

Genesta Leasing Limited

**Annual Report and Financial Statements
For the Year Ended 29 March 2018**



Genesta Leasing Limited

Report and Financial Statements For the Year Ended 29 March 2018

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Genesta Leasing Limited

Report of the Directors

The directors present their report and audited financial statements for the year ended 29 March 2018. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal Activities and Business Review

The principal activity of the Company was leasing. No rental income was received during the year as all rental contracts had reached their termination dates.

The potential returns from leasing will be monitored and if these are considered attractive compared to credit risk, consideration will be given to investing in new business.

Risks and Uncertainties

The Company's activities expose it to credit risk and in the present economic climate, no new business has been accepted. Liquidity risk is managed by maintaining sufficient cash to meet liabilities as they fall due.

Key Performance Indicators

The Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the business performance or position of the business of Genesta Leasing Limited.

Dividends and Transfers to Retained Earnings

The loss for the financial year amounted to £826 (2017: loss £1,915). No dividend has been paid in the year (2017: no dividend paid), and the loss for the financial year of £826 (2017: loss £1,915) has been taken to retained earnings to leave a balance of £93,530 (2017: £94,356) at the year end.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:-

- P. L. Wyman - Chairman
- R. H. Dudley
- C. N. B. Lacey

Statement of directors' responsibilities

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

Genesta Leasing Limited

Report of the Directors continued

Statement of directors' responsibilities (continued)

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

In the case of each director in office at the date the Directors' Report is approved:

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

Directors Indemnities

The Company maintains liability insurance, which includes indemnity for its Directors and Officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. This insurance was in force for the whole of the financial year and continues to be in force at the date of approval of the financial statement.

Genesta Leasing Limited

Report of the Directors continued

Disclosure of information to auditors

Each of the company's directors in office as at the date of this report confirms that:-

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

- The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. The directors will propose a motion re-appointing the auditors at a meeting of the directors.

The report was approved by the directors on 15 October 2018 and signed on their behalf by:

By order of the board



N. J. C. Pollock

Company Secretary

15 October 2018

Genesta Leasing Limited

Independent auditors' report to the members of Genesta Leasing Limited

Report on the audit of the financial statements

Opinion

In our opinion, Genesta Leasing Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 29 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 29 March 2018; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Genesta Leasing Limited

Independent auditors' report to the members of Genesta Leasing Limited continued

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 29 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 2 and 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Genesta Leasing Limited

Independent auditors' report to the members of Genesta Hotels Limited continued

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Julian Jenkins (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

15 October 2018

Genesta Leasing Limited

Statement of Comprehensive Income For the Year Ended 29 March 2018

	Note	2018 £	2017 £
Turnover	4	-	-
Gross profit		-	-
Administrative expenses		(350)	2,764
Operating (loss)/profit and (loss)/profit on ordinary activities before taxation		(350)	2,764
Tax on (loss)/profit	7	(476)	(4,679)
Loss for the financial year		(826)	(1,915)

All items dealt with in arriving at the operating profit for 2018 and operating Profit for 2017 relate to continuing operations.

The Company has no other comprehensive income.

The notes on pages 11 to 18 form part of these financial statements.

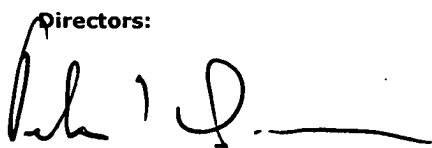
Genesta Leasing Limited

Statement of Financial Position As at 29 March 2018

	Note	2018 £	2017 £
Current Assets			
Trade and other receivables	8	3,091,446	3,091,922
Cash at bank and in hand		2,434	2,434
		3,093,880	3,094,356
Trade and other payables falling due within one year	9	(350)	-
Net current assets		3,093,530	3,094,356
Total assets less current liabilities		3,093,530	3,094,356
Creditors: amounts falling due after more than one year		-	-
Post-employment benefits		-	-
Provision for other liabilities		-	-
Net Assets		3,093,530	3,094,356
Equity			
Called-up share capital	12	3,000,000	3,000,000
Retained earnings		93,530	94,356
Total Equity		3,093,530	3,094,356

The notes on pages 11 to 18 are an integral part of these financial statements. The financial statements on pages 8 to 18 were authorised for issue by the Board of Directors on 15 October 2018 and were signed on its behalf by:-

Directors:



P. L. Wyman



C. N. B. Lacey

Genesta Leasing Limited

Company Registration Number 01749384

Genesta Leasing Limited

Statement of Changes in Equity For the Year Ended 29 March 2018

	Called Up Share Capital	Retained Earnings	Total Equity
	£	£	£
Balance as at 30 March 2016	3,000,000	96,271	3,096,271
Loss for the financial year	-	(1,915)	(1,915)
Balance as at 29 March 2017	3,000,000	94,356	3,094,356
Balance as at 30 March 2017	3,000,000	94,356	3,094,356
Loss for the financial year	-	(826)	(826)
Balance as at 29 March 2018	3,000,000	93,530	3,093,530

Genesta Leasing Limited

Notes to the Financial Statements for the Year Ended 29 March 2018

1. General Information

The principal activity of Genesta Leasing Limited ("the company") is to lease equipment.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 14 Bolton Street, London W1J 8BF.

2. Statement of Compliance

The individual financial statements of Genesta Leasing Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of Significant Accounting Policies

3.1 Basis of Preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The principal accounting policies, which have been applied consistently throughout the year, are set out below:

3.2 Exemption for qualifying entities under FRS 102

The company has taken advantage of the exemption under FRS 102, section 7, from preparing a statement of cash flows, on the basis that it is a wholly owned subsidiary of another company incorporated in Great Britain.

3.3 Finance Leases

Leases are categorised as finance leases when the minimum lease payments receivable, discounted at a commercial interest rate, constitute substantially all of the purchase price.

The investment in finance leases is stated as the sum of the total minimum lease payments receivable under such leases, less finance charges payable by the lessee.

Gross earnings arising on leases are allocated to accounting periods using the investment period method so as to produce a constant periodic rate of return on the net cash investment for each respective lease in each accounting period.

Genesta Leasing Limited

Notes to the Financial Statements for the Year Ended 29 March 2018 continued

3. Summary of Significant Accounting Policies (continued)

3.4 Taxation including Deferred Tax

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted:

i. Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

ii. Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

3.5 Revenue Recognition

Turnover represents the gross earnings on leases as allocated to each accounting year using the investment period method stated above.

3.6 Financial Instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment.

Genesta Leasing Limited

Notes to the Financial Statements for the Year Ended 29 March 2018 continued

3. Summary of significant accounting policies (continued)

3.6 Financial instruments (continued)

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 assets' original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

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 the statement of comprehensive income. Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (iii) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group undertakings, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.7 Related Party

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

4. Turnover and Profit before Taxation

Turnover and operating profit is derived solely from leasing activities and is all operated in the United Kingdom.

The aggregate finance lease payments receivable in the year amounted to £NIL (2017: £NIL).

Genesta Leasing Limited

Notes to the Financial Statements for the Year Ended 29 March 2018 continued

5. Operating (Loss)/profit

The auditors' remuneration for audit of £2,000 (2017: £2,000) is borne by the ultimate holding company, Sir Richard Sutton Limited.

The average number of employees during the year was Nil (2017: Nil).

6. Directors' Remuneration

No remuneration was paid to the directors during the current or previous year.

7. Taxation on Profit on Ordinary Activities

a. Analysis of (Credit)/charge for the Year

	Note	2018 £	2017 £
Current tax			
- United Kingdom Corporation Tax on Profit for the financial year		-	(8,074)
- Adjustments in respect of prior years		-	(6)
Total current tax charge		-	(8,080)
Deferred Tax	10		
Origination and reversal of timing differences:			
- Current Year		-	8,627
- Prior Year		-	-
Change in tax rate		476	4,132
		476	4,679

Genesta Leasing Limited

Notes to the Financial Statements for the Year Ended 29 March 2018 continued

7. Taxation on Profit (continued)

b. Reconciliation of tax charge/(credit)

The tax assessed for the year is higher (2017: Lower) than the standard rate of Corporation Tax in the UK 19% (2017: 20%). The differences are explained below:-

(Loss)/Profit before taxation	(350)	2,764
(Loss)/Profit multiplied by standard rate of corporation tax in the UK 19% (2017: 20%)	(67)	553
- Factors affecting the tax (credit)/charge (see below)	543	4,126
Total tax (credit)/charge for the year	476	4,679
	2018	2017
	£'000	£'000
Factors affecting tax (credit)/charge		
Current tax:		
Expenses not deductible for tax purposes	67	-
Adjustments to tax charge in respect of prior years	-	(6)
Capital allowances in the year in excess of depreciation	-	(8,627)
Deferred tax:		
Origination and reversal of timing differences	-	8,627
Change in tax rate	476	4,132
	543	4,126

c. Tax rate changes

The UK corporation tax rate for the year was 19% which will reduce to 17% effective 1 April 2020. The fall in the UK corporation tax rate to 17% was substantial enacted in financial year 2017 and has been appropriately reflected in these financial statement.

Genesta Leasing Limited

Notes to the Financial Statements for the Year Ended 29 March 2018 continued

8. Receivables

	2018 £	2017 £
Amounts falling due within one year:-		
Finance leases	-	-
Amount owed by group undertakings	3,056,753	3,048,679
Group relief	-	8,074
	<hr/>	<hr/>
	3,056,753	3,056,753
Amounts falling due after more than one year:-		
Deferred taxation	34,693	35,169
	<hr/>	<hr/>
	3,091,446	3,091,922
	<hr/>	<hr/>

The cost of assets acquired during the year for the purpose of letting under finance leases amounted to £Nil (2017 £Nil).

Amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

9. Payables: Amounts falling due within one year

	2018 £	2017 £
Trade payables	350	-
Other taxation and social security	-	-
Corporation tax	-	-
	<hr/>	<hr/>
	350	-
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Genesta Leasing Limited

Notes to the Financial Statements for the Year Ended 29 March 2018 continued

10. Deferred Taxation

	Note	Asset	
		2018 £	2017 £
Tax effect on timing differences arising on:-			
Difference between net investment in leases and tax written down value		34,693	35,169
The movements on the deferred tax asset account are as follows:-			
		2018 £	2017 £
Opening balance		35,169	47,928
Transfer to the statement of comprehensive income	7	(476)	(12,759)
Closing balance		34,693	35,169
Disclosed as debtors:-			
Amount falling due after more than one year		34,693	35,169

11. Financial Instruments

	2018 £'000	2017 £'000
Financial assets that are debt instruments measured at amortised cost:		
Amounts owed by Group undertakings	3,056,753	3,048,679
Bank and Cash	2,434	2,434
	3,059,187	3,051,113
Financial liabilities measured at amortised cost:		
Trade payables	350	-
	350	-

Genesta Leasing Limited

Notes to the Financial Statements for the Year Ended 29 March 2018 continued

12. Called-up Share Capital

	2018 £	2017 £
Authorised 10,000,000 (2017: 10,000,000) ordinary shares of £1 each	<u>10,000,000</u>	<u>10,000,000</u>
Allotted, called up and fully paid 3,000,000 (2017: 3,000,000) ordinary shares of £1 each	<u>3,000,000</u>	<u>3,000,000</u>

13. Related Party Transaction

The Group has exercised the exemption under paragraph 33.1A from the provisions of FRS 102 not to disclose transactions between Group companies. Such transactions are not disclosed as they are transactions between entities under common control, and which are included in the published financial statements of the Group.

14. Ultimate Holding Company.

The whole of the issued share capital of the Company is owned by Sir Richard Sutton Limited, a company incorporated in England which is the ultimate parent company and controlling party. Sir Richard Sutton Limited is the only Company to consolidate the Company's financial statements. Copies of the ultimate parent company's consolidated financial statements may be obtained from the Secretary, Sir Richard Sutton Limited, 14 Bolton Street, Piccadilly, London, W1J 8BF.