investments

	Shares in subsidiary undertakings £	Loans to property partnerships £	Unlisted investments £	Total £
Cost or valuation				
At 1 July 2015	3	921,921	400,855	1,322,779
Additions	-	52,287	-	52,287
Distributions	-	(27,560)	-	(27,560)
Foreign exchange movements	-	156,499	68,061	224,560
Revaluations	-	572,556	-	572,556
At 30 June 2016	3	1,675,703	468,916	2,144,622
Net book value				
At 30 June 2016	3	1,675,703	468,916	2,144,622
At 30 June 2015	3	921,921	400,855	1,322,779

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Rubyhill (Colorado Springs) Limited	England & Wales	Ordinary	100 %	Dormant
Rubyhill (Mount View) Limited	England & Wales	Ordinary	100 %	Investment in property partnership

The aggregate of the share capital and reserves as at 30 June 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit £
Rubyhill (Colorado Springs) Limited	2	-
Rubyhill (Mount View) Limited	123,975	84,609
	123,977	84,609

Rubyhill (Colorado Springs) Limited was dissolved on 13 September 2016.

Rubyhill Properties Limited

Notes to the financial statements For the year ended 30 June 2016

8. Debtors

	2016 £	2015 £
Other debtors	81,082	43,287
Corporation tax paid	17,300	-
	<u>98,382</u>	<u>43,287</u>

9. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>74,563</u>	<u>835,893</u>

10. Creditors: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	48,871	711,121
Corporation tax	21,971	83,400
Other creditors	2,115	2,115
	<u>72,957</u>	<u>796,636</u>

11. Deferred taxation

	2016 £
Charged to profit or loss	152,621
At end of year	<u>152,621</u>

The deferred taxation balance is made up as follows:

	2016 £
Revaluation of fixed asset investments	<u>152,621</u>

Rubyhill Properties Limited

Notes to the financial statements For the year ended 30 June 2016

12. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

13. Dividends

	2016 £	2015 £
Interim dividends paid on equity capital £50,000 (2015: £236,580) per share	<u>100,000</u>	<u>473,160</u>

14. Reserves

Profit & loss account

The Profit and loss account comprises all current and prior period retained profits and losses.

Non-distributable reserve

The non-distributable reserve is used to record revaluation gains on fixed asset investments, less any related provision for deferred taxation.

Share capital

This represents the nominal value of shares that have been issued by the company.

15. Controlling party

The company regards Cardinal Estates Limited as its immediate parent company and Cardinal Group Limited, as its ultimate parent company.

The company considers its ultimate control relationship to be R M Harris, R G Williams and J D Harris, as directors and shareholders of Cardinal Group Limited.

The largest group of which the company is a member, for which group accounts are prepared, is Cardinal Group Limited. Copies of the group financial statements can be obtained from Companies House.

All companies mentioned above are registered in England and Wales.

Rubyhill Properties Limited

**Notes to the financial statements
For the year ended 30 June 2016**

16. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 July 2014. The impact of the transition to FRS 102 is as follows:

	As previously stated 1 July 2014 £	Effect of transition 1 July 2014 £	FRS 102 (as restated) 1 July 2014 £	As previously stated 30 June 2015 £	Effect of transition 30 June 2015 £	FRS 102 (as restated) 30 June 2015 £
Note						
Fixed assets	1,320,190	-	1,320,190	1,322,779	-	1,322,779
Current assets	915,503	-	915,503	879,180	-	879,180
Creditors: amounts falling due within one year	(1,766,578)	-	(1,766,578)	(796,636)	-	(796,636)
Net current (liabilities)/assets	(851,075)	-	(851,075)	82,544	-	82,544
Total assets less current liabilities	469,115	-	469,115	1,405,323	-	1,405,323
Net assets	469,115	-	469,115	1,405,323	-	1,405,323
Capital and reserves	469,115	-	469,115	1,405,323	-	1,405,323

Notes to the financial statements
For the year ended 30 June 2016

16. First time adoption of FRS 102 (continued)

	Note	As previously stated 30 June 2015 £	Effect of transition 30 June 2015 £	FRS 102 (as restated) 30 June 2015 £
		-	-	-
Administrative expenses		57,655	-	57,655
Operating profit		57,655	-	57,655
Income from fixed asset investments		207,737	-	207,737
Income from dividends		722,965	-	722,965
Profit on disposal of fixed asset investments		489,489	-	489,489
Revaluation of fixed asset investments	1	64,569	(15,854)	48,715
Taxation		(117,193)	-	(117,193)
Profit on ordinary activities after taxation and for the financial year		<u>1,425,222</u>	<u>(15,854)</u>	<u>1,409,368</u>

Explanation of changes to previously reported profit and equity:

- 1 Under FRS 102 revaluation movements are to be recognised within the profit and loss account as opposed to the statement of recognised gains and losses under previous UK GAAP. This has resulted in the revaluation loss of £15,854 in the 2015 accounts being reclassified.