

Company Registration No. 09967301

MedicX Properties Otley Ltd
(formerly known as One Medical Otley Limited)

Directors' report and financial statements
For the eighteen month period ended 30 September 2018



Contents page

Company information	1
Directors' report	2
Independent Auditor's Report to the members of MedicX Properties Otley Ltd	4
Statement of profit and loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10

MedicX Properties Otley Ltd

Company information

Directors

Michael Beverley	(resigned 8 June 2018)
Rachel Beverley-Stevenson	(resigned 8 June 2018)
Mark Woodall	(appointed 8 June 2018, Resigned 14 March 2019)
IAG Limited	(appointed 8 June 2018, Resigned 14 March 2019)
Richard Howell	(appointed 14 March 2019)
Harry Abraham Hayman	(appointed 14 March 2019)
Paul Simon Kent Wright	(appointed 14 March 2019)

Registered Office

5th Floor,
Greener House,
66-68 Haymarket,
London,
SW1Y 4RF

Secretary

Nexus Management Services Limited
5th Floor,
Greener House,
66-68 Haymarket,
London,
SW1Y 4RF

Auditor

BDO LLP
Central Square
29 Wellington Street
Leeds
LS1 4DL

Principal Banker

Santander
1st Floor
44 Merrion Street
Leeds
LS2 8JQ

Solicitor

Pinsent Masons
30 Crown Place
Earl Street
London
EC2A 4ES

MedicX Properties Otley Ltd

Directors' report

The directors present their report and the financial statements of MedicX Properties Otley Ltd (the "Company") for the eighteen month period ended 30 September 2018.

On 8 June 2018 the company changed its name from One Medical Otley Ltd to MedicX Properties Otley Ltd.

During the period the company adopted Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

The company changed accounting reference date in the period to align with the new intermediate parent company, MedicX Fund Limited.

Principal activity

The Company's principal activity is investment in primary healthcare properties in the United Kingdom.

The investment objective is to achieve rising rental income and capital growth from the ownership of mainly modern, purpose built, primary healthcare properties in the United Kingdom.

Results and Dividend

The results for the period are shown on page 7.

The directors do not recommend payment of a dividend for the period and no dividends have been declared.

Directors

The directors who served during the period and to date are listed on page 1.

Statement of Directors' Responsibilities in respect of the Directors' report and the Financial Statements

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 the directors have prepared the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS101 *Reduced Disclosure Framework*.

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 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 relating 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

MedicX Properties Otley Ltd Directors' Report

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.

Auditor


Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

Provision of information to Auditor

So far as each of the directors is aware at the time the Directors' report is approved:

- there is no relevant audit information of which the Company's auditor is not aware; and
- the directors have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors have taken advantage of the exemption provided by section 414B of the Companies Act 2006 for the requirement to prepare a Strategic Report for the period.



Richard Howell
Director

Date: 25 April 2019

Independent Auditor's Report to the members of MedicX Properties Otley Ltd

Opinion

We have audited the financial statements of MedicX Properties Otley Ltd ("the Company") for the period ended 30 September 2018 which comprise the statement of profit and loss and other comprehensive income, the statement of financial position and the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2018 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Independent Auditor's Report to the members of MedicX Properties Otley Ltd

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

We have nothing to report in respect of the following matters in relation to which 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;
- the Directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for 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 the Directors 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

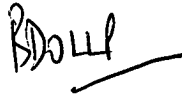
A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditor's Report to the members of MedicX Properties Otley Ltd

Use of our report

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.



Paul Davies (Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor
Chartered Accountants
Leeds
United Kingdom
26 April 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

MedicX Properties Otley Ltd
Statement of profit and loss and other comprehensive income
For the period ended 30 September 2018

	Notes	Eighteen month period ended 30 Sept 2018 £	Period ended 31 Mar 2017 £
Turnover: property income	1,2	194,911	128,192
Administrative expenses		(123,057)	(37,984)
Net gain on revaluation of investment properties	8	594,600	218,400
Operating profit	3	666,454	318,608
Finance income	5	34	-
Finance costs	6	(50,810)	(38,213)
Profit on ordinary activities before taxation		615,678	280,395
Taxation	7	48,073	(49,527)
Profit for the period		663,751	230,868
Other comprehensive income for the period		-	-
Total comprehensive income for the period		663,751	230,868

The accompanying notes from pages 10 to 18 form part of the financial statements.

All amounts in the above statement are derived from continuing operations.

MedicX Properties Otley Ltd
Statement of financial position
As at 30 September 2018

Company registration no: 09967301

	Notes	As at 30 Sept 2018 £	As at 31 Mar 2017 £
Fixed assets			
Investment properties	8	2,841,000	2,246,400
		<u>2,841,000</u>	<u>2,246,400</u>
Current assets			
Debtors	9	47,991	22,640
Cash and cash equivalents	10	165,669	112
		<u>213,660</u>	<u>22,752</u>
Current liabilities			
Creditors: amounts falling due within one year	11	(969,626)	(750,740)
Net current liabilities		<u>(755,966)</u>	<u>(727,988)</u>
Total assets less current liabilities		<u>2,085,034</u>	<u>1,518,412</u>
Creditors: amounts falling due after more than one year	12	(1,190,316)	(1,250,316)
Deferred tax liability	13	-	(37,128)
Net assets		<u>894,718</u>	<u>230,968</u>
Capital and reserves			
Called up share capital	14	100	100
Retained earnings	15	894,618	230,868
Equity shareholder's funds		<u>894,718</u>	<u>230,968</u>

The accompanying notes from pages 10 to 18 form part of the financial statements.

The financial statements were approved and authorised for issue by the board of directors on 25 April 2019 and were signed on its behalf by:



Richard Howell
Director

MedicX Properties Otley Ltd
Statement of changes in equity
For the period ended 30 September 2018

		Share capital £	Retained earnings £	Total £
Shares issued	14	100	-	100
Transactions with owners		100	-	100
Profit for the period		-	230,868	230,868
Total comprehensive income for the period		-	230,868	230,868
31 March 2017		100	230,868	230,968
Profit for the period		-	663,751	663,751
Total comprehensive income for the period		-	663,751	663,751
30 September 2018		100	894,618	894,718

The accompanying notes from pages 10 to 18 form part of the financial statements.

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

1. Principal accounting policies

The company is a private company limited by shares domiciled and incorporated in England and Wales under Companies Act 2006. The registered office is 5th Floor, Greener House, 66-68 Haymarket, London, England, SW1Y 4RF.

Basis of preparation and statement of compliance

These financial statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). The financial statements are prepared under the historical cost convention modified to include the revaluation of investment properties.

The functional and presentational currency of the Company is sterling.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Financial Reporting Standard 102. The Company has adopted FRS 101.

There has been no impact on the financial position, financial performance and cash flows of the company on the transition from FRS102 to FRS101.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- a) the requirements of IFRS 7 'Financial Instruments: Disclosures';¹
- b) the requirement of paragraphs 91-99 of IFRS 13 'Fair Value Measurement';¹
- c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - i) paragraph 79(a)(iv) of IAS 1 'Presentation of Financial Statements';
 - ii) paragraphs 76 and 79(d) of IAS 40 'Investment Property';
- d) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 'Presentation of Financial Statements';
- e) the requirements of IAS 7 'Statement of Cash Flows';
- f) the requirements of paragraph 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'; and
- g) the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

¹ The equivalent disclosures are included in the consolidated financial statements of the Company's intermediate parent company, MedicX Fund Limited, drawn up to 30 September 2018.

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

1. Principal accounting policies (continued)

Going concern

The financial statements have been prepared on the going concern basis, notwithstanding the Company's Statement of Financial Position showing net current liabilities of £755,966, which the directors believe to be appropriate for the following reason.

The Company is dependent for its working capital on funds provided to it by Primary Health Properties PLC ("PHP"), the Company's ultimate parent undertaking. PHP has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Revenue recognition

Property income comprises rent receivable. Rent receivable comprises rent for the period in relation to the Company's investment properties exclusive of Value Added Tax. Rent is recognised on a straight line basis over the period of the lease. Rent is accrued for any outstanding rent reviews from the date that the review was due. Incentives offered to tenants to enter into lease agreements are amortised on a straight line basis over the remaining lease term. Any premium due to the Company payable by tenants is recognised on a straight line basis over the full lease term. Fixed uplifts during the lease term are recognised on a straight line basis over the full lease term.

Finance income from cash balances held at banks is included in the financial statements as it is earned.

Expenses

All expenses are accounted for on an accruals basis.

Finance costs

Borrowing costs are taken to the Statement of profit and loss and other comprehensive income in the period to which they relate on an accruals basis in accordance with the effective interest method, except where they relate to properties under construction in which case borrowing costs are capitalised.

Operating leases

Leases in which substantially all risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the Statement of profit and loss and other comprehensive income on a straight-line basis over the period of the lease.

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

1. Principal accounting policies (continued)

Investment properties

The Company's completed investment properties are held for long-term investment. Freehold and long leasehold properties acquired are initially recognised at cost, being fair value of consideration payable including transaction costs associated with the property. After initial recognition, investment properties are measured at fair value, with unrealised gains and losses recognised in the Statement of profit and loss and other comprehensive income. Both the base costs and revaluations take account of core fixtures and fittings.

The fair value of completed investment properties is based upon the valuation appraisals provided by Jones Lang LaSalle Limited, an independent firm of chartered surveyors, as at each period end, adjusted as appropriate for costs to complete.

Taxation

The tax liability represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the period and tax rates and laws that are in force or substantially enacted at the balance sheet date.

Deferred tax is the tax that may become payable or recoverable on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are recognised for all taxable temporary differences with the following exceptions:

- deferred tax assets are recognised only to the extent it is probable that taxable profits will be available against which deductible temporary differences can be utilised; and
- where the temporary difference arises from an asset or liability in a transaction in respect of asset acquisitions in corporate vehicles that is not a business combination, in which case deferred tax is recognised in relation to temporary differences arising after acquisition.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the temporary differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

On 8 June 2018, the Company became a wholly owned subsidiary undertaking of the MedicX Fund Limited Group and therefore became a member of a UK REIT group. The UK REIT rules exempt income and gains of the Company's UK property rental business from corporation tax after 8 June 2018.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term deposits, and highly liquid investments with maturities of three months or less, which are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Trade debtors

Trade debtors are initially recognised at their fair value inclusive of any Value Added Taxes that may be applicable. Provision is made for any doubtful debts which are not deemed recoverable. They are subsequently held at amortised cost less impairment.

Trade creditors

Trade and other creditors are initially recognised and carried at their fair value inclusive of any Value Added Taxes that may be applicable. They are subsequently held at amortised cost.

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

1. Principal accounting policies (continued)

Impairment of assets

The Company assesses annually whether there is any indication that any of its assets have been impaired. If such indication exists, the asset's recoverable amount is estimated and compared to its carrying value. Where it is impossible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest cash-generating unit to which the asset is allocated.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, an impairment loss is recognised immediately in the Statement of profit and loss and other comprehensive income.

Use of estimates and judgements

In the process of applying the Company's accounting policies in accordance with FRS 101, the directors are required to make certain judgements and estimates to arrive at the carrying value for its assets and liabilities. The most significant area requiring estimation in the preparation of these financial statements was:

Valuation of investment properties

The Company obtains valuations performed by external valuers in order to determine the fair value of its investment properties. These valuations are based upon assumptions including future rental income, anticipated maintenance costs, future development costs and the appropriate discount rate. The valuers also make reference to market based evidence of transaction prices for similar properties. Further information in relation to the valuation of investment property is disclosed in note 8 to the financial statements.

2. Turnover

All turnover arose within the United Kingdom and is related to the principal activity of the Company.

3. Operating profit

The operating profit is stated after charging:

	18 Months ended 30 Sept 2018	25 Jan to 31 March 2017
	£	£
Administration fees paid to International Administration Group (Guernsey) Limited	611	-
Auditor's remuneration	-	1,000

During the period Auditor's remuneration was borne by a fellow group company.

4. Staff costs

During the period the Company had no employees (2017: none). There were four directors, one of which was corporate, who served during the period (2017: 2). The directors received no remuneration from the Company for their services (2017: £nil).

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

5. Finance income

	18 Months ended 30 Sept 2018	25 Jan to 31 March 2017
	£	£
Interest receivable on cash and cash equivalents	34	-

6. Finance costs

	18 Months ended 30 Sept 2018	25 Jan to 31 March 2017
	£	£
Interest payable on long term loan	50,810	28,213

7. Taxation

	18 Months ended 30 Sept 2018	25 Jan to 31 March 2017
	£	£
Analysis of tax (credit)/charge for the period		
Current tax		
Current tax on profits for the period	1,020	12,399
Adjustments in respect previous periods	(11,947)	-
Total current tax	(10,927)	12,399
Deferred tax		
Origination and reversal of temporary differences	(37,146)	37,128
Total deferred tax (see note 13)	(37,146)	37,128
(Credit)/charge for the period	(48,073)	49,527

Factors affecting tax (credit)/charge for the period

The tax assessed for the period is lower than the average standard rate of corporation tax in the UK applicable to the Company 19.0% (2017: 20%). The differences are explained below:

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

7. Taxation (continued)

	18 Months ended 30 Sept 2018 £	25 Jan to 31 March 2017 £
Profit on ordinary activities before taxation	615,678	280,395
Profit on ordinary activities multiplied by the average standard rate of corporation tax in the UK of 19% (2017: 20%)	116,979	56,079
Effects of:		
Effect of change in tax rate on brought forward deferred tax liability	(819)	-
Adjustment to tax charge in respect of previous periods – current tax	(11,947)	-
Profits within the UK REIT regime	(2,582)	-
Timing differences not recognised	-	(6,552)
Group relief surrender	(4)	-
Revaluation of exempt property	(112,974)	-
Release of deferred tax on entry into the REIT regime	(41,496)	-
Release of current period deferred tax on entry into the UK REIT regime	(375)	-
Prior year adjustment of deferred tax and tax charge	5,145	-
Tax (credit)/charge for the period	(48,073)	49,527

Factors affecting future tax charges

The Company has tax losses of approximately £nil (2017: £nil) carried forward for offset against future taxable profits.

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reduction to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015 and to 17% (effective 1 April 2020) on 6 September 2016.

8. Investment properties

	£
As at 25 January 2016	-
Additions	2,028,000
Revaluation gain	218,400
As at 31 March 2017	2,246,400
Revaluation gain	594,600
As at 30 September 2018	2,841,000

Fair value is based upon the valuations of the properties as provided by Jones Lang LaSalle Limited, an independent firm of chartered surveyors. The valuation takes account of the rental yield and the fact that a purchaser's offer price to the Company would be less than that in order to cover the purchaser's costs (which are estimated at 6.2% (2017: nil) of what would otherwise be the purchase price). All of the investment properties of the company are secured against the loan facility described in note 12.

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

9. Debtors

	As at 30 Sept 2018	As at 31 Mar 2017
	£	£
Amount due from fellow parent company	14,921	-
Rent receivable	33,070	-
Other debtors	-	22,640
	<u>47,991</u>	<u>22,640</u>

Amount due from parent company is unsecured and repayable on demand. No interest is charged on amounts due from the fellow subsidiary companies.

10. Cash and cash equivalents

	As at 30 Sept 2018	As at 31 Mar 2017
	£	£
Cash and cash equivalents	<u>165,669</u>	<u>112</u>

Cash and cash equivalents comprises cash held by the Company and short term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

11. Creditors: amounts falling due within one year

	As at 30 Sept 2018	As at 31 Mar 2017
	£	£
Bank loans repayable within one year	40,000	40,000
Amounts due to parent and fellow subsidiary companies	893,687	696,040
Trade creditors	1,103	-
Social security and other taxes	1,020	12,399
Other creditors	180	2,301
Accruals and deferred income	33,636	-
	<u>969,626</u>	<u>750,740</u>

Amounts due to parent and fellow subsidiary companies are unsecured and repayable on demand. No interest is chargeable on amounts owed to parent and fellow subsidiary companies.

12. Creditors: amounts falling due after more than one year

	As at 30 Sept 2018	As at 31 Mar 2017
	£	£
Bank loans		
Loan drawn down	<u>1,190,316</u>	<u>1,250,316</u>

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

12. Creditors: amounts falling due after more than one year (continued)

In 2016 the Company entered into a loan facility agreement for £1,330,316 with Santander Corporate and Commercial Banking at a floating rate of 2.25% plus LIBOR which was fully drawn down on 8 March 2016. The loan partially amortises over the life of the facility with a residual amount payable on expiry on 8 March 2021.

The loan is secured on the Company's investment property.

13. Deferred tax liability

	As at 30 Sept 2018	As at 31 Mar 2017
	£	£
At 1 April 2017	37,128	-
(Credit)/charge for the period	(37,128)	37,128
At 30 September 2018	<u>-</u>	<u>37,128</u>

The deferred tax provision is made up as follows:

	As at 30 Sept 2018	As at 31 Mar 2017
	£	£
Fair value gains on investment properties	<u>-</u>	<u>37,128</u>

14. Called up share capital

	As at 30 Sept 2018	As at 31 Mar 2017
	£	£
Allotted, called up and fully paid		
100 Ordinary share for £1 each	<u>100</u>	<u>100</u>

On 25 January 2016, 100 Ordinary shares with a nominal value of £1 each were issued for a total consideration of £100.

15. Retained earnings

The balance held in retained earnings is the accumulated comprehensive income of the Company less dividends paid.

MedicX Properties Otley Ltd
Notes to the financial statements
For the period ended 30 September 2018

16. Operating leases

At 30 September 2018 the Company had entered into leases in respect of investment properties for the following rental income, excluding any future rent reviews:

	As at 30 Sept 2018	As at 31 Mar 2017
	£	£
Amounts receivable under leases		
Within one year	130,000	130,000
Between one and five years	520,000	520,000
After more than five years	1,612,000	1,742,000
At 30 September	<u>2,262,000</u>	<u>2,392,000</u>

17. Related party transactions

During the period administration fees of £611 (2017: £nil) were paid to International Administration Group (Guernsey) Limited ("IAGG"), the parent company of IAG Limited, the corporate director. £nil (2017: £nil) was outstanding and included in other creditors at the period end.

Mark Woodall is a beneficial shareholder of IAGG.

During the period rent of £154,308 (2017: £128,192) was recharged to One Medicare LLP, a former fellow group undertaking of MedicX Properties OM Holdings Ltd, an intermediate parent company of MedicX Properties Otley Ltd. The Group's investment in One Medicare LLP was sold on 31 October 2017.

18. Ultimate parent undertaking and controlling party

As at 30 September 2018 and the date of these financial statements, the immediate parent undertaking is MedicX Properties OM Limited, a company incorporated in the England & Wales.

The ultimate parent undertaking and controlling party is Primary Health Properties PLC, a company incorporated in England & Wales. An intermediate parent undertaking, MedicX Fund Limited, a company incorporated in Guernsey has included MedicX Properties Otley Limited in its group financial statements for the year ended 30 September 2018. Copies of which are available from Regency Court, Gategny Esplanade, St Peter Port, Guernsey, GY1 1WW or the ultimate parent company's website at www.phpgroup.co.uk.

19. Post Balance Sheet Events

On 24 January 2019 the Company's then ultimate parent undertaking, MedicX Fund Limited, announced an All-Share Merger of Primary Health Properties PLC ("PHP") and MedicX Fund Limited, which was implemented on 14 March 2019 by way of a Scheme of Arrangement, under which PHP acquired the entire issued and to be issued share capital of MedicX Fund Limited. The directors do not expect there will be a significant change in the financial position or trade of the Company as a result of the Merger.