

**LANCER PROPERTY ASSET MANAGEMENT LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 2018**



# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## COMPANY INFORMATION

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**Directors** D R Ferguson  
J T Kevill  
A J Lax  
B H Pull FCMA FStratPS CGMA

**Secretary** J T Kevill

**Company number** 00724549

**Registered office** Routeco Office Park  
Davy Avenue  
Knowlhill  
Milton Keynes  
MK5 8HJ

**Auditor** Mercer & Hole  
Silbury Court  
420 Silbury Boulevard  
Central Milton Keynes  
Buckinghamshire  
MK9 2AF

**Bankers** Nat West Bank Plc  
135 Bishopsgate  
London  
EC2M 3UR

**Solicitors** Freeths LLP  
Routeco Office Park  
Davy Avenue  
Knowlhill  
Milton Keynes  
MK5 8HJ

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# LANCER PROPERTY ASSET MANAGEMENT LIMITED

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# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## STRATEGIC REPORT

**FOR THE PERIOD ENDED 31 OCTOBER 2018**

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The directors present the strategic report for the period ended 31 October 2018.

### Company Performance

The directors are pleased to present the financial statements for the 18 month period ended 31st October 2018.

As reported in the previous set of financial statements, it is with much sadness, that with effect from the 29th September 2017, the Asset Management Agreement (AMA) between Lancer Property Asset Management Limited and the Owners of the Berkeley Square Estate was terminated. The company, or its associates or predecessors, is pleased to have acted for the owners of the Estate over 23 years, and to have played its full part in increasing the value of the Estate.

The creation of the Berkeley Square Estate, over such a short number of years, remains an achievement unrivalled by any other Great Estate in London, and one which the directors and the owners should be rightly proud.

The company is still awaiting agreement and payment of certain outstanding invoices. These sums are not reflected in the financial statements currently presented.

There was a turnover of £2.9M for the period, against a prior year turnover of £11.1M, and there was a loss after tax of £0.9M, against a profit after tax of £1.0M for the previous year. Shareholders' Funds reduced from £4.7M to £3.8M, and remains within expectations.

The directors are actively assessing the future asset management opportunities for the business.

### Principal Risks and Uncertainties

Following the cancellation of the AMA, the operational risks have reduced significantly, and broadly lie now with the non-payment of invoices raised under the AMA for work completed up to September 2017.

### Business Performance

Because of the unusual trading conditions for the period being reported, the usual KPI's have not been prepared as the directors consider that they would not provide a useful comparison with the previous financial period.

### Key Performance Indicators

<i>Financial KPI</i>	<i>18 Months Ended 31 October 2018 (%)</i>	<i>12 Months Ended 30 April 2017 (%)</i>
<i>Return on Capital Employed</i>	<i>N/a</i>	<i>41.8</i>
<i>Gross Margin as a Percentage of Sales</i>	<i>N/a</i>	<i>78.5</i>
<i>Profit Before Tax as a Percentage of Sales</i>	<i>N/a</i>	<i>18.2</i>

<i>Non Financial KPI</i>	<i>18 Months Ended 31 October 2018</i>	<i>12 Months Ended 30 April 2016</i>
<i>Asset Management Transactions Executed</i>	<i>186</i>	<i>155</i>
<i>Staff Leavers Replaced</i>	<i>N/a</i>	<i>0</i>

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE PERIOD ENDED 31 OCTOBER 2018**

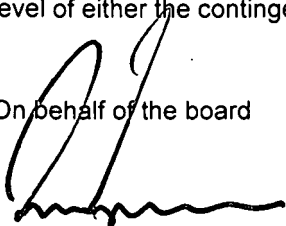
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### **Contingent Assets and Liabilities**

Due to the delay in settling the financial position between Lancer Property Asset Management Limited and the Client, following the termination of the AMA; the directors have determined that there are both contingent assets and contingent liabilities, which could impact on the net assets of the business.

At the point of signing these financial statements It is not possible to determine with any degree of accuracy the level of either the contingent assets, or the contingent liabilities.

On behalf of the board



D R Ferguson

**Director**

7 August 2019

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## DIRECTORS' REPORT

**FOR THE PERIOD ENDED 31 OCTOBER 2018**

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The directors present their annual report and financial statements for the period ended 31 October 2018.

### **Directors**

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

D R Ferguson  
J T Kevill  
A J Lax  
B H Pull FCMA FStratPS CGMA

### **Results and dividends**

The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### **Directors' insurance**

The company has made qualifying third party indemnity provisions for the benefit of its directors during the period. These provisions remain in force at the reporting date.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Mercer & Hole be reappointed as auditor of the company will be put at a General Meeting.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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;
- 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.

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## DIRECTORS' REPORT (CONTINUED)

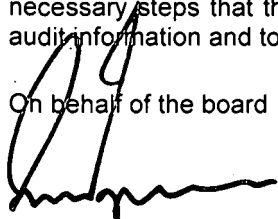
**FOR THE PERIOD ENDED 31 OCTOBER 2018**

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### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



D R Ferguson

Director

7 August 2019

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF LANCER PROPERTY ASSET MANAGEMENT LIMITED

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#### Opinion

We have audited the financial statements of Lancer Property Asset Management Limited (the 'company') for the period ended 31 October 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 FRS 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 31 October 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.

#### 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.

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 our audit:

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



# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF LANCER PROPERTY ASSET MANAGEMENT LIMITED

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#### 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 strategic report and the directors' report.

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.

#### 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 on the Financial Reporting Council's website at: <http://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.

*Mercer & Hole*

Andrew Lawes MA MSc FCA (Senior Statutory Auditor)  
for and on behalf of Mercer & Hole

9 August 2019

Chartered Accountants  
Statutory Auditor

Silbury Court  
420 Silbury Boulevard  
Central Milton Keynes  
Buckinghamshire  
MK9 2AF

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 OCTOBER 2018

		Period ended 31 October 2018 £	Year ended 30 April 2017 £
	Notes		
Turnover	3	2,864,427	11,051,766
Cost of sales		(591,233)	(2,374,361)
<b>Gross profit</b>		<b>2,273,194</b>	<b>8,677,405</b>
Administrative expenses		(3,360,809)	(6,704,289)
<b>Operating (loss)/profit</b>	4	<b>(1,087,615)</b>	<b>1,973,116</b>
Interest receivable and similar income	8	54,290	43,691
Interest payable and similar expenses		(1,740)	-
<b>(Loss)/profit before taxation</b>		<b>(1,035,065)</b>	<b>2,016,807</b>
Tax on (loss)/profit	9	128,981	(979,252)
<b>(Loss)/profit for the financial period</b>		<b>(906,084)</b>	<b>1,037,555</b>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2018

	Notes	31 October 2018		30 April 2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		-		-
<b>Current assets</b>					
Debtors	12	1,924,280		4,409,510	
Cash at bank and in hand		2,411,317		3,433,556	
		<u>4,335,597</u>		<u>7,843,066</u>	
<b>Creditors: amounts falling due within one year</b>	13	(524,476)		(3,125,861)	
<b>Net current assets</b>			<u>3,811,121</u>		<u>4,717,205</u>
<b>Capital and reserves</b>					
Called up share capital	15		1		5,000
Profit and loss reserves			<u>3,811,120</u>		<u>4,712,205</u>
<b>Total equity</b>			<u>3,811,121</u>		<u>4,717,205</u>

The financial statements were approved by the board of directors and authorised for issue on 7 August 2019 and are signed on its behalf by:

J T Kevill  
Director



A J Lax  
Director



Company Registration No. 00724549

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 OCTOBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 May 2016</b>		5,000	21,374,650	21,379,650
<b>Period ended 30 April 2017:</b>				
Profit and total comprehensive income for the period		-	1,037,555	1,037,555
Dividends	10	-	(17,700,000)	(17,700,000)
<b>Balance at 30 April 2017</b>		5,000	4,712,205	4,717,205
<b>Period ended 31 October 2018:</b>				
Loss and total comprehensive income for the period		-	(906,084)	(906,084)
Reduction in share capital	15	(4,999)	4,999	-
<b>Balance at 31 October 2018</b>		1	3,811,120	3,811,121

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 2018

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### 1 Accounting policies

#### Company information

Lancer Property Asset Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is Routeco Office Park, Davy Avenue, Knowhill, Milton Keynes, MK5 8HJ.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of ABDJ Holdings Limited. These consolidated financial statements are available from its registered office, Routeco Office Park, Davey Avenue, Knowhill, Milton Keynes, MK5 8HJ.

#### 1.2 Going concern

The company's business activities, together with any factors that are likely to affect either its future development, its financial position, its risk management objectives, or details of its financial instruments and derivative activities, and its exposure to price, credit, liquidity and cash flow risk are described in the Strategic Report on pages 1 to 3.

The company has considerable financial resources and as a consequence, the directors believe that the company is well placed to manage its business risks successfully irrespective of the strategic risks that it faces in its daily operations.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to enable the company to adopt the going concern basis in preparing the annual report and financial statements.

#### 1.3 Reporting period

The financial statements have been prepared for an extended period of 18 months from 1 May 2017 to 31 October 2018 in order for the accounting period end to be in line with the parent company's period end. The comparative amounts presented in the financial statements are therefore not entirely comparable.

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 1 Accounting policies

(Continued)

#### 1.4 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must be met before revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably;
- and
- the costs incurred and the costs to complete the contract can be measured reliably.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Straight Line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 1 Accounting policies

(Continued)

#### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

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

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.



# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2018

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018 £	2017 £
<b>Turnover analysed by class of business</b>		
Provision of asset management services	2,864,427	11,051,766
	<u>          </u>	<u>          </u>
	2018 £	2017 £
<b>Other significant revenue</b>		
Interest income	54,290	43,691
	<u>          </u>	<u>          </u>

All turnover arose within the United Kingdom.

### 4 Operating (loss)/profit

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
Operating (loss)/profit for the period is stated after charging:		
Provision against amount due from fellow group undertaking	-	2,650,960
Operating lease charges	134,296	160,537
	<u>          </u>	<u>          </u>

### 5 Auditor's remuneration

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	25,000	10,850
	<u>          </u>	<u>          </u>

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 6 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	Period ended 31 October 2018 Number	Year ended 30 April 2017 Number
Employees	2	10
Directors	4	4
	<u>6</u>	<u>14</u>

Their aggregate remuneration comprised:

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
Wages and salaries	1,312,909	1,823,791
Social security costs	181,547	242,172
Pension costs	69,720	145,387
	<u>1,564,176</u>	<u>2,211,350</u>

### 7 Directors' remuneration

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
Remuneration for qualifying services	663,335	863,550
Company pension contributions to defined contribution schemes	37,429	85,000
Sums paid to third parties for directors' services	608,050	850,000
	<u>1,308,814</u>	<u>1,798,550</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2017 - 2).

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 7 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
Remuneration for qualifying services	375,285	505,850
Company pension contributions to defined contribution schemes	20,833	50,000
	<u>          </u>	<u>          </u>

### 8 Interest receivable and similar income

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
<b>Interest income</b>		
Interest on bank deposits	5,279	4,054
Other interest income	49,011	39,637
	<u>          </u>	<u>          </u>
Total income	54,290	43,691
	<u>          </u>	<u>          </u>

### 9 Taxation

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	(112,515)	980,526
Adjustments in respect of prior periods	(16,466)	(1,274)
	<u>          </u>	<u>          </u>
Total current tax	(128,981)	979,252
	<u>          </u>	<u>          </u>

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 9 Taxation

(Continued)

The actual (credit)/charge for the period can be reconciled to the expected (credit)/charge for the period based on the profit or loss and the standard rate of tax as follows:

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
(Loss)/profit before taxation	(1,035,065)	2,016,807
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.92%)	(196,662)	401,748
Tax effect of expenses that are not deductible in determining taxable profit	18,715	578,778
Unutilised tax losses carried forward	65,432	-
Under/(over) provided in prior years	(16,466)	(1,274)
Taxation (credit)/charge for the period	(128,981)	979,252

### 10 Dividends

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
Interim paid	-	17,700,000

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 11 Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 May 2017	98,058
Disposals	(98,058)
At 31 October 2018	-
<b>Depreciation and impairment</b>	
At 1 May 2017	98,058
Eliminated in respect of disposals	(98,058)
At 31 October 2018	-
<b>Carrying amount</b>	
At 31 October 2018	-
At 30 April 2017	-

### 12 Debtors

	31 October 2018 £	30 April 2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	3,221,038
Corporation tax recoverable	433,647	-
Amounts owed by group undertakings	463,447	-
Other debtors	1,027,186	901,853
Prepayments and accrued income	-	286,619
	<u>1,924,280</u>	<u>4,409,510</u>

### 13 Creditors: amounts falling due within one year

	31 October 2018 £	30 April 2017 £
Trade creditors	291,684	752,177
Amounts owed to group undertakings	-	36,582
Corporation tax	-	526,207
Other taxation and social security	-	900,675
Other creditors	43,511	402,767
Accruals and deferred income	189,281	507,453
	<u>524,476</u>	<u>3,125,861</u>

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 14 Retirement benefit schemes

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	69,720	145,387

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 15 Share capital

	31 October 2018 £	30 April 2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1 (2017: 5,000) Ordinary Shares of £1 each	1	5,000

During the year the company undertook a capital reduction as a result of which 4,999 ordinary shares of £1 each were cancelled. An equivalent amount has been transferred to the profit and loss account.

### 16 Contingent assets and liabilities

Due to the delay in settling the financial position between Lancer Property Asset Management Limited and the Client, following the termination of the AMA; the directors have determined that there are both contingent assets and contingent liabilities, which could impact on the net assets of the business.

At the point of signing these financial statements It is not possible to determine with any degree of accuracy the level of either the contingent assets, or the contingent liabilities.

### 17 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 October 2018 £	30 April 2017 £
Within one year	48,510	66,388

# LANCER PROPERTY ASSET MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2018

### 18 Related party transactions

#### Transactions with related parties

During the period the company entered into the following transactions with related parties:

	Period ended 31 October 2018 £	Year ended 30 April 2017 £
Other related parties	10,331	33,606

Relates to interest charged on an outstanding loan amount.

The following amounts were outstanding at the reporting end date:

	31 October 2018 £	30 April 2017 £
Amounts owed by related parties		
Other related parties	287,715	277,384

The company has taken advantage of exemptions offered under FRS 102 from disclosing relating party transactions with group companies on the basis that 100% of the company's voting rights are controlled by Lancer Property Holdings Limited.

### 19 Directors' transactions

Included in debtors are amounts of £413,957, £47,801, £224,953 and £5,477 due from J T Kevill, A J Lax, D R Ferguson and B H Pull respectively. Interest totalling £10,418 has been charged on the amounts due from J T Kevill.

### 20 Ultimate controlling party

The company's immediate parent undertaking is Lancer Property Holdings Limited. Following a group reorganisation the company's ultimate parent undertaking is now ABDJ Holdings Limited, a company incorporated in England & Wales. In the opinion of the directors, there is no ultimate controlling party as at 31 October 2018.

The largest and smallest group of undertakings for which consolidated financial statements are prepared is that headed by ABDJ Holdings Limited. These are publicly available from: Companies House, Crown Way, Cardiff, CF14 3UZ.