

Office & General Group Limited

Financial Statements

Year ending 31 March 2016

THURSDAY



A5LEXX1L

A16

08/12/2016

#330

COMPANIES HOUSE

Office & General Group Limited
Registered No. 05843558

Directors

M Rajain (Appointed 7 September 2015)
V Sultania (Appointed 7 September 2015)

Auditors

Menzies LLP
Chartered Accountants
Centrum House
36 Station Road
Egham
Surrey
TW20 9LF

Registered Office

2nd Floor
No 1 Farriers Yard
77-85 Fulham Palace Road
London
W6 8AH

Strategic report

The directors present their strategic report for the period ended 31 March 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is a holding company and the principal activity of its subsidiary undertaking, Office and General Environmental Services Limited, during the year continues to be the management and delivery of office and industrial cleaning and associated support services, and the provision of refurbishment and repairs and maintenance solutions for properties.

The subsidiary company has achieved an operating profit before exceptional items of £635,382 (2015: £987,181), and an EBITDA of £410,497 (2015: £579,812). Gross Profit Margin % decreased by 1.1% to 10.6%, due to the change in the mix of work being delivered and entering new market sectors.

The subsidiary company's exceptional item of £224,885 in the year relates to £157,424 of payments by the company on guarantees given to suppliers to another group company that went into administration during previous year and £67,461 relating to Project Orient costs, these were costs incurred during acquisition of Office and General by Mortice. (2015: £407,369 related to £272,090 of payments by the company on guarantees and £135,279 relating to refinancing/restructuring and strategic options review costs).

Mortice Limited acquired Office & General Group Limited and its subsidiaries on 7th September 2015. As a result, banking arrangements for the company were moved from Royal Bank of Scotland to Barclays. The company expects to benefit from its new position as a member of an international facilities management group in both winning and retaining work. In addition, the company should also benefit from cross-selling opportunities between existing group clients.

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using Key Performance Indicators is not necessary for an understanding of the development, performance or position of the entity.

FUTURE DEVELOPMENTS

The company continues to invest in strengthening the senior management team and business development function. We now have a clear strategy to focus on 6 core market sectors and as we continue to develop these we will evolve into an operational sector focused organisation.

The directors therefore consider that the company is well placed and prepared to continue its growth in revenues in future periods.

KEY PERFORMANCE INDICATORS

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole turnover and profit margins. These have been discussed in the Business Review above.

PRINCIPAL RISKS AND UNCERTAINTIES

All comments regarding future plans reflect the knowledge and information available to the Directors at the date of this review and may be subject to the effect of unforeseen future events outside of their control.

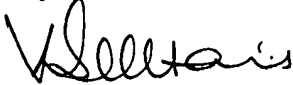
FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations. In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The business makes use of money market facilities where funds are available.

Strategic report

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors. Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

By order of the Board



V Sultania
Director

Date: 14/10/16

Directors' report

The directors present their report and financial statements for the period ended 31 March 2016.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £325,012. The directors have not recommended a dividend.

DIRECTORS

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

| | |
|------------|------------------------------|
| G M Scott | (Resigned 7 September 2015) |
| J Smith | (Resigned 7 September 2015) |
| M Rajain | (Appointed 7 September 2015) |
| V Sultania | (Appointed 7 September 2015) |

EVENTS AFTER THE REPORTING PERIOD

There have been no significant events after the reporting period requiring disclosure.

There have been no dividends declared or proposed during this time.

GOING CONCERN

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"). 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' report

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DONATIONS

During the year the company made the following contributions:

No charitable donations were made during the year (2015: £nil).

No political donations were made during the year (2015: £nil).

PAYMENTS OF CREDITORS

The Companies Act 2006, as amended, requires the company to make a statement of its policy and practice on the payment of creditors.

It is, and will continue to be, the policy of the company to negotiate with suppliers so as to obtain the best available terms taking account of quality, delivery, price and period settlement and, having agreed those terms, to abide by them.

DISABLED EMPLOYEES

The company's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

Disabled employees receive appropriate training to promote their career development within the company.

Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

EMPLOYEE INVOLVEMENT

Regular meetings are held between senior management and employee representatives to discuss matters of concern. Employees are kept well-informed about the progress and position of the company by means of regular departmental meetings, newsletters and journals.

STRATEGIC REPORT

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

AUDITOR

Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Directors' report

By order of the Board

M Rajin
Director

Date: 14/10/16

Auditors' report

We have audited the financial statements of Office & General Group Limited for the year ended 31 March 2016 on pages 9 to 20. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As explained more fully in the Director's Responsibilities Statement set out on page 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Auditors' report

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Menzies LLP

Centrum House
36 Station Road
Egham
Surrey TW20 9LF

JULIE ADAMS FCA (Senior Statutory Auditor)
For and on behalf of MENZIES LLP
Chartered Accountants & Statutory Auditor

26/10/16

Profit and loss and other comprehensive income

for the year ended 31 March 2016

| | Notes | 2016 £ | 2015 £ |
|---|---------|----------------|------------------|
| Revenue | | - | - |
| Administrative expenses | | - | (15,438) |
| Exceptional income | 350,103 | 350,103 | 550,666 |
| Profit on disposal of fixed assets | | - | 482,643 |
| Operating profit / (loss) | | <u>350,103</u> | <u>1,017,871</u> |
| Attributable to: | | | |
| Operating profit before exceptional items | | - | 467,205 |
| Exceptional items | 350,103 | 350,103 | 550,666 |
| | | <u>350,103</u> | <u>1,017,871</u> |
| Finance income | 5 | - | - |
| Finance costs | 5 | (25,091) | (162,779) |
| Profit/(loss) before taxation for the period | | <u>325,012</u> | <u>855,092</u> |
| Income tax expense | 6 | - | (1,802) |
| Profit/(loss) for the year | 10 | <u>325,012</u> | <u>853,290</u> |
| Profit/(loss) for the period attributable to equity holders of the company | 10 | <u>325,012</u> | <u>853,290</u> |
| Other comprehensive income: | | | |
| Other comprehensive income for the period, net of tax | | - | - |
| Total comprehensive income for the period, attributable to equity holders of the company | 10 | <u>325,012</u> | <u>853,290</u> |

All amounts relate to continuing operations.

A statement of the movement on reserves is given in note 10.

Statement of financial position

As at 31 March 2016

| | | 31 March 2016 | 31 March 2015 | 31 March 2014 |
|--|-------|------------------|------------------|------------------|
| | Notes | £ | £ | £ |
| Assets | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 7 | - | - | 772,325 |
| Investments | 8 | 7,757,325 | 7,757,325 | 7,787,325 |
| | | <u>7,727,325</u> | <u>7,757,325</u> | <u>8,559,650</u> |
| Current assets | | | | |
| Cash and short-term deposits | 9 | 3 | 3 | 153 |
| | | <u>3</u> | <u>3</u> | <u>153</u> |
| Total assets | | <u>7,757,328</u> | <u>7,757,328</u> | <u>8,559,803</u> |
| Equity and liabilities | | | | |
| Equity | | | | |
| Issued capital | 10 | 72,288 | 72,288 | 72,288 |
| Share premium account | | 57,948 | 57,948 | 57,948 |
| Other capital reserves | 10 | 2,279,264 | 2,279,264 | - |
| Retained earnings | 10 | 1,559,667 | 1,234,655 | 381,365 |
| Total equity attributable to equity holders of the parent | | <u>3,969,167</u> | <u>3,644,155</u> | <u>511,601</u> |
| Liabilities | | | | |
| Non-current Liabilities | | | | |
| Trade and Other Payables | 13 | 3,760,865 | 4,098,566 | 7,664,732 |
| | | <u>3,760,865</u> | <u>4,098,566</u> | <u>7,664,732</u> |
| Current liabilities | | | | |
| Trade and other payables | 12 | 27,296 | 14,607 | 383,470 |
| Income tax payable | | - | - | - |
| | | <u>27,296</u> | <u>14,607</u> | <u>383,470</u> |
| Total equity and liabilities | | <u>7,757,328</u> | <u>7,757,328</u> | <u>8,559,803</u> |

M Rajan
Director

Date: 14/10/16

Statement of changes in equity

for the year ended 31 March 2016

| | <i>Issued capital</i> £ | <i>Share Premium</i> £ | <i>Capital reserves</i> £ | <i>Retained earnings</i> £ | <i>Total equity</i> £ |
|-----------------------------------|--------------------------------|-------------------------------|----------------------------------|-----------------------------------|--------------------------|
| As at 1 April 2014 | 72,288 | 57,948 | - | 381,365 | 511,601 |
| Contributions | - | - | 2,279,264 | - | 2,279,264 |
| Profit for the period | - | - | - | 853,290 | 853,290 |
| Total comprehensive income | - | - | - | 853,290 | 853,290 |
| As at 1 April 2015 | 72,288 | 57,948 | 2,279,264 | 1,234,655 | 3,644,155 |
| Profit for the period | - | - | - | 325,012 | 325,012 |
| Total comprehensive income | - | - | - | 325,012 | 325,012 |
| At 31 March 2016 | 72,288 | 57,948 | 2,279,264 | 1,559,667 | 3,969,167 |

Notes to the financial statements

for the period ended 31 March 2016

1. Corporate information

The financial statements of Office & General Group Limited for the year ended 31 March 2016 were authorised for issue in accordance with a resolution of the directors on 14/10/2016

Office & General Group Limited is a limited company incorporated and domiciled in the United Kingdom. The registered office is located at 2nd Floor, No 1 Farriers Yard, 77-85 Fulham Palace, Road, London, W6 8AH.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

For all periods up to and including the year ended 31 March 2015, the Company prepared its financial statements in accordance with local generally accepted accounting principles (Local GAAP). These financial statements for the year ended 31 March 2016 are the first the Company has prepared in accordance with IFRS.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in sterling.

2.2 Summary of significant accountancy policies

The following are the significant accounting policies applied by the Company in preparing its financial statements:

2.2.1 Tangible fixed assets

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold Property — 4% Straight Line

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period end and adjusted prospectively, if appropriate.

2.2.2 Financial Instruments

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Notes to the financial statements

for the period ended 31 March 2016

2.2 Summary of significant accountancy policies *continued*

2.2.3 Financial liabilities

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

2.2.4 Current tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustments to tax payable in respect of previous years.

2.3 First-time adoption of IFRS

These financial statements, for the year ended 31 March 2016, are the first the company has prepared in accordance with IFRS. For periods up to and including the year ended 31 March 2015, the company prepared its financial statements in accordance with local generally accepted accounting principle (Local GAAP).

Accordingly, the company has prepared financial statements which comply with IFRS applicable for year ending on or after 31 March 2016 together with the comparative period data as at and for the year ended 31 March 2015, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening statement of financial position was prepared as at 31 March 2014, the company's date of transition to IFRS. This note explains the principal adjustments made by the company in restating its Local GAAP financial statements, including the statement of financial position as at 31 March 2014 and the statement of financial statements as at and for the year ended 31 March 2015.

3. Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The potential impact of these changes can not yet be reliably measured

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations: 1 January 2016

IFRS 7 Financial instruments: Disclosure : 1 January 2016/IFRS 9 effective date

IFRS 9 Financial Instruments (issued October 2010) : 1 January 2018

IFRS 10 Consolidated Financial Statements : 1 January 2016

IFRS 11 Joint Arrangements : 1 January 2016

IFRS 12 Disclosure of Interests in Other Entities : 1 January 2016

IFRS 14 Regulatory Deferral Accounts : 1 January 2016

IFRS 15 Revenue from Contracts with Customers : 1 January 2018

IFRS 16 Leases : 1 January 2019

IFRS for Small and Medium-sized Entities : 1 January 2017

IAS 1 Presentation of Financial Statements : 1 January 2016

IAS 7 Statement of Cash Flows : 1 January 2017

IAS 12 Income Taxes : 1 January 2017

IAS 16 Property plant and equipment : 1 January 2016

IAS 19 Employee benefits : 1 January 2016

IAS 27 Separate Financial Statements : 1 January 2016

IAS 28 Investments in Associates and Joint Ventures : 1 January 2016

IAS 34 Interim Financial Reporting : 1 January 2016

IAS 38 Intangible assets : 1 January 2016

IAS 39 Financial instruments: IFRS 9 effective date

IAS 41 Agriculture : 1 January 2016

Notes to the financial statements

for the period ended 31 March 2016

4. Financial risk management objectives and policies

The Company's principal financial statements comprise cash and bank borrowings. The fair values of these instruments are not materially different from their book values.

Transactions in financial instruments result in the Company assuming or transferring to another party one or more of the financial risks described below.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company closely monitors its access to bank and other credit facilities in comparison to its outstanding commitments to ensure it has sufficient funds to meet its obligations as they fall due. The Company's finance function prepares and reviews management accounts on a quarterly basis, so that the management can ensure that sufficient financing is in place as it is required.

Maturity Analysis

The table below analyses the Company's financial liabilities basis based on amount outstanding at the statement of financial position date up to maturity date:

31 March 2016

| | Less than 6 months | Between 6 months and 1 year | Between 1 and 5 years | Over 5 years | Total |
|--|-----------------------|-----------------------------------|-----------------------------|-----------------|-----------|
| | £ | £ | £ | £ | £ |
| Loans | - | - | 1,150,000 | - | 1,150,000 |
| Amounts owed to fellow group undertakings | - | - | 2,610,865 | - | 2,610,865 |
| Accruals | - | 27,296 | - | - | 27,296 |
| Total liabilities | - | 27,296 | 3,760,865 | - | 3,788,161 |

31 March 2015

| | Less than 6 months | Between 6 months and 1 year | Between 1 and 5 years | Over 5 years | Total |
|--|-----------------------|-----------------------------------|-----------------------------|-----------------|-----------|
| | £ | £ | £ | £ | £ |
| Preference shares | - | 1,275,873 | - | - | 1,275,873 |
| Amounts owed to fellow group undertakings | - | - | 2,508,065 | - | 2,508,065 |
| Accruals | - | 14,607 | 314,628 | - | 329,235 |
| Total liabilities | - | 1,290,480 | 2,822,693 | - | 4,113,173 |

Interest rate risk

There are loans payable bearing a fixed rate of interest. A sensitivity analysis has been performed on the interest rates applicable to the Company's loans, with no material impact being identified.

Notes to the financial statements

for the period ended 31 March 2016

4. Financial risk management objectives and policies *continued*

The table below shows the Company's financial assets and liabilities split by those bearing fixed and floating rates and those that are non-interest bearing:

31 March 2016

| | Fixed rate £ | Floating rate £ | Non-interest bearing £ | Total £ |
|---|--------------------|-----------------------|------------------------------|------------|
| Cash and cash equivalents | - | 3 | - | 3 |
| Total assets | - | 3 | - | 3 |
| Amounts owed to fellow group undertakings | - | - | 2,610,865 | 2,610,865 |
| Loans payable | 1,150,000 | - | - | 1,150,000 |
| Other payables and accruals | - | - | 27,296 | 27,296 |
| Total liabilities | 1,150,000 | - | 2,638,161 | 3,788,161 |

31 March 2015

| | Fixed rate £ | Floating rate £ | Non-interest bearing £ | Total £ |
|---|--------------------|-----------------------|------------------------------|------------|
| Cash and cash equivalents | - | 3 | - | 3 |
| Total assets | - | 3 | - | 3 |
| Preference shares | 1,275,873 | - | - | 1,275,873 |
| Amounts owed to fellow group undertakings | - | - | 2,508,065 | 2,508,065 |
| Other payables and accruals | - | - | 329,235 | 329,235 |
| Total liabilities | 1,275,873 | - | 2,837,300 | 4,113,173 |

Notes to the financial statements

for the period ended 31 March 2016

5. Other income/expenses and adjustments

Finance costs

| | 2016 | 2015 |
|--|---------------|----------------|
| | £ | £ |
| Bank interest | - | 7,300 |
| Interest payable on loans | 25,091 | 30,221 |
| Finance charges on shares classed as financial liabilities | - | 95,258 |
| | <u>25,091</u> | <u>132,779</u> |

6. Income Tax

The major components of income tax expense for the year ended 31 March 2016 and the period ended 31 March 2015 are:

| | Year ended 31 Mar 2016 | Year ended 31 Mar 2015 |
|---------------------|---------------------------|---------------------------|
| | £ | £ |
| Current income tax: | | |
| UK Corporation tax | - | 1,802 |
| | <u>-</u> | <u>1,802</u> |
| Total current tax | - | 1,802 |

| | Year ended 31 Mar 2016 | Year ended 31 Mar 2015 |
|---|---------------------------|---------------------------|
| | £ | £ |
| Accounting profit before income tax | 325,012 | 855,092 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 21%) | <u>65,002</u> | <u>179,569</u> |
| Effects of: | | |
| Capital allowances in excess of depreciation | (292) | (376) |
| Non-deductible expenses | - | 6,540 |
| Preference share dividends not taxable | (70,021) | (95,656) |
| Transfer pricing adjustment | (14,994) | 11,025 |
| Group relief | 20,305 | (9,743) |
| Profit on disposal of fixed assets | - | (101,355) |
| Chargeable gain | - | 19,864 |
| Utilisation of losses brought forward | - | (27,573) |
| | <u>-</u> | <u>1,802</u> |

Notes to the financial statements

for the period ended 31 March 2016

7. Property, plant and equipment

| | <i>Freehold property £</i> |
|------------------|------------------------------------|
| Cost: | |
| At 1 April 2014 | 808,575 |
| Disposals | (808,575) |
| At 1 April 2015 | - |
| At 31 March 2016 | - |
| Depreciation: | |
| At 1 April 2014 | 36,250 |
| Disposals | (36,250) |
| At 1 April 2015 | - |
| At 31 March 2016 | - |
| Net book value | |
| At 31 March 2016 | - |
| At 31 March 2015 | - |

8. Investments

| | <i>Group Companies £</i> |
|---|----------------------------------|
| Cost: | |
| At 31 March 2014 | 7,787,325 |
| At 31 March 2015 | 7,757,325 |
| At 31 March 2016 | 7,757,325 |
| Amounts written off: | |
| Written off in year ended 31 March 2014 | 30,000 |
| At 31 March 2016 | - |
| Net book value | |
| At 31 March 2016 | 7,757,325 |
| At 31 March 2015 | 7,757,325 |

Notes to the financial statements

for the period ended 31 March 2016

8. Investments continued

At 31 March 2016, the Company has the following issued share and voting rights capital of the following subsidiary undertakings:

| Name of subsidiary | Country of incorporation | Holding | Proportion of ownership | Principal activity |
|---|--------------------------|----------|-------------------------|-------------------------------|
| Office & General Environmental Services Limited | United Kingdom | Ordinary | 100% | Cleaning and related services |
| Office & General London Limited | United Kingdom | Ordinary | 100% | Dormant |

Office & General London Limited was dissolved on 7th June 2016.

9. Cash and short-term deposits

| | 2016 £ | 2015 £ |
|---------------------------|-----------|-----------|
| Cash at bank and on hand | 3 | 3 |
| Cash and cash equivalents | 3 | 3 |

Cash at banks earns interest at floating rates based on daily bank deposit rates.

10. Issued share capital and reserves

Authorised shares

| | No. | 2016 £ | No. | 2015 £ |
|---|--------|-----------|--------|-----------|
| <i>Allotted, called up and fully paid</i> | | | | |
| Ordinary shares of £1 each | 72,288 | 72,288 | 72,288 | 72,288 |

There are no authorised shares unissued or issued shares which are not fully paid.

Reconciliation of shareholders' funds and movements on reserves

| Note | Issued capital £ | Share Premium £ | Capital Reserves £ | Retained earnings £ | Total £ |
|-----------------------|---------------------|--------------------|-----------------------|------------------------|------------|
| At 1 April 2014 | 72,288 | 57,948 | - | 381,365 | 511,601 |
| Profit for the year | - | - | - | 853,290 | 853,290 |
| Contributions | - | - | 2,279,264 | - | 2,279,264 |
| At 31 March 2015 | 72,288 | 57,948 | 2,279,264 | 1,234,655 | 3,644,155 |
| Profit for the period | - | - | - | 325,012 | 325,012 |
| At 31 March 2016 | 72,288 | 57,948 | 2,279,264 | 1,559,667 | 3,969,167 |

Notes to the financial statements

for the period ended 31 March 2016

11. Distributions made and proposed

The directors have not proposed or paid a dividend in respect to the period ended 31 March 2016.

12. Trade and other payables (current)

| | 2016 £ | 2015 £ |
|-----------------------------|---------------|---------------|
| Other payables and accruals | 27,296 | 14,607 |
| | <u>27,296</u> | <u>14,607</u> |

13. Trade and other payables (non-current)

| | 2016 £ | 2015 £ |
|---|------------------|------------------|
| Shares classed as financial liabilities | - | 1,275,873 |
| Other payables and accruals | - | 314,628 |
| Loan notes | 1,150,000 | - |
| Amounts owed to group undertakings | 2,610,865 | 2,508,065 |
| | <u>3,760,865</u> | <u>4,098,566</u> |

14. Financial liabilities

| | Effective interest rate % | Maturity | 2016 £ | 2015 £ |
|--|---------------------------------|------------|------------------|-----------|
| Non-current interest-bearing loans and borrowings | | | | |
| Loan Notes | 4% | 31/12/2020 | 1,150,000 | - |
| Total non-current interest-bearing loans and borrowings | | | <u>1,150,000</u> | <u>-</u> |

Notes to the financial statements

for the period ended 31 March 2016

15. Related party disclosures

Note 8 above provides the information about the subsidiaries and the Company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period.

| | | <i>Amounts owed by related parties £</i> | <i>Amounts owed to related parties £</i> |
|--------------------------------|------|--|--|
| Parent company: | | | |
| Tenon Facilities (UK) | 2016 | - | 100,000 |
| Management Limited | 2015 | - | - |
| Other related parties: | | | |
| Office & General | 2016 | - | 2,510,865 |
| Environmental Services Limited | 2015 | - | 2,508,065 |

Transactions with key management personnel

The amounts disclosed in the table below are the amounts recognised as an expense during the reporting period related to key management personnel.

| | <i>2016 £</i> | <i>2015 £</i> |
|--------------|-------------------|-------------------|
| Remuneration | - | - |

16. Events after the reporting period

There have been no significant events after the reporting period requiring disclosure.

There have been no dividends declared or proposed during this time.

17. Immediate, ultimate parent company and controlling party

The ultimate parent company and controlling party is Mortice Limited, a company registered in Singapore.