
INGENIOUS REAL ESTATE INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2018



INGENIOUS REAL ESTATE INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	D M Reid R D Jones N A Forster
Company secretary	S Cruickshank J Wright
Registered number	10659216
Registered office	15 Golden Square London W1F 9JG
Independent auditor	BDO LLP Statutory Auditor 55 Baker Street London W1U 7EU

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

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INGENIOUS REAL ESTATE INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2018

The directors present their report and the financial statements for the period from 8 March 2018 to 30 June 2018.

Directors

The directors who served during the period were:

D M Reid
R D Jones
N A Forster

Principal activity

The principal activity of the Company is to act as the parent company for other subsidiaries within the Group that ultimately invest in the real estate sector.

Directors' responsibilities statement

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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position have been reviewed by the directors. Please refer to note 1 for further details.

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2018**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, was appointed during the period and in the absence of a notice proposing the appointment is terminated, BDO LLP will be deemed reappointed in accordance with section 487(2) of the Companies Act 2006.

Small companies note

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. The Company has taken advantage of the exemption for the requirement to disclose an enhanced business review and to prepare a strategic report in accordance with section 414B of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board of directors and signed on its behalf by:



N A Forster
Director

Date: 7 December 2018

15 Golden Square
London
W1F 9JG

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INGENIOUS REAL ESTATE INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Ingenious Real Estate Investments Limited (the "Company") for the period from 8 March 2018 to 30 June 2018 which comprise the Profit and Loss Account, the Balance Sheet and notes to the financial statements, 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 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 June 2018 and of its loss 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.

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INGENIOUS REAL ESTATE INVESTMENTS LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' 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.

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 Directors' 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic report.

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INGENIOUS REAL ESTATE INVESTMENTS LIMITED

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.

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.

BDO LLP

Peter Smith (Senior Statutory Auditor)

for and on behalf of
BDO LLP, Statutory Auditor

London, United Kingdom

7 December 2018

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 JUNE 2018**

	Note	Period ended 30 June 2018 £
Administrative expenses		(3,900)
Operating loss	3	<u>(3,900)</u>
Tax on (loss)/profit	5	-
Loss for the financial period		<u><u>(3,900)</u></u>

There was no other comprehensive income for the period.

All of the Company's activities relate to continuing operations during the period.

The notes on pages 8 to 12 form part of these financial statements.

INGENIOUS REAL ESTATE INVESTMENTS LIMITED
REGISTERED NUMBER: 10659216

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 £
Fixed assets		
Investments in subsidiaries	6	3
		<u>3</u>
Current assets		
Debtors: amounts falling due within one year	7	8,270,369
		<u>8,270,369</u>
Creditors: amounts falling due within one year	8	(8,274,271)
		<u>(3,902)</u>
Net current liabilities		<u>(3,902)</u>
Total assets less current liabilities		<u>(3,899)</u>
Net liabilities		<u><u>(3,899)</u></u>
Capital and reserves		
Called up share capital	9	1
Profit and loss account		(3,900)
		<u><u>(3,899)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



N A Forster
Director

Date: 7 December 2018

Company Registration Number: 10659216 (England and Wales)

The notes on pages 8 to 12 form part of these financial statements.

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

The Company is a private company, limited by shares, incorporated and registered in England and Wales. The Company's registered office and company number are disclosed on the company information page.

The financial statements have been prepared under the historical cost convention in accordance with FRS 102 Section 1 A - small entities issued by the Financial Reporting Council.

The functional and presentational currency of the Company is considered to be pound sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The financial statements do not include a cash flow statement because the Company satisfies the criteria of being a qualifying small entity as defined in FRS102 and as such has taken advantage of the exemption available under section 1 A of FRS102 not to disclose such a statement.

The following principal accounting policies have been applied:

1.2 Going concern

Having assessed the risks facing the business as set out in the Directors' Report, its financial position and profit and cashflow forecasts, and taking into account the written confirmation received by the company from the directors of the parent undertaking, the directors believe that the company is well placed to manage its business successfully. Therefore, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the Directors' Report and financial statements.

1.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.4 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.5 Creditors

Short term creditors are measured at the transaction price.

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018**

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. No significant estimates or judgements exist.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects in only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. Operating loss

The operating loss is stated after charging:

	Period ended 30 June 2018 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	3,250

4. Employees

The Company has no employees, including the directors, who did not receive any remuneration during the period.

5. Taxation

	Period ended 30 June 2018 £
Corporation tax	
UK corporation tax on profits for the period	-
Total current tax	-
Deferred tax	
Total deferred tax	-

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018**

5. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the period is the same as the standard rate of corporation tax in the UK of 19.00% as set out below:

	Period ended 30 June 2018 £
Company loss on ordinary activities before tax	(3,900)
Tax on loss on ordinary activities at the standard UK corporation tax rate of 19.00%	(741)
Effects of:	
Losses not recognised	741
Company total tax charge for the period	-

A potential deferred tax asset of £663 in respect of tax losses carried forward has not been recognised due to uncertainty over the availability of taxable profits in future chargeable accounting periods.

6. Investments in subsidiaries

	Investments in subsidiary companies £
Cost or valuation	
At 8 March 2017	-
Additions	3
At 30 June 2018	3
Net book value	
At 30 June 2018	3

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2018**

7. Debtors: Amounts falling due within one year

	2018 £
Amounts owed by group undertakings	8,270,369
	<u>8,270,369</u>

8. Creditors: Amounts falling due within one year

	2018 £
Amounts owed to group undertakings	8,270,371
Accruals	3,900
	<u>8,274,271</u>

Amounts owed to Group undertakings represents the balance due in respect of an intra-group loan with the Company's direct parent, Ingenious Capital Management Holdings Limited. The loan is repayable on demand and no interest is charged.

9. Share capital

	2018 £
Allotted, called up and fully paid	
1 Ordinary share of £1.00	<u>1</u>

During the period 1 Ordinary share was issued for cash at par value.

All Ordinary shares are granted the same voting and dividend rights.

10. Related party transactions

The Company has applied the exception granted by Section 33.1A of FRS 102 Related Party Disclosures not to disclose transactions with the parent company on the basis that it is a wholly owned subsidiary or any transactions with other related parties that have been undertaken under normal market conditions. Under this standard, disclosure is only required of material transactions with related parties that are not at arms length. There were no such transactions during the period.

INGENIOUS REAL ESTATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2018

11. Controlling party

During the period ended 30 June 2018 the Company was a wholly-owned subsidiary of Ingenious Capital Management Holdings Limited, a company registered in England and Wales. Ingenious Capital Management Holdings Limited is the only parent undertaking for which consolidated financial statements are prepared.

The consolidated financial statements of Ingenious Capital Management Holdings Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The ultimate controlling party of the Group is P A McKenna.