

Company Registration No. 03860667 (England and Wales)

Atlantic Estates Limited

**Annual report and financial statements
for the year ended 31 March 2019**

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Atlantic Estates Limited

Company information

| | | |
|----------------------------|---|--|
| Directors | Eylon Garfunkel Yaron Shahar | (Appointed 11 December 2018) (Appointed 21 February 2019) |
| Secretary | Leon Shelley | |
| Company number | 03860667 | |
| Registered office | 54-56 Camden Lock Place Camden London NW1 8AF | |
| Independent auditor | KPMG LLP 15 Canada Square Canary Wharf London E14 5GL | |

Atlantic Estates Limited

Contents

| | Page |
|--|---------------|
| Directors' report | 1 |
| Directors' responsibilities statement | 2 |
| Independent auditor's report | 3 - 5 |
| Statement of comprehensive income | 6 |
| Statement of financial position | 7 |
| Statement of changes in equity | 8 |
| Notes to the financial statements | 9 - 20 |

Atlantic Estates Limited

Directors' report

For the year ended 31 March 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the company continued to be that of property investment, letting properties and operation of markets.

Directors

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

| | |
|----------------------|---|
| Robert Akkerman | (Resigned 11 July 2018) |
| Sagi Niri | (Appointed 23 May 2018 and resigned 13 November 2018) |
| Chen Carlos Moravsky | (Appointed 23 May 2018 and resigned 11 December 2018) |
| Eylon Garfunkel | (Appointed 11 December 2018) |
| Yaron Shahar | (Appointed 21 February 2019) |

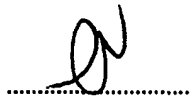
Auditor

Under section 487 of the companies Act 2006 KPMG LLP will be deemed reappointed.

Statement of disclosure to auditor

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

On behalf of the board



Eylon Garfunkel
Director

Date: 27/01/2020

Atlantic Estates Limited

**Directors' responsibilities statement
For the year ended 31 March 2019**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report
To the members of Atlantic Estates Limited

Opinion

We have audited the financial statements of Atlantic Estates Limited ("the company") for the year ended 31 March 2019, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Other matter - prior period financial statements

We note that the prior period statement of comprehensive income was not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not modified in respect of this matter.

The impact of uncertainties due to Britain exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the valuation of investment property and related disclosures, and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects^a unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Independent auditor's report (continued)
To the members of Atlantic Estates Limited

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease their operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model, including the impact of Brexit, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation

Directors' report

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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

We have nothing to report in these respects.

Independent auditor's report (continued)
To the members of Atlantic Estates Limited

Responsibilities of directors

As explained more fully in their statement set out on page 2, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Richard Long (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

27/1/20.....

Chartered Accountants

15 Canada Square
Canary Wharf
London
E14 5GL

Atlantic Estates Limited

**Statement of comprehensive income
For the year ended 31 March 2019**

| | | 2019 | (Unaudited) |
|--|--------------|--------------------|--------------------|
| | Notes | £ | 2018 |
| | | | £ |
| Revenue | 3 | 309,355 | 246,339 |
| Administrative expenses | | (379,688) | (111,677) |
| Operating (loss)/profit | 4 | (70,333) | 134,662 |
| Finance costs | | (279,476) | (209,513) |
| Other gains and losses | 6 | (4,379,055) | 980,719 |
| (Loss)/profit before taxation | | (4,728,864) | 905,868 |
| Tax on (loss)/profit | 7 | 844,439 | (156,445) |
| (Loss)/profit and total comprehensive (loss)/ Income for the financial year | | (3,884,425) | 749,423 |

The Statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 10 - 20 form part of these financial statements


Atlantic Estates Limited

**Statement of financial position
As at 31 March 2019**

| | | 2019 | | 2018 | |
|--|--------------|--------------------|--------------------|--------------------|--------------------|
| | Notes | £ | £ | £ | £ |
| Non-current assets | | | | | |
| Investment properties | 8 | 3,900,000 | | 8,279,055 | |
| Investments | 9 | | 4 | | 210 |
| | | <u>3,900,004</u> | | <u>8,279,265</u> | |
| Current assets | | | | | |
| Trade and other receivables | 12 | 6,099,655 | | 6,094,127 | |
| Cash and cash equivalents | | - | | 17,615 | |
| | | <u>6,099,655</u> | | <u>6,111,742</u> | |
| Current liabilities | 13 | <u>(5,390,316)</u> | | <u>(5,158,434)</u> | |
| Net current assets | | | <u>709,339</u> | | <u>953,308</u> |
| Total assets less current liabilities | | | <u>4,609,343</u> | | <u>9,232,573</u> |
| Non-current liabilities | 14 | | <u>(1,030,391)</u> | | <u>(1,024,757)</u> |
| Provisions for liabilities | | | <u>(589,608)</u> | | <u>(1,334,047)</u> |
| Net assets | | | <u>2,989,344</u> | | <u>6,873,769</u> |
| Equity | | | | | |
| Called up share capital | 17 | | 1,000 | | 1,000 |
| Other reserves | | | 2,195,024 | | 5,829,639 |
| Retained earnings | | | 793,320 | | 1,043,130 |
| Total equity | | | <u>2,989,344</u> | | <u>6,873,769</u> |

The notes on pages 10 - 20 form part of these financial statements

The financial statements were approved by the board of directors and authorised for issue on 27/01/2020 and are signed on its behalf by:


.....
Eylon Garfunkel
Director

Company Registration No. 03860667

Atlantic Estates Limited

**Statement of changes in equity
For the year ended 31 March 2019**

| | Share capital £ | Other reserves £ | Retained earnings £ | Total £ |
|--|-----------------------|------------------------|---------------------------|-------------|
| Balance at 1 April 2017 | 1,000 | 5,004,901 | 1,118,445 | 6,124,346 |
| Period ended 31 March 2018: | | | | |
| Profit and total comprehensive income for the period | - | - | 749,423 | 749,423 |
| Other movements | - | 824,738 | (824,738) | - |
| Balance at 31 March 2018 | 1,000 | 5,829,639 | 1,043,130 | 6,873,769 |
| Year ended 31 March 2019: | | | | |
| Loss and total comprehensive loss for the year | - | - | (3,884,425) | (3,884,425) |
| Other movements | - | (3,634,615) | 3,634,615 | - |
| Balance at 31 March 2019 | 1,000 | 2,195,024 | 793,320 | 2,989,344 |

Atlantic Estates Limited

**Notes to the financial statements
For the year ended 31 March 2019**

1 Accounting policies

Company information

Atlantic Estates Limited is a private company limited by shares incorporated in England and Wales. The registered office is 54-56 Camden Lock Place, Camden, London, NW1 8AF.

In the prior year the accounts were prepared on a consolidation basis. In the current year exemption from preparing consolidated accounts is available, on the grounds that the group which the Company heads is small, and is not part of an illegible group, and has been taken.

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 Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102:

- the requirements of Section 7 Statement of Cash Flows as the Company is small
- the requirements of Section 9 for preparation of consolidated financial statements
- the Company has taken advantage of exemption, under the terms of FRS102, not to disclose related party transactions with wholly owned subsidiaries within the group.

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.

1.2 Going concern

The company has net losses of £3,884,425 (2018: profits of £749,423). The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital funds provided to it by Labtech Investments Limited, Labtech Investments Limited has provided the company with an undertaking for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are required by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. Base on this undertaking the Director believes that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being appropriate.

Atlantic Estates Limited

Notes to the financial statements (continued)
For the year ended 31 March 2019

1 Accounting policies (continued)

1.3 Revenue

Revenue arising from rental income is recognised to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

1.4 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. Changes in fair value are recognised in profit or loss.

1.5 Non-current investments

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

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

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies (continued)

Basic financial assets

Basic financial assets, which include trade and other receivables and amounts due by group undertakings, 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.

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 trade and other payables and amounts due to group undertakings, 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the 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.

1 Accounting policies (continued)

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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Critical accounting 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 estimates

The following estimates have had the most significant effect on amounts recognised in the financial statements.

Investment property

Investment properties are valued to fair value annually. The company recognises the property at fair value, defined as the estimated amount for which a property should exchange on the date of the valuation between a willing buyer and seller in an arm's length transaction, through the use of comparable values of similar properties observable in the market. The directors of the company assess the carrying value at each reporting date to ensure that its carrying value is adjusted to fair value.

The main assumptions in the valuation are typically market related, such as market rents and yields and are based on the professional judgement and market observations. Each property has been valued in isolation based on the unique nature, characteristics and perceived risk of that property.

Atlantic Estates Limited

Notes to the financial statements (continued)
For the year ended 31 March 2019

3 Revenue

| | 2019 | 2018 |
|--|----------------|----------------|
| | £ | £ |
| Revenue analysed by class of business | | |
| Rent | 309,355 | 246,339 |
| | <u>309,355</u> | <u>246,339</u> |
| Revenue analysed by geographical market | | |
| United Kingdom | 309,355 | 246,339 |
| | <u>309,355</u> | <u>246,339</u> |

4 Operating (loss)/profit

| | 2019 | 2018 |
|---|----------------|-------------|
| | £ | £ |
| Operating (loss)/profit for the year is stated after charging: | | |
| Fees payable to the company's auditor for the audit of the company's financial statements | 1,000 | 1,000 |
| Bad debt expense | 283,710 | 88 |
| | <u>283,710</u> | <u>88</u> |

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was nil (2018: nil).

6 Other gains and losses

| | 2019 | 2018 |
|--|--------------------|----------------|
| | £ | £ |
| Changes in the fair value of investment properties | (4,379,055) | 980,719 |
| | <u>(4,379,055)</u> | <u>980,719</u> |

Atlantic Estates Limited

Notes to the financial statements (continued)
For the year ended 31 March 2019

7 Taxation

| | 2019 | 2018 |
|--|------------------|----------------|
| | £ | £ |
| Current tax | | |
| Adjustments in respect of prior periods | (100,000) | - |
| Deferred tax | | |
| Origination and reversal of timing differences | (744,439) | 156,445 |
| Total tax (credit)/charge | <u>(844,439)</u> | <u>156,445</u> |

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

| | 2019 | 2018 |
|---|--------------------|----------------|
| | £ | £ |
| (Loss)/profit before taxation | <u>(4,728,864)</u> | <u>905,868</u> |
| Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%) | (898,484) | 172,115 |
| Tax effect of expenses that are not deductible in determining taxable profit | 887,825 | - |
| Adjustments in respect of prior years | (100,000) | - |
| Effect of change in corporation tax rate | - | (29,891) |
| Group relief surrendered/(claimed) for nil consideration | - | 14,221 |
| Tax losses not recognised | 10,659 | - |
| Deferred tax movement | (744,439) | - |
| Taxation (credit)/charge for the year | <u>(844,439)</u> | <u>156,445</u> |

8 Investment property

| | 2019 |
|--|------------------|
| | £ |
| Fair value | |
| At 1 April 2018 | 8,279,055 |
| Net gains or losses through fair value adjustments | (4,379,055) |
| At 31 March 2019 | <u>3,900,000</u> |

Atlantic Estates Limited

Notes to the financial statements (continued)

For the year ended 31 March 2019

8 Investment property (continued)

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 March 2019 by the directors. The valuation was made on an open market value basis by reference to an external valuation of the entire property of which the Company owns a part of.

9 Fixed asset investments

| | Notes | 2019 £ | 2018 £ |
|-----------------------------|--------------|-------------------|-------------------|
| Investments in subsidiaries | 10 | 4 | 210 |
| | | <u> </u> | <u> </u> |

Movements in non-current investments

| | Shares in group undertakings £ |
|---------------------------------|---|
| Cost | |
| At 1 April 2018 & 31 March 2019 | 210 |
| | <u> </u> |
| Impairment | |
| At 1 April 2018 | - |
| Impairment losses | 206 |
| | <u> </u> |
| At 31 March 2019 | 206 |
| | <u> </u> |
| Carrying amount | |
| At 31 March 2019 | 4 |
| | <u> </u> |
| At 31 March 2018 | 210 |
| | <u> </u> |

Atlantic Estates Limited**Notes to the financial statements (continued)
For the year ended 31 March 2019****10 Subsidiaries**

Details of the company's subsidiaries at 31 March 2019 are as follows:

| Name of undertaking | Registered office | Nature of business | Class of shares held | % Held | |
|--------------------------------------|-------------------|---------------------|----------------------|--------|----------|
| | | | | Direct | Indirect |
| Atlantic Venture Investments Limited | United Kingdom | Dormant | Ordinary | 100.00 | |
| Camden Lock (London) Limited | United Kingdom | Property Management | Ordinary | 100.00 | |
| Electric Enterprises Limited | United Kingdom | Property Management | Ordinary | 100.00 | |
| Atlantic Markets Limited | United Kingdom | Dormant | Ordinary | 100.00 | |
| Atlantic Management Limited | United Kingdom | Dormant | Ordinary | 100.00 | |
| Atlantic Estates London Limited | United Kingdom | Dormant | Ordinary | 100.00 | |
| Atlantic Developments Limited | United Kingdom | Dormant | Ordinary | 100.00 | |

All of these subsidiaries are registered at 54-56 Camden Lock Place, London, NW1 8AF.

11 Financial instruments

| | 2019 | 2018 |
|---|-----------|-----------|
| | £ | £ |
| Carrying amount of financial assets | | |
| Measured at amortised cost | 6,034,982 | 6,007,371 |
| Carrying amount of financial liabilities | | |
| Measured at amortised cost | 6,310,797 | 6,170,660 |

12 Trade and other receivables

| | 2019 | 2018 |
|---|-----------|-----------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade receivables | 101,393 | 88,669 |
| Amounts owed by group undertakings | 5,919,222 | 5,918,702 |
| Prepayments and accrued income | 79,040 | 86,756 |
| | 6,099,655 | 6,094,127 |

Amounts owed by group undertakings are interest free and have no fixed terms of repayment.

Atlantic Estates Limited

Notes to the financial statements (continued)
For the year ended 31 March 2019

13 Current liabilities

| | Notes | 2019 £ | 2018 £ |
|------------------------------------|-------|------------------|------------------|
| Bank loans | 15 | 5,603 | - |
| Trade payables | | 1,913 | 801 |
| Amounts owed to group undertakings | | 5,179,623 | 5,057,757 |
| Taxation and social security | | 28,347 | 12,531 |
| Deferred income | | 81,563 | - |
| Other payables | | 11,844 | - |
| Accruals and deferred income | | 81,423 | 87,345 |
| | | <u>5,390,316</u> | <u>5,158,434</u> |

Amounts owed to group undertakings includes a shareholder loan at the rate of 5% from Simplepath Investments Limited, the loan is repayable on demand. All other amounts owed to group undertakings are interest free and repayable on demand.

14 Non-current liabilities

| | Notes | 2019 £ | 2018 £ |
|------------|-------|------------------|------------------|
| Bank loans | 15 | <u>1,030,391</u> | <u>1,024,757</u> |

15 Borrowings

| | 2019 £ | 2018 £ |
|-------------------------|------------------|------------------|
| Bank loans | <u>1,035,994</u> | <u>1,024,757</u> |
| Payable within one year | 5,603 | - |
| Payable after one year | <u>1,030,391</u> | <u>1,024,757</u> |

The non-current liabilities comprise of a loan from AIG, repayable on 15 December 2025. The loans are secured by way of fixed and floating charges over the assets of the group in which the Company is a member.

Atlantic Estates Limited**Notes to the financial statements (continued)****For the year ended 31 March 2019****16 Provisions for liabilities**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

| | Liabilities 2019 £ | Liabilities 2018 £ |
|------------------------------------|-----------------------------------|-----------------------------------|
| Balances: | | |
| Investment property | <u>589,608</u> | <u>1,334,047</u> |
| | 2019 £ | 2018 £ |
| Movements in the year: | | |
| Liability at 1 April | 1,334,047 | 1,177,602 |
| (Credit)/charge to profit and loss | <u>(744,439)</u> | <u>156,445</u> |
| Liability at 31 March | <u>589,608</u> | <u>1,334,047</u> |

On 15 September 2016 the reduction in the UK tax rate to 17% from 1 April 2020 was enacted. The deferred tax liability at 31 March 2019 has been calculated based on a corporation tax rate of 17%.

The deferred tax on unrecognised tax losses of £131,220 relates to non-trade loan deficits and it is under the policy of the group not to recognise deferred tax assets on these losses.

17 Share capital

| | 2019 £ | 2018 £ |
|--|-------------------|-------------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 500 ordinary A class shares of £1 each | 500 | 500 |
| 500 ordinary B class shares of £1 each | 500 | 500 |
| | <u>1,000</u> | <u>1,000</u> |

The Ordinary A and B shares hold the same voting rights and rank equally in all respects.

Atlantic Estates Limited

Notes to the financial statements (continued)

For the year ended 31 March 2019

18 Financial commitments, guarantees and contingent liabilities

The company provided cross guarantees in connection with bank facilities granted by AIG to other group entities. As at 31 March 2019 the guarantee with AIG from these entities amounted to £400,000,000.

19 Operating lease commitments

Lessor

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

| | 2019 | 2018 |
|----------------------------|----------------|------------------|
| | £ | £ |
| Within one year | 273,333 | 300,521 |
| Between two and five years | 618,333 | 825,417 |
| | <u>891,666</u> | <u>1,125,938</u> |

20 Related party transactions

Transactions with wholly owned subsidiaries of the LabTech Investments Limited group are not disclosed in line with the exemption in section 33.1A of the Financial Reporting Standards.

21 Ultimate controlling party

The company is a wholly subsidiary of Simplepath Investments Limited (BVI incorporated entity). The ultimate controlling party is The Goodheart Trust, a trust established under the laws of the Isle of Man.

The smallest group in which the results of the company are consolidated is that headed by Divanyx Investments Limited, a company incorporated in the British Virgin Islands with its registered address at Craigmuir Chambers, PO Box 71, Road Town, Torola, VG1110 BVI. The largest group in which the results of the company are consolidated is that headed by Labtech Investments Limited, a company incorporated in Guernsey with its registered address at 4th Floor, West Wing, Trafalgar Court, Admiral Park, St Peter Port, Guernsey, GY1 2JA. The consolidated financial statements of these groups are not available to the public.