

**COMPANY REGISTRATION NUMBER: 03703586**

**O & T Properties Limited**  
**Unaudited Financial Statements**  
**30 June 2018**

THURSDAY



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# **O & T Properties Limited**

## **Financial Statements**

**Year ended 30 June 2018**

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# O & T Properties Limited

## Officers and Professional Advisers

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### **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 2018**

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The directors present their report and the unaudited financial statements of the company for the year ended 30 June 2018.

### **Directors**

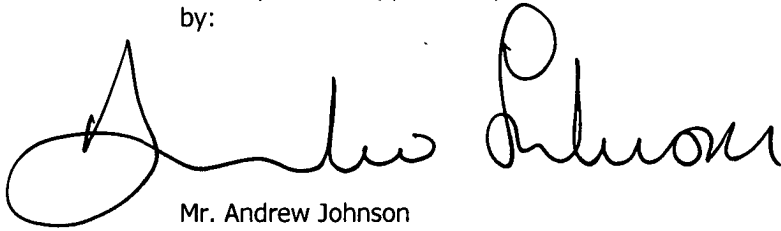
The directors who served the company during the year were as follows:

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 22 May 2019 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'Andrew Johnson', with a large, stylized initial 'A'.

Mr. Andrew Johnson  
Director

Registered office:  
12a Upper Berkeley Street  
London  
W1H 7QE

# O & T Properties Limited

## Statement of Income and Retained Earnings

Year ended 30 June 2018

	Note	2018 £	2017 £
<b>Turnover</b>		2,342,969	2,262,985
Cost of sales		(72,447)	(1,671)
<b>Gross profit</b>		2,270,522	2,261,314
Administrative expenses		611,442	452,265
<b>Operating profit</b>		2,881,964	2,713,579
Other interest receivable and similar income		4,528	844,992
Interest payable and similar expenses		(3,704)	(174)
<b>Profit before taxation</b>	<b>6</b>	2,882,788	3,558,397
Tax on profit	<b>7</b>	(419,549)	(584,304)
<b>Profit for the financial year and total comprehensive income</b>		<u>2,463,239</u>	<u>2,974,093</u>
<b>Retained earnings at the start of the year</b>		12,545,352	9,571,259
<b>Retained earnings at the end of the year</b>		<u>15,008,591</u>	<u>12,545,352</u>

All the activities of the company are from continuing operations.

All of the activities of the company are classed as continuing.

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

The notes on pages 6 to 15 form part of these financial statements.

# O & T Properties Limited

## Statement of Financial Position

30 June 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	8	15,182,565	1,491,943
Investments	9	1,257,094	1,257,094
		16,439,659	2,749,037
<b>Current assets</b>			
Debtors	10	1,506,590	13,489,922
Cash at bank and in hand		2,529,892	121,707
		4,036,482	13,611,629
<b>Creditors: amounts falling due within one year</b>	11	(5,467,150)	(3,814,914)
<b>Net current (liabilities)/assets</b>		(1,430,668)	9,796,715
<b>Total assets less current liabilities</b>		15,008,991	12,545,752
<b>Net assets</b>		15,008,991	12,545,752
<b>Capital and reserves</b>			
Called up share capital		400	400
Profit and loss account		15,008,591	12,545,352
<b>Shareholders funds</b>		15,008,991	12,545,752

These 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 2018 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 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 financial statements.

The statement of financial position  
continues on the following page.

**The notes on pages 6 to 15 form part of these financial statements.**

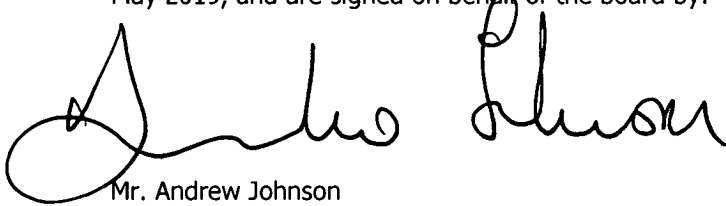
# **O & T Properties Limited**

## **Statement of Financial Position *(continued)***

**30 June 2018**

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These financial statements were approved by the board of directors and authorised for issue on 22 May 2019, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'Andrew Johnson', written over a horizontal line.

Mr. Andrew Johnson  
Director

Company registration number: 03703586

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**The notes on pages 6 to 15 form part of these financial statements.**

# **O & T Properties Limited**

## **Notes to the Financial Statements**

**Year ended 30 June 2018**

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### **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 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**

#### **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.

#### **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.



# **O & T Properties Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 June 2018**

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### **3. Accounting policies *(continued)***

#### **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.

#### **Consolidation**

The company has taken advantage of the option not to prepare consolidated 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.

# O & T Properties Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

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### 3. Accounting policies *(continued)*

#### **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.

# O & T Properties Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

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### 3. Accounting policies *(continued)*

#### **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
Office Equipment	- 25% straight line

#### **Investments**

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

# **O & T Properties Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 June 2018**

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### **3. Accounting policies *(continued)***

#### **Investments *(continued)***

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.

# O & T Properties Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

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### 3. Accounting policies *(continued)*

#### Impairment of fixed assets *(continued)*

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 4 (2017: 4).

### 5. Exceptional items

	2018	2017
	£	£
Exceptional administrative expenses-Partial loan write off	<u>600,000</u>	<u>600,000</u>

Within administrative expenses, is the write off of the final part of the loan balance due to Chancerygate (Business Centre) Limited, a related undertaking, who has agreed the reduction of the loan balance outstanding.

### 6. Profit before taxation

Profit before taxation is stated after charging:

	2018	2017
	£	£
Depreciation of tangible assets	<u>2,921</u>	<u>761</u>

# O & T Properties Limited

## Notes to the Financial Statements (continued)

Year ended 30 June 2018

### 7. Tax on profit

#### Major components of tax expense

	2018 £	2017 £
<b>Current tax:</b>		
UK current tax expense	419,549	584,304
<b>Tax on profit</b>	<u>419,549</u>	<u>584,304</u>

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK of 19% (2017: 19.75%).

	2018 £	2017 £
Profit on ordinary activities before taxation	2,882,788	3,558,397
Profit on ordinary activities by rate of tax	547,730	702,783
Adjustment to tax charge in respect of prior periods	(14,181)	–
Effect of expenses not deductible for tax purposes	(114,000)	(118,500)
Effect of different UK tax rates on some earnings	–	21
<b>Tax on profit</b>	<u>419,549</u>	<u>584,304</u>

### 8. Tangible assets

	Freehold property £	Fixtures and fittings £	Equipment £	<b>Total £</b>
<b>Cost</b>				
At 1 July 2017	1,489,694	2,263	17,108	1,509,065
Additions	13,644,741	48,802	–	13,693,543
<b>At 30 June 2018</b>	<u>15,134,435</u>	<u>51,065</u>	<u>17,108</u>	<u>15,202,608</u>
<b>Depreciation</b>				
At 1 July 2017	–	471	16,651	17,122
Charge for the year	–	2,802	119	2,921
<b>At 30 June 2018</b>	<u>–</u>	<u>3,273</u>	<u>16,770</u>	<u>20,043</u>
<b>Carrying amount</b>				
<b>At 30 June 2018</b>	<u>15,134,435</u>	<u>47,792</u>	<u>338</u>	<u>15,182,565</u>
At 30 June 2017	<u>1,489,694</u>	<u>1,792</u>	<u>457</u>	<u>1,491,943</u>

# O & T Properties Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

### 9. Investments

	Other investments other than loans £
<b>Cost</b>	
At 1 July 2017 and 30 June 2018	<u>1,257,296</u>
<b>Impairment</b>	
At 1 July 2017 and 30 June 2018	<u>202</u>
<b>Carrying amount</b>	
At 30 June 2018	<u>1,257,094</u>
At 30 June 2017	<u>1,257,094</u>

O & T Properties Limited's investments in subsidiaries are set out below.

#### Subsidiaries

	Country of registration	Type of holding	Shares	Nature of business	Profit/(loss) in year	Net asset
O & T Investments Limited	England	Ordinary shares	100%	Property investment and management services		
					£-(£1,348,297)	
O & T (Marlow) Limited	England	Ordinary shares	100%	Property investment and management services		
					£- (£477,553)	
A & D Property Limited	England	Ordinary shares	100%	Property investment	£2,830,652	£4,170,597

#### Associated undertaking

Chancerygate Limited	England	Ordinary shares	45.11%	Property management
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### 10. Debtors

	2018 £	2017 £
Trade debtors	1,080	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,322,486	1,566,035
Other debtors	<u>183,024</u>	<u>11,923,887</u>
	<u>1,506,590</u>	<u>13,489,922</u>

# O & T Properties Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

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### 11. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	17,816	112
Amounts owed to group undertakings and undertakings in which the company has a participating interest	5,177,221	3,143,416
Corporation tax	200,549	575,304
Social security and other taxes	45,787	45,162
Other creditors	25,777	50,920
	<u>5,467,150</u>	<u>3,814,914</u>

### 12. Directors' advances, credits and guarantees

At the year end, Mr A W Johnson, the director of the company, was owed by the company, £397,290 (2017: owed to the company £11,921,878). The highest balance during the year was an amount owed to the company of £11,921,878.



# O & T Properties Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 June 2018

### 13. Related party transactions

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

#### Group undertaking

	2018	2017
	£	£
O & T Investments Limited	2,254	2,254
O & T (Marlow) Limited	4,945	4,945
Total	<u>7,199</u>	<u>7,199</u>

#### Related undertaking

	2018	2017
Premier Travel Executive Services Limited	1,281,810	1,251,810
V & A Homes Limited	11,673	11,673
Chancerygate (Business Centre) Ltd	13,292	–
CGP Group Limited	–	265,352
Fulford Farm	8,512	–
Total	<u>1,315,287</u>	<u>1,528,836</u>

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

	2018	2017
	£	£
Amounts owed to group undertakings		
A & D Property Limited	3,488,198	933,243
Redstorm Real Estate Limited	119,706	119,706
Total	<u>3,607,903</u>	<u>1,052,949</u>

	2018	2017
Amounts owed to participating interests		
Castletown Asset Management Limited	–	168,709
Chancerygate Limited	274,999	274,999
Verde Construction Limited	25,051	25,051
Castletown Private Equity Limited	1,034,620	1,035,000
Chancerygate (Business Centre) Limited	–	586,708
CGP Group Limited	234,648	–
Total	<u>1,569,318</u>	<u>2,090,467</u>

During the year O & T Properties Limited charged management fees to Chancerygate (Business Centre) Limited of £1,142,188 (2017: £1,111,250).

During the year O & T Properties Limited charged management fees and rent to Chancerygate Limited of £1,217,831 (2017: £1,111,250).

The related party companies listed above are through the common part ownership by O & T Properties Limited's shareholder or by common directorship.