

Financial Statements P.I.(1956) Limited

For the year ended 31 December 2015

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COMPANIES HOUSE

Registered number: 00561376

P.I.(1956) Limited
Registered number:00561376

Company Information

Directors

Mrs E. Corob
Ms T. A. Corob
Ms L. E. Corob
Ms A. L. Corob
Mr F. Cook
Mr S. J. Wiseman

Company secretary

Mr. J. G. Radford, FCCA

Registered number

00561376

Registered office

62 Grosvenor Street
London
W1K 3JF

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

P.I.(1956) Limited
Registered number:00561376

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Directors' report

For the year ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

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 financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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. 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.

Principal activities

The principal activity of the company during the year was property investment.

Directors

The directors who served during the year were:

Mrs E. Corob
Ms T. A. Corob
Ms L. E. Corob
Ms A. L. Corob
Mr F. Cook
Mr S. J. Wiseman

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 that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that 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.

P.I.(1956) Limited

Directors' report

For the year ended 31 December 2015

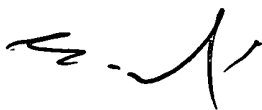
Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 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 on 8 September 2016

and signed on its behalf.



Mr. J. G. Radford, FCCA
Secretary



Independent auditor's report to the shareholders of P.I.(1956) Limited

We have audited the financial statements of P.I.(1956) Limited for the year ended 31 December 2015, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the 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'.

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 Directors and Auditor

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. 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 Financial Reporting Council'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 December 2015 and of its profit for the year 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year 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.



Independent auditor's report to the shareholders of P.I.(1956) Limited

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Grant Thornton UK LLP

Elizabeth Collins (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

London Euston

Date: *8 September 2016*

Statement of comprehensive income

For the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	4	28,945	28,945
Cost of sales		(3,812)	(3,848)
Gross profit		25,133	25,097
Administrative expenses		(2,000)	(2,400)
Fair value adjustment	7	194,000	267,000
Operating profit	5	217,133	289,697
Tax on profit	6	(41,546)	(75,791)
Profit for the year		175,587	213,906
Other comprehensive income for the year			
Total comprehensive income for the year		175,587	213,906

The notes on pages 8 to 18 form part of these financial statements.

Statement of financial position

As at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Investment property	8	1,106,000	912,000
		<u>1,106,000</u>	<u>912,000</u>
Current assets			
Debtors: amounts falling due within one year	9	336,400	313,735
		<u>336,400</u>	<u>313,735</u>
Creditors: amounts falling due within one year	10	(27,464)	(4,800)
		<u>(27,464)</u>	<u>(4,800)</u>
Net current assets		<u>308,936</u>	<u>308,935</u>
Total assets less current liabilities		<u>1,414,936</u>	<u>1,220,935</u>
Provisions for liabilities			
Deferred tax	12	(181,368)	(162,954)
		<u>(181,368)</u>	<u>(162,954)</u>
Net assets		<u><u>1,233,568</u></u>	<u><u>1,057,981</u></u>
Capital and reserves			
Called up share capital	13	1,000	1,000
Revaluation reserve	14	1,101,345	907,345
Capital reserves	14	1,388	1,388
Profit and loss account	14	129,835	148,248
		<u><u>1,233,568</u></u>	<u><u>1,057,981</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
8 SEPTEMBER 2016



Mr S. J. Wiseman
Director

The notes on pages 8 to 18 form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2015

	Share capital	Revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2015	1,000	907,345	1,388	148,248	1,057,981
Comprehensive income for the year					
Profit for the year	-	-	-	175,587	175,587
Transfer to / from profit and loss account	-	194,000	-	(194,000)	-
At 31 December 2015	1,000	1,101,345	1,388	129,835	1,233,568

Statement of changes in equity

For the year ended 31 December 2014

	Share capital	Revaluation reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2014	1,000	640,345	1,388	201,342	844,075
Comprehensive income for the year					
Profit for the year	-	-	-	213,906	213,906
Transfer to / from profit and loss account	-	267,000	-	(267,000)	-
At 31 December 2014	1,000	907,345	1,388	148,248	1,057,981

The notes on pages 8 to 18 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2015

1. General information

P.I. (1956) Limited is a private limited company, limited by shares and is incorporated in England. The registered office is 62 Grosvenor Street, London, W1K 3JF.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 17 for an explanation of the transition.

The financial statements are presented in Sterling (£).

2.2 Cash flow exemption

The company has taken advantage of the exemption in FRS102 7.1B to not present a statement of cashflows.

2.3 Going concern

After reviewing the company's forecasts and projections, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

2.4 Turnover

Revenue comprises rent and other property related income invoiced to tenants, exclusive of Value Added Tax. Rental income and service charges are recognised in the period to which they relate.

The cost of lease incentives is offset against the total rents due and the net income is then spread evenly over the the duration of the lease.

2.5 Investment property

The Company carries its investment properties at fair value, with changes in fair value being recognised in the income statement and accumulated in the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the income statement for the year. The fair value is determined annually by valuation specialists employed by the Company.

The valuer used a valuation technique based on a discounted cash flow model using inputs derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in location. The key assumptions used to determine the fair value of investment property are further explained in note 3.

Notes to the financial statements

For the year ended 31 December 2015

2. Accounting policies (continued)

2.6 Current and deferred taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the group has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the financial statements

For the year ended 31 December 2015

2. Accounting policies (continued)

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the financial statements

For the year ended 31 December 2015

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

Investment properties

The fair value of the company's investment property as at 31 December 2015 was determined by the Directors. The valuations are in accordance with the Royal Institution of Chartered Surveyors ('RICS') Valuation – Professional Standards ("The Red Book") and the International Valuation Standards and were arrived at by reference to market transactions for similar properties. Fair values for investment properties are calculated using the present value income approach. The main assumptions underlying the valuations are in relation to rent profile and yields. A key driver of the property valuations is the terms of the leases in place at the valuation date. These determine the cash flow profile of the property for a number of years. The valuation assumes adjustments from these rental values to current market rent at the time of the next rent review (where a typical lease allows only for upward adjustment) and as leases expire and are replaced by new leases. The current market level of rent is assessed based on evidence provided by the most recent relevant leasing transactions and negotiations. The nominal equivalent yield is applied as a discount rate to the rental cash flows which, after taking into account other input assumptions such as vacancies and costs, generates the market value of the property. The equivalent yield applied is assessed by reference to market transactions for similar properties and takes into account, amongst other things, any risks associated with the rent uplift assumptions.

The net initial yield is calculated as the current net income over the gross market value of the asset and is used as a sense check and to compare against market transactions for similar properties. The valuation output, along with inputs and assumptions, are reviewed to ensure these are in line with what a market participant would use when pricing each asset.

There are inter relationships between all the inputs as they are determined by market conditions. The existence of an increase in more than one input would be to magnify the input on the valuation. The impact on the valuation will be mitigated by the interrelationship of two inputs in opposite directions.

4. Analysis of turnover

An analysis of turnover by class of business is as follows:

	2015	2014
	£	£
Rental Income	28,945	28,945
	<u>28,945</u>	<u>28,945</u>

All turnover arose within the United Kingdom.

Notes to the financial statements

For the year ended 31 December 2015

5. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging:

	2015	2014
	£	£
Auditor's remuneration	2,000	2,400

There are no employees other than the directors (2014: nil). During the year, no director received any emoluments (2014: £nil). In the prior year the audit fee was borne by the parent company.

6. Taxation

	2015	2014
	£	£
Amounts payable in respect of group relief	23,132	22,697
	<u>23,132</u>	<u>22,697</u>

Deferred tax

Origination and reversal of timing differences	34,709	53,094
Changes to tax rates	(16,295)	-
Total deferred tax	<u>18,414</u>	<u>53,094</u>

Taxation on profit on ordinary activities

	<u>41,546</u>	<u>75,791</u>
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Notes to the financial statements

For the year ended 31 December 2015

6. Taxation (continued)

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>217,133</u>	<u>289,697</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%)	43,969	62,256
Effects of:		
Income not taxable for tax purposes - fair value adjustment on property	(39,278)	(57,387)
Chargeable gains	39,041	57,058
Capital allowances for year in excess of depreciation	(4,683)	(4,878)
Group relief paid for at £1 for £1 of tax loss	23,132	22,697
Changes in deferred tax rates	(20,635)	(3,955)
Total tax charge for the year	<u>41,546</u>	<u>75,791</u>

7. Fair value adjustments

	2015 £	2014 £
Property revaluation	(194,000)	(267,000)
	<u>(194,000)</u>	<u>(267,000)</u>

Notes to the financial statements

For the year ended 31 December 2015

8. Investment property

	Investment property £
Valuation	
At 1 January 2015	912,000
Surplus on revaluation	194,000
At 31 December 2015	1,106,000

The 2015 valuations were carried out by T Shillinglaw, a member of the Royal Institution of Chartered Surveyors, and a former employee of Corob Holdings Limited, a related company.

The historical cost value of the investment property is £4,665 (2014: £4,665).

9. Debtors

	2015 £	2014 £
Amounts owed by group undertakings	336,400	305,937
Accrued income	-	7,798
	336,400	313,735

Amounts owed by group undertakings are interest free and repayable on demand.

Notes to the financial statements

For the year ended 31 December 2015

10. Creditors: Amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertakings	28,027	-
Accruals and deferred income	(563)	4,800
	<u>27,464</u>	<u>4,800</u>

Amounts owed to group undertakings are interest free and repayable on demand.

11. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	336,400	305,937
	<u>336,400</u>	<u>305,937</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(28,027)	-
	<u>(28,027)</u>	<u>-</u>

Notes to the financial statements

For the year ended 31 December 2015

12. Deferred taxation

	Deferred tax £
At 1 January 2015	(162,954)
Charged to the profit or loss	(18,414)
At 31 December 2015	(181,368)

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Capital gains - Investment property	(181,368)	(162,954)
	(181,368)	(162,954)

13. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
1,000 Ordinary shares shares of £1 each	1,000	1,000

14. Reserves

Revaluation reserve

Revaluation reserve represents the cumulative unrealised valuation movement on investment properties which is transferred from the profit and loss account.

Capital reserve

Represents the net surplus arising from realised profits which, under the company's Articles of Association, is not distributable.

Profit and loss account

Includes all current and prior period retained and realised profits and losses.

15. Related party transactions

The company has taken advantage of exemptions available under Financial Reporting Standard 102 and has not disclosed transactions with group undertakings.

Notes to the financial statements

For the year ended 31 December 2015

16. Ultimate parent undertaking and controlling party

Corob Holdings Limited, incorporated in England and Wales, is the company's immediate parent undertaking and Corob Consolidated Limited, incorporated in England and Wales, is its ultimate parent undertaking and controlling party.

The largest and smallest group of undertakings for which group accounts are drawn up is that headed by Corob Consolidated Limited, the consolidated accounts of which are available from Companies House.

Notes to the financial statements

For the year ended 31 December 2015

17. Transition to FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2014. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 January 2014

	Note	£
Equity at 1 January 2014 under previous UK GAAP		953,935
1. Deferred tax adjustment		(109,860)
Equity shareholders funds at 1 January 2014 under FRS 102		844,075

Reconciliation of equity at 31 December 2014

	Note	£
Equity at 31 December 2014 under previous UK GAAP		1,220,935
1. Deferred tax adjustment		(162,954)
Equity shareholders funds at 31 December 2014 under FRS 102		1,057,981

Reconciliation of profit and loss account for the year ended 31 December 2014

	£
Profit for the year under UK GAAP	-
1. Deferred tax adjustment	(53,094)
2. Reclassification of investment property revaluation	267,000
Profit for the year ended 31 December 2014 under FRS 102	213,906

The following were changes in accounting policies arising from the transition to FRS 102:

1 Deferred tax

Under FRS 102, deferred tax is recognised on a timing difference plus approach, whereas previous UK GAAP required a timing difference approach. Consequently deferred tax has been recognised on all fair value re-measurements, being the investment property

2 Investment property

Under FRS 102, changes in the fair value of investment properties are recorded in the profit and loss account. Under previous UK GAAP these changes were recorded in the Statement of Total Recognised Gains and Losses.