

COMPANY REGISTRATION NUMBER: 03703586

O & T Properties Limited

Unaudited Abridged Financial Statements

30 June 2019

O & T Properties Limited

Abridged Financial Statements

Year ended 30 June 2019

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O & T Properties Limited

Officers and Professional Advisers

The board of directors	Mr. Andrew Johnson
	Mrs. Vanzel Johnson
Company secretary	Mr. J Deane
Registered office	12a Upper Berkeley Street
	London
	W1H 7QE
Bankers	HSBC Bank Plc
	6th Floor
	165 Fleet Street
	London
	EC4A 2DY

O & T Properties Limited

Directors' Report

Year ended 30 June 2019

The directors present their report and the unaudited abridged financial statements of the company for the year ended 30 June 2019 .

Directors

The directors who served the company during the year were as follows:

Mr. Andrew Johnson

Mrs. Vanzel Johnson

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 30 June 2020 and signed on behalf of the board by:

Mr. Andrew Johnson

Director

Registered office:

12a Upper Berkeley Street

London

W1H 7QE

O & T Properties Limited

Abridged Statement of Income and Retained Earnings

Year ended 30 June 2019

		2019	2018
	Note	£	£
Gross profit		2,137,591	2,270,522
Administrative expenses		524,214	611,442
		-----	-----
Operating profit		2,661,805	2,881,964
Other interest receivable and similar income		231,204	4,528
Interest payable and similar expenses		(2,346)	(3,704)
		-----	-----
Profit before taxation	6	2,890,663	2,882,788
Tax on profit	7	(449,758)	(419,549)
		-----	-----
Profit for the financial year and total comprehensive income		2,440,905	2,463,239
		-----	-----
Retained earnings at the start of the year		15,008,591	12,545,352
		-----	-----
Retained earnings at the end of the year		17,449,496	15,008,591
		-----	-----

All the activities of the company are from continuing operations.

The company has no recognised gains or losses other than the results for the year set out above.

O & T Properties Limited

Abridged Statement of Financial Position

30 June 2019

		2019	2018
	Note	£	£
Fixed assets			
Tangible assets	8	15,135,503	15,182,565
Investments	9	1,257,094	1,257,094
		<u>16,392,597</u>	<u>16,439,659</u>
Current assets			
Debtors		2,834,280	1,506,590
Cash at bank and in hand		145,620	2,529,892
		<u>2,979,900</u>	<u>4,036,482</u>
Creditors: amounts falling due within one year		<u>(1,922,601)</u>	<u>(5,467,150)</u>
Net current assets/(liabilities)		<u>1,057,299</u>	<u>(1,430,668)</u>
Total assets less current liabilities		<u>17,449,896</u>	<u>15,008,991</u>
Net assets		<u>17,449,896</u>	<u>15,008,991</u>
Capital and reserves			
Called up share capital		400	400
Profit and loss account		17,449,496	15,008,591
Shareholders funds		<u>17,449,896</u>	<u>15,008,991</u>

These abridged financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its abridged financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of abridged financial statements .

All of the members have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 30 June 2019 in accordance with Section 444(2A) of the Companies Act 2006.

O & T Properties Limited

Abridged Statement of Financial Position (continued)

30 June 2019

These abridged financial statements were approved by the board of directors and authorised for issue on 30 June 2020 , and are signed on behalf of the board by:

Mr. Andrew Johnson

Director

Company registration number: 03703586

O & T Properties Limited

Notes to the Abridged Financial Statements

Year ended 30 June 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 12a Upper Berkeley Street, London, W1H 7QE.

2. Statement of compliance

These abridged financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Going concern

The financial statements have been prepared on a going concern basis. In considering going concern, management review the financial information of the company for a period of at least 12 months from the date of approval of the financial statements. Having reviewed this information, management believes that the company has sufficient resources to continue in operational existence for the foreseeable future.

Investments

Investments are held at cost. Investments are impaired where it is considered the amounts are not recoverable based on discounted future cashflows.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Disclosure exemptions

Financial reporting standard 102 - reduced disclosure exemptions The company has taken advantage of the disclosure exemption for qualifying entities 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 11.39 to 11.48A; - the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; - the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Consolidation

The company has taken advantage of the option not to prepare consolidated abridged financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant judgements The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows: The Company has developed certain criteria in making judgements whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both. Judgement is made on an individual property basis to determine whether it is held as investment property or for sale in the ordinary course of the business. Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows: (a) Net realisable value of stock To determine net realisable value, properties are valued on a regular basis by either an independent firm of chartered surveyors or the directors of the company on an open market basis as defined by the Royal Institute of Chartered Surveyors. There is no provision for property depreciation or amortisation as this is already factored into the valuation. (b) Deferred taxation Where a deferred tax asset has been recognised, judgement is made on the recoverability of that asset. This is based on sensitising management forecasts to estimate the future taxable profits against which the losses will be relieved. Judgements have been made in respect of profitability going forward based upon current and anticipated sales of property and rental income. Where a deferred tax asset has not been recognised, judgement has been made by the directors of the company that the asset should not be recognised based on the expectation of the current market. This is then reviewed and approved by the Board of Directors of the parent company on an annual basis.

Revenue recognition

Turnover represents fees for the management of the O & T and Chancerygate group of companies during the year and rental income arising solely within the united Kingdom. Income is recognised in the period the services are delivered and on completion for ad hoc services.

Exceptional items

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and Fittings	-	25% straight line
Motor Vehicles	-	25% straight line
Office Equipment	-	25% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

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 entity after deducting all of its financial liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 6 (2018: 4).

5. Exceptional items

	2019	2018
	£	£
Exceptional administrative expenses-Partial loan write off	—	600,000
	----	-----

In the prior year, within administrative expenses, was the write of the final part of the loan balance due to Chancerygate (Business Centre) Limited, a related undertaking, who had agreed the reduction of the loan balance outstanding, which is now fully written off.

6. Profit before taxation

Profit before taxation is stated after charging:

	2019	2018
	£	£
Depreciation of tangible assets	371	2,921
	----	-----

7. Tax on profit

Major components of tax expense

	2019	2018
	£	£
Current tax:		
UK current tax expense	449,758	419,549
	-----	-----
Tax on profit	449,758	419,549
	-----	-----

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19 % (2018: 19 %).

	2019	2018
	£	£
Profit on ordinary activities before taxation	2,890,663	2,882,788
	-----	-----
Profit on ordinary activities by rate of tax	599,434	547,730
Adjustment to tax charge in respect of prior periods	12,712	(14,181)
Effect of expenses not deductible for tax purposes	(162,388)	(114,000)
	-----	-----
Tax on profit	449,758	419,549
	-----	-----

8. Tangible assets

	£
Cost	
At 1 July 2018	15,202,608
Additions	1,101
Other movements	(51,065)

At 30 June 2019	15,152,644

Depreciation	
At 1 July 2018	20,043
Charge for the year	371
Other movements	(3,273)

At 30 June 2019	17,141

Carrying amount	
At 30 June 2019	15,135,503

At 30 June 2018	15,182,565

9. Investments

	£
Cost	
At 1 July 2018 and 30 June 2019	1,257,296

Impairment	
At 1 July 2018 and 30 June 2019	202

Carrying amount	
At 30 June 2019	1,257,094

At 30 June 2018	1,257,094

10. Directors' advances, credits and guarantees

At the year end, Mr A W Johnson, the director of the company, owed to the company, £1,518,169 (2018: owed to the company £99,279). The highest balance during the year was an amount owed to the company of £1,518,169. Interest is charged on the loan to the director during the year at an average rate of 2.5%.

11. Related party transactions

Amounts due from group and related undertakings are set out in the table below.

	2019	2018
£	£	
Amounts owed by group undertakings		
O & T Investments Ltd	2,254	2,254
O & T (Marlow) Ltd	4,945	4,945
Sub-total	7,199	7,199
Amounts owed by participating interests		
Premier Travel Executive Services Ltd	1,099,112	1,281,810
V & A Homes Ltd	—	11,673
Chancerygate (Business Centre) Ltd	—	13,292
Fulford Farm	—	8,512
TOTAL	1,106,311	1,322,486

Amounts due to group and related undertakings are set out in the table below.

	2019	2018
£	£	
Amounts owed to group undertakings		
O & T Property Investment Ltd	388,321	3,488,198
Redstorm Real Estate Ltd	118,341	119,706
Sub-total	506,662	3,607,904
Amounts owed to participating interests		
Chancerygate Ltd	274,999	274,999
Verde Construction Ltd	25,051	25,051
Castletown Private Equity Ltd	—	1,034,619
Chancerygate (Business Centre) Ltd	426,708	—
CGP Group Ltd	294,648	234,648
TOTAL	1,528,068	5,177,221

During the year O & T Properties Limited charged management fees to Chancerygate (Business Centre) Limited of £1,144,250 (2018: £1,142,188). During the year O & T Properties Limited charged management fees and rent to Chancerygate Limited of £1,196,547 (2018: £1,217,831). The related party companies listed above are through the common part ownership by O & T Properties Limited 's shareholder or by common directorship.

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