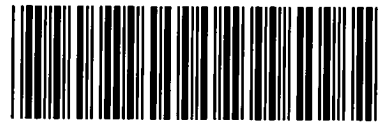


Company Registration No. 03088814 (England and Wales)

SANTON PROPERTY COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

FRIDAY



L16 *L7L928KY* 21/12/2018 #55
COMPANIES HOUSE

SANTON PROPERTY COMPANY LIMITED

COMPANY INFORMATION

Directors Santon Close Nominees Limited
Santon Management Limited
R. Patel
B. Sandhu

Secretary R Patel

Company number 03088814

Registered office Santon House
53/55 Uxbridge Road
Ealing
London
W5 5SA

Auditors Gerald Edelman
73 Cornhill
London
EC3V 3QQ

SANTON PROPERTY COMPANY LIMITED

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SANTON PROPERTY COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

Principal activities

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

Directors

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

Santon Close Nominees Limited
Santon Management Limited
R. Patel
B. Sandhu

Results and dividends

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

Ordinary dividends were paid amounting to £140,000. The directors do not recommend payment of a further dividend for the year ended 31 March 2018.

Post reporting date events

Following a request for the repayment of its loans by Santon Capital Plc, Santon Property Company Limited sold two of its three assets to fellow subsidiaries after the year end in order to make it easier for the Group to obtain debt funding from third parties. Following the sale a dividend of £5.1m was paid to Santon Capital Plc.

Auditors

The auditors, Gerald Edelman, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 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.

SANTON PROPERTY COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

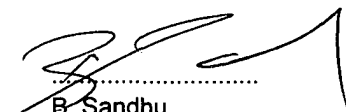
Statement of disclosure to auditor

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.

Going concern

Having reviewed the company's financial forecasts and expected future cash flows, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2018.

On behalf of the board


.....
B. Sandhu
Director
18/12/2018
.....

SANTON PROPERTY COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SANTON PROPERTY COMPANY LIMITED

Opinion

We have audited the financial statements of Santon Property Company Limited (the 'company') for the year ended 31 March 2018 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement Of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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.

SANTON PROPERTY COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SANTON PROPERTY COMPANY LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 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.



Hiten Patel FCCA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman

18 December 2018

Chartered Accountants
Statutory Auditor

73 Cornhill
London
EC3V 3QQ

SANTON PROPERTY COMPANY LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

		Year ended 31 March 2018 £	Period ended 31 March 2017 £
	Notes		
Turnover	3	522,833	470,924
Administrative expenses		(122,150)	(131,465)
Other operating income		392	931
Operating profit	4	401,075	340,390
Interest payable and similar expenses	6	-	(168,597)
Fair value gains and losses on investment properties		2,319,508	-
Profit before taxation		2,720,583	171,793
Taxation	7	(426,475)	130,416
Profit for the financial year		2,294,108	302,209

The Income Statement has been prepared on the basis that all operations are continuing operations.

SANTON PROPERTY COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME **FOR THE YEAR ENDED 31 MARCH 2018**

	Year ended 31 March 2018 £	Period ended 31 March 2017 £
Profit for the year	2,294,108	302,209
Other comprehensive income		
Tax relating to other comprehensive income	-	14,408
Total comprehensive income for the year	<u>2,294,108</u>	<u>316,617</u>

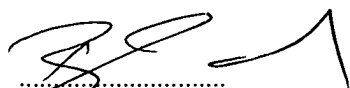
SANTON PROPERTY COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	9	-		963,271	
Investment properties	10	10,500,000		7,217,240	
		<u>10,500,000</u>		<u>8,180,511</u>	
Current assets					
Debtors	11	84,120		54,044	
Cash at bank and in hand		74,247		98,806	
		<u>158,367</u>		<u>152,850</u>	
Creditors: amounts falling due within one year	12	<u>(4,773,212)</u>		<u>(4,965,275)</u>	
Net current liabilities		<u>(4,614,845)</u>		<u>(4,812,425)</u>	
Total assets less current liabilities		<u>5,885,155</u>		<u>3,368,086</u>	
Provisions for liabilities	14	<u>(768,036)</u>		<u>(405,076)</u>	
Net assets		<u><u>5,117,119</u></u>		<u><u>2,963,010</u></u>	
Capital and reserves					
Called up share capital	15	2		2	
Revaluation reserve		-		344,853	
Profit and loss reserves		<u>5,117,117</u>		<u>2,618,155</u>	
Total equity		<u><u>5,117,119</u></u>		<u><u>2,963,010</u></u>	

The financial statements were approved by the board of directors and authorised for issue on 18/12/2018 and are signed on its behalf by:


 B. Sandhu
 Director

Company Registration No. 03088814

SANTON PROPERTY COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 May 2016		2	330,445	2,790,947	3,121,394
Period ended 31 March 2017:					
Profit for the period		-	-	302,209	302,209
Other comprehensive income:					
Tax relating to other comprehensive income		-	14,408	-	14,408
Total comprehensive income for the period		-	14,408	302,209	316,617
Dividends	8	-	-	(475,000)	(475,000)
Balance at 31 March 2017		2	344,853	2,618,155	2,963,010
Period ended 31 March 2018:					
Profit and total comprehensive income for the period		-	-	2,294,108	2,294,108
Dividends	8	-	-	(140,000)	(140,000)
Transfers		-	(344,853)	344,853	-
Other movements		-	-	1	1
Balance at 31 March 2018		2	-	5,117,117	5,117,119

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Santon Property Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Santon House, 53/55 Uxbridge Road, Ealing, London, W5 5SA.

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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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 disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;

The financial statements of the company are consolidated in the financial statements of Santon Capital Plc. These consolidated financial statements are available from its registered office and from the Companies House.

1.2 Going concern

Having reviewed the company's financial forecasts and expected future cash flows, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2018.

1.3 Turnover

Turnover represents rent receivable net of VAT for the portfolio of properties owned by the company.

Revenue is recognised at the point of invoicing, and by reference to the period it relates and including any costs incurred.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold Land and buildings	2% straight line
Fixtures and fittings	25% straight line

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Investment properties

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

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

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

1.8 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.

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.9 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.

1.10 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 income statement 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 liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Reporting period

The figures included in the accounts are for the 12 months ended 31 March 2018. The comparative figures are for 11 months period ended 31 March 2017.

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Investment properties

The company's investment properties which are properties held to earn rentals and/or capital appreciation and the company's freehold land and buildings within tangible assets, are measured using the fair value model and stated at their fair value as at the reporting date. The directors have used their experience of the property market and with reference to evidence of transaction prices of similar properties and rental yields to arrive at an appropriate value at the year end.

3 Turnover and other revenue

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

	2018 £	2017 £
Turnover		
Rent receivable	522,833	470,924

Turnover analysed by geographical market

	2018 £	2017 £
United Kingdom	522,833	470,924

4 Operating profit

	2018 £	2017 £
Operating profit for the period is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	3,000	3,000
Depreciation of owned tangible fixed assets	19	50,912

5 Employees

There were no employees during the period apart from the directors.

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

6 Interest payable and similar expenses

	2018	2017
	£	£
Interest payable to group undertakings	-	168,597

7 Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax on profits for the current period	63,514	27,667
Deferred tax		
Origination and reversal of timing differences	362,961	(158,083)
Total tax charge/(credit)	426,475	(130,416)

The actual charge/(credit) 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:

	2018	2017
	£	£
Profit before taxation	2,720,583	171,793
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	516,911	34,359
Tax effect of expenses that are not deductible in determining taxable profit	1,930	-
Permanent capital allowances in excess of depreciation	(12,694)	(6,692)
Deferred tax	362,961	(158,083)
Effects of revaluation of investment properties	(442,633)	-
Taxation charge/(credit) for the period	426,475	(130,416)

In addition to the amount charged/(credited) to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2018	2017
	£	£
Deferred tax arising on:		
Revaluation of property	-	(14,408)

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

8 Dividends

	2018 £	2017 £
Final paid	140,000	475,000

9 Tangible fixed assets

	Freehold Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 April 2017	1,013,950	934	1,014,884
Transfer to investment property	(1,013,950)	-	(1,013,950)
At 31 March 2018	-	934	934
Depreciation and impairment			
At 1 April 2017	50,698	915	51,613
Depreciation charged in the year	-	19	19
Transfer to investment property	(50,698)	-	(50,698)
At 31 March 2018	-	934	934
Carrying amount			
At 31 March 2018	-	-	-
At 31 March 2017	963,252	19	963,271

10 Investment property

	2018 £
Fair value	
At 1 April 2017	7,217,240
Transfers from Freehold land and buildings	963,252
Net gains or losses through fair value adjustments	2,319,508
At 31 March 2018	10,500,000

Investment property comprises freehold land and buildings. The fair value of the investment property has been arrived at on the basis of a valuation carried out by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

11 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	2,580	13,845
Other debtors	24,352	20,540
Prepayments and accrued income	57,188	19,659
	<u>84,120</u>	<u>54,044</u>

12 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	57,117	-
Amounts due to group undertakings	4,538,954	4,566,347
Corporation tax	63,514	27,667
Other taxation and social security	44,431	23,809
Other creditors	63,373	218,263
Accruals and deferred income	5,823	129,189
	<u>4,773,212</u>	<u>4,965,275</u>

13 Provisions for liabilities

	Notes	2018	2017
		£	£
Deferred tax liabilities	14	<u>768,036</u>	<u>405,076</u>

14 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2018	Liabilities 2017
	£	£
Balances:		
Revaluations	<u>768,036</u>	<u>405,076</u>
Movements in the year:		2018
		£
Liability at 1 April 2017		405,076
Charge to income statement		362,961
Liability at 31 March 2018		<u>768,037</u>

SANTON PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

14 Deferred taxation

(Continued)

The deferred tax liability set out above relates to revaluation on investment properties reflected through the income statement and revaluations of fixed asset properties reflected through other comprehensive income.

15 Share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid		
2 Ordinary shares of £1 each	2	2

16 Operating lease commitments

Lessor

	2018 £	2017 £
Within one year	416,376	416,376
Between two and five years	1,499,620	1,655,309
In over five years	645,574	881,056
	<u>2,561,570</u>	<u>2,952,741</u>

17 Related party transactions

No guarantees have been given or received.

The company has taken advantage of the exemption available in FRS102 section 33.1A "Related Party Disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

18 Parent company and controlling party

The company is a wholly owned subsidiary of Santon Capital Plc, a company registered in England & Wales and controlled by B.S. Sandhu. Santon Capital Plc prepares group financial statements and copies can be obtained from Companies House.