

Company Registration No. 04564796 (England and Wales)

LOWER RICHMOND PROPERTIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
PAGES FOR FILING WITH REGISTRAR



LOWER RICHMOND PROPERTIES LIMITED

COMPANY INFORMATION

Directors	R Virani Z Virani S Nasser
Company number	04564796
Registered office	28-30 St.John's Square London EC1M 4DN
Auditor	KLSA LLP Klaco House 28-30 St John's Square London EC1M 4DN
Bankers	Punjab National Bank International Limited 110 South Road Southall Branch Middlesex Southall UB1 1RB

LOWER RICHMOND PROPERTIES LIMITED

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LOWER RICHMOND PROPERTIES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

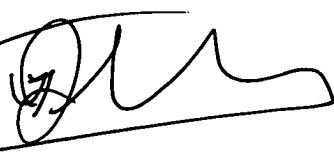
	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	4		55,536		6,040
Investment properties	5		7,950,000		7,096,500
Investments	6		2,775		2,775
			<u>8,008,311</u>		<u>7,105,315</u>
Current assets					
Debtors	8	2,663,148		2,585,577	
Cash at bank and in hand		26,981		33,980	
		<u>2,690,129</u>		<u>2,619,557</u>	
Creditors: amounts falling due within one year	9	(1,232,642)		(2,608,760)	
Net current assets			<u>1,457,487</u>		<u>10,797</u>
Total assets less current liabilities			<u>9,465,798</u>		<u>7,116,112</u>
Creditors: amounts falling due after more than one year	10		(2,015,329)		(2,093,620)
Provisions for liabilities	11		(1,159,855)		(796,271)
Net assets			<u>6,290,614</u>		<u>4,226,221</u>
Capital and reserves					
Called up share capital	13		10,000		10,000
Profit and loss reserves			6,280,614		4,216,221
Total equity			<u>6,290,614</u>		<u>4,226,221</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 7 July 2017 and are signed on its behalf by:

R Virani
Director



Company Registration No. 04564796

LOWER RICHMOND PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2015		10,000	3,926,983	787,501	4,724,484
Effect of transition to FRS 102		-	(3,926,983)	3,335,213	(591,770)
As restated		10,000	-	4,122,714	4,132,714
Year ended 31 December 2015:					
Profit and total comprehensive income for the year		-	-	93,507	93,507
Balance at 31 December 2015		10,000	-	4,216,221	4,226,221
Year ended 31 December 2016:					
Profit and total comprehensive income for the year		-	-	2,100,393	2,100,393
Dividends		-	-	(36,000)	(36,000)
Balance at 31 December 2016		10,000	-	6,280,614	6,290,614

Included in the profit and loss reserves are undistributable reserves amounting to £4m (2015:£3.9m).

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Lower Richmond Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 28-30 St. John's Square, London, EC1M 4DN.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

These financial statements for the year ended 31 December 2016 are the first financial statements of Lower Richmond Properties Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 16.

1.2 Business combinations

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.3 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern.

1.4 Turnover

Turnover represents amounts receivable from gross rents charged to tenants and the invoiced value of other goods and services supplied, net of value added tax. Rents received prior to the period to which they relate are accounted for as deferred income and released to the profit and loss account in the period to which the rent relates. Income is recognised as accommodation is provided to tenants.

1.5 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:

Fixtures, fittings & equipment	25% per annum reducing balance
Motor vehicles	25% per annum reducing balance

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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.

1.6 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 profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

Depreciation is provided only on those investment properties that are leasehold and where the unexpired lease term is than 20 years. Although this accounting policy is in accordance with the applicable standard, FRS 102, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors, compliance with the standard is necessary for the financial information to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount in respect of this which might otherwise have been shown cannot be separately identified or quantified.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities 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.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.8 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.

1.9 Cash and cash equivalents

Cash and cash equivalents 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.

1.10 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 balance sheet 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.

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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.

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, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

1.11 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.

1.12 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 profit and loss account 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.

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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. Deferred tax is charged or credited in the profit and loss account, 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.

1.13 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.16 Comparative information

As at 31 December 2016 shareholders loan of £473,998 was classified as current liabilities as there is no formal agreement and repayment terms in place. The same loan was reclassified from non-current liabilities to current liabilities accordingly in the comparative period.

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 0 (2015 - 0).

3 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	21,548	27,713
Adjustments in respect of prior periods	-	148
	<u>21,548</u>	<u>27,861</u>
Total current tax	<u>21,548</u>	<u>27,861</u>
Deferred tax		
Origination and reversal of timing differences	163,584	(9,267)
	<u>163,584</u>	<u>(9,267)</u>
Total tax charge	<u>185,132</u>	<u>18,594</u>

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2016	41,863
Additions	91,085
Disposals	(26,620)
	<u>106,328</u>
At 31 December 2016	<u>106,328</u>
Depreciation and impairment	
At 1 January 2016	35,823
Depreciation charged in the year	23,243
Eliminated in respect of disposals	(8,274)
	<u>50,792</u>
At 31 December 2016	<u>50,792</u>
Carrying amount	
At 31 December 2016	<u>55,536</u>
At 31 December 2015	<u>6,040</u>

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5 Investment property

	2016
	£
Fair value	
At 1 January 2016	7,096,500
Revaluations	853,500
	<u>7,950,000</u>
At 31 December 2016	<u>7,950,000</u>

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2016	2015
	£	£
Cost	3,169,517	3,169,517
Accumulated depreciation	-	-
	<u>3,169,517</u>	<u>3,169,517</u>
Carrying amount	<u>3,169,517</u>	<u>3,169,517</u>

The fair value of the investment properties are based on a valuation carried out on 9 June 2017 by directors. The valuation was made on an fair value basis.

6 Fixed asset investments

	2016	2015
	£	£
Investments	<u>2,775</u>	<u>2,775</u>

Movements in fixed asset investments

	Shares in group undertakings and participating interests £
Cost or valuation	
At 1 January 2016 & 31 December 2016	<u>2,775</u>
Carrying amount	
At 31 December 2016	<u>2,775</u>
At 31 December 2015	<u>2,775</u>

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Vista Property Investments Limited	England and Wales	Provision of services office accommodation	Ordinary	91.74	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Vista Property Investments Limited	1,519	93,227

8 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	19,704	8,484
Amounts due from related parties	2,616,519	2,553,080
Other debtors	26,925	24,013
	<u>2,663,148</u>	<u>2,585,577</u>

9 Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	110,451	122,295
Trade creditors	36,216	51,479
Corporation tax	21,546	27,713
Other taxation and social security	1,948	-
Other creditors	1,062,481	2,407,273
	<u>1,232,642</u>	<u>2,608,760</u>

The bank loans are secured by a first legal charge over the investment properties and by a floating charge over the other assets of the company.

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	1,995,013	2,093,620
Other creditors	20,316	-
	<u>2,015,329</u>	<u>2,093,620</u>

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>1,995,013</u>	<u>2,093,620</u>
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The bank loans are secured by a first legal charge over the investment properties and by a floating charge over the other assets of the company. Interest is charged at commercial rates and monthly instalment payments are made for both capital and interest.

11 Provisions for liabilities

	2016 £	2015 £
Dilapidation Provision	329,621	129,621
Deferred tax liabilities	12 830,234	666,650
	<u>1,159,855</u>	<u>796,271</u>

Movements on provisions apart from retirement benefits and deferred tax liabilities:

	Dilapidation Provision £
At 1 January 2016	129,621
Additional provisions in the year	200,000
At 31 December 2016	<u>329,621</u>

Included as part of the dilapidation provision is £129,621 which relates to the receipt of funds by way of compensation for the breach by a tenant of its covenants in the lease relating to the state and condition of the property in full and final settlement of those obligations. The provision will be utilised as dilapidation expenditure is incurred. During the year £Nil (2015: Nil) of dilapidation expenditure was incurred.

The £200,000 provision relates to a property dilapidation provision.

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

12 Deferred taxation

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

	Liabilities 2016 £	Liabilities 2015 £
Balances:		
Accelerated capital allowances	98,695	84,670
Revaluations	731,539	581,980
	<u>830,234</u>	<u>666,650</u>
Movements in the year:		2016 £
Liability at 1 January 2016		666,650
Charge to profit or loss		163,584
Liability at 31 December 2016		<u>830,234</u>

13 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

14 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Shilpa Chheda.
The auditor was KLSA LLP.

15 Related party transactions

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

15 Related party transactions

(Continued)

The company had the following related party transactions:

At 31 December 2016, debtors included amount due from Vista (London) Limited of £2,100,000 (2015: £2,100,000) and Lakewater Properties Limited of £Nil (2015: £1,600), companies in which Z Virani has significant influence.

At 31 December 2016, under creditors amounts falling due within one year, other creditors included amounts due to Abbeybay Properties Limited of £1,173 (2015: Nil), Riverbank House Limited of £377,033 (2015: £377,033) and Dowgate Limited £Nil (2015: £67,053), companies in which the directors has an interest. It also included interest free loan to the company from the following shareholders:

Mr Z G Virani amounting to £178,265 (2015: £178,265)

Ms F Virani amounting to £82,995 (2015: £82,995)

Mrs S Nasser amounting to £212,738 (2015: £212,738).

During the year dividend of £1,260,623 (2015: £Nil) was received from Vista Property Investments Limited, a company in which Lower Richmond Properties Limited has a significant shareholding.

Recharged costs of £151,000 (2015: £Nil) and management fees of £50,000 (2015: £Nil) were received from companies in which Z Virani has significant influence.

16 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 January 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP		4,724,484	4,808,201
Adjustments arising from transition to FRS 102:			
Deferred tax on revaluation	2	(591,770)	(581,980)
Equity reported under FRS 102		<u>4,132,714</u>	<u>4,226,221</u>

Reconciliation of profit for the financial period

	Notes	2015 £
Profit as reported under previous UK GAAP		83,717
Adjustments arising from transition to FRS 102:		
Deferred tax on revaluation	2	9,790
Profit reported under FRS 102		<u>93,507</u>

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

16 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of equity

Notes	At 1 January 2015			At 31 December 2015		
	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Fixed assets						
Tangible assets	-	-	-	6,040	-	6,040
Investment properties	7,104,461	-	7,104,461	7,096,500	-	7,096,500
Investments	1,415,912	-	1,415,912	2,775	-	2,775
	<u>8,520,373</u>	<u>-</u>	<u>8,520,373</u>	<u>7,105,315</u>	<u>-</u>	<u>7,105,315</u>
Current assets						
Debtors	30,768	-	30,768	2,585,577	-	2,585,577
Bank and cash	38,351	-	38,351	33,980	-	33,980
	<u>69,119</u>	<u>-</u>	<u>69,119</u>	<u>2,619,557</u>	<u>-</u>	<u>2,619,557</u>
Creditors due within one year						
Loans and overdrafts	(105,748)	-	(105,748)	(122,295)	-	(122,295)
Taxation	(50,058)	-	(50,058)	(27,713)	-	(27,713)
Other creditors	(754,488)	-	(754,488)	(2,458,752)	-	(2,458,752)
	<u>(910,294)</u>	<u>-</u>	<u>(910,294)</u>	<u>(2,608,760)</u>	<u>-</u>	<u>(2,608,760)</u>
Net current (liabilities)/ assets	<u>(841,175)</u>	<u>-</u>	<u>(841,175)</u>	<u>10,797</u>	<u>-</u>	<u>10,797</u>
Total assets less current liabilities	<u>7,679,198</u>	<u>-</u>	<u>7,679,198</u>	<u>7,116,112</u>	<u>-</u>	<u>7,116,112</u>
Creditors due after one year						
Loans and overdrafts	(2,740,946)	-	(2,740,946)	(2,093,620)	-	(2,093,620)
Provisions for liabilities						
Deferred tax 2	(84,147)	(591,770)	(675,917)	(84,670)	(581,980)	(666,650)
Other provisions	(129,621)	-	(129,621)	(129,621)	-	(129,621)
	<u>(213,768)</u>	<u>(591,770)</u>	<u>(805,538)</u>	<u>(214,291)</u>	<u>(581,980)</u>	<u>(796,271)</u>
Net assets	<u>4,724,484</u>	<u>(591,770)</u>	<u>4,132,714</u>	<u>4,808,201</u>	<u>(581,980)</u>	<u>4,226,221</u>

LOWER RICHMOND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

16 Reconciliations on adoption of FRS 102

(Continued)

	Notes	At 1 January 2015			At 31 December 2015		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
		£	£	£	£	£	£
Capital and reserves							
Share capital		10,000	-	10,000	10,000	-	10,000
Revaluation reserve	1	3,926,983	(3,926,983)	-	3,926,983	(3,926,983)	-
Profit and loss		787,501	3,335,213	4,122,714	871,218	3,345,003	4,216,221
Total equity		4,724,484	(591,770)	4,132,714	4,808,201	(581,980)	4,226,221

Reconciliation of profit for the financial period

	Notes	Year ended 31 December 2015		
		Previous UK GAAP	Effect of transition	FRS 102
		£	£	£
Turnover		354,714	-	354,714
Administrative expenses		(183,842)	-	(183,842)
Interest payable and similar expenses		(58,771)	-	(58,771)
Taxation	2	(28,384)	9,790	(18,594)
Profit for the financial period		83,717	9,790	93,507

Notes to reconciliations on adoption of FRS 102

Note 1 - Investment Properties

Under previous UK GAAP, the Company accounted for changes in fair value of the properties under a separate revaluation reserve. On transition to FRS 102 the changes in fair value are recognised in the profit and loss account. Increase in fair value of properties of £3,926,983 has been recognised in the profit and loss account on transition.

Note 2 - Deferred Taxation

Under previous UK GAAP the Company was not required to provide for taxation on revaluations, unless the Company had entered into a binding sale agreement and recognised the gain or loss expected to arise. Under FRS 102 deferred taxation is provided on the temporary difference arising from the revaluation. A deferred tax charge of £591,770 arose on transition to FRS 102.