

Company registration number 02112592 (England and Wales)

OPECPRIME DEVELOPMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

OPECPRIME DEVELOPMENT LIMITED

COMPANY INFORMATION

Directors	B M Comer L A Comer T Donnellan
Secretary	Grosvenor Financial Nominees Limited
Company number	02112592
Registered office	Harold Benjamin Solicitors Fourth Floor Hygeia House, 66 College Road Harrow Middlesex HA1 1BE
Auditor	Evans Mockler Limited 5 Beauchamp Court Victors Way Barnet London EN5 5TZ
Solicitors	Harold Benjamin Solicitors Fourth Floor Hygeia House, 66 College Road Harrow Middlesex HA1 1BE

OPECPRIME DEVELOPMENT LIMITED

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OPECPRIME DEVELOPMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2022

The directors present the strategic report for the year ended 30 June 2022.

Fair review of the business

This business review has been prepared in accordance with the recommendations of the Companies Act 2006 and is in line with best practice of the industry.

The company increased turnover during the financial year by continuing its work on two major developments and by providing further maintenance and contracting services. Business and particularly the construction industry has seen a rise in costs, however despite these challenges, the company has increased profitability during the financial year.

Principal risks and uncertainties

As a business the company could not function properly without the specific identification and management of risk and how we respond to changes in the external environment. Managing risk effectively is a critical element in corporate responsibility and underpins the safe delivery of business plans and strategic objectives. It also protects the company's reputation and supports the ability to create long-term competitive advantage, which will secure the future of the business. The company has a systemic approach to risk management which combines formal review at Board level of issues identified both by the Board and by staff across the wider business.

Development and performance

The company increased turnover during the year as a result of continuing its development activity across two major contracts with related companies. Additional contracts and maintenance works were carried out during the year further increasing turnover. Both gross and operating profit margins have been squeezed slightly due to the cost pressures within the industry. Despite this, the directors are pleased to report an increase in overall gross and operating profit for the year.

Key performance indicators

Gross profit percentage 3.0% (2021 : 4.2%)

Operating profit percentage 1.0% (2021 : 1.4%)

Future developments

The company expects to achieve healthy sales and profitability through the provision of further development and maintenance services to related companies.

On behalf of the board

B M Comer
Director

24 May 2023

OPECPRIME DEVELOPMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

The directors present their annual report and financial statements for the year ended 30 June 2022.

Principal activities

The principal activity of the company is that of the maintenance, development and sale of property.

Results and dividends

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

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

Directors

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

B M Comer
L A Comer
T Donnellan

Auditor

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

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

B M Comer
Director

24 May 2023

OPECPRIME DEVELOPMENT LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2022

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;
- 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.

OPECPRIME DEVELOPMENT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OPECPRIME DEVELOPMENT LIMITED

Opinion

We have audited the financial statements of Opecprime Development Limited (the 'company') for the year ended 30 June 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 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.

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 year 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.

OPECPRIME DEVELOPMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OPECPRIME DEVELOPMENT LIMITED

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 or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Directors (as required by auditing standards).
- we had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- with the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Directors.
- we communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- we addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

OPECPRIME DEVELOPMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OPECPRIME DEVELOPMENT LIMITED

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Simon Toghill
Senior Statutory Auditor
For and on behalf of Evans Mockler Limited

24 May 2023

Chartered Certified Accountants
Statutory Auditor

5 Beauchamp Court
Victors Way
Barnet
London
EN5 5TZ

OPECPRIME DEVELOPMENT LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	2021 £
Turnover	3	36,321,492	23,806,151
Cost of sales		(35,237,178)	(22,809,029)
Gross profit		1,084,314	997,122
Administrative expenses		(1,656,024)	(1,597,863)
Other operating income		946,327	926,516
Operating profit	4	374,617	325,775
Interest receivable and similar income	6	-	18
Interest payable and similar expenses	7	(19,474)	(31,618)
Profit before taxation		355,143	294,175
Tax on profit	8	(108,488)	(54,027)
Profit for the financial year		246,655	240,148

The profit and loss account has been prepared on the basis that all operations are continuing operations.

OPECPRIME DEVELOPMENT LIMITED

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		1,268,155		1,343,341
Current assets					
Stocks	11	582,607		-	
Debtors	10	32,429,970		26,888,259	
Cash at bank and in hand		1,334,838		1,377,965	
		<u>34,347,415</u>		<u>28,266,224</u>	
Creditors: amounts falling due within one year	12	(33,509,903)		(27,737,972)	
Net current assets			837,512		528,252
Total assets less current liabilities			<u>2,105,667</u>		<u>1,871,593</u>
Creditors: amounts falling due after more than one year	13		(183,658)		(246,414)
Provisions for liabilities					
Deferred tax liability	15	200,111		149,936	
		<u>(200,111)</u>		<u>(149,936)</u>	
Net assets			<u>1,721,898</u>		<u>1,475,243</u>
Capital and reserves					
Called up share capital	17		1,000		1,000
Profit and loss reserves			1,720,898		1,474,243
Total equity			<u>1,721,898</u>		<u>1,475,243</u>

The financial statements were approved by the board of directors and authorised for issue on 24 May 2023 and are signed on its behalf by:

B M Comer
Director

Company Registration No. 02112592

OPECPRIME DEVELOPMENT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 July 2020	1,000	1,234,095	1,235,095
Year ended 30 June 2021:			
Profit and total comprehensive income for the year	-	240,148	240,148
Balance at 30 June 2021	1,000	1,474,243	1,475,243
Year ended 30 June 2022:			
Profit and total comprehensive income for the year	-	246,655	246,655
Balance at 30 June 2022	1,000	1,720,898	1,721,898

OPECPRIME DEVELOPMENT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	21	287,989	431,509
Interest paid		(18,442)	(31,618)
Net cash inflow from operating activities		269,547	399,891
Investing activities			
Purchase of tangible fixed assets		(364,177)	(566,808)
Proceeds from disposal of tangible fixed assets		113,416	63,700
Interest received		-	18
Net cash used in investing activities		(250,761)	(503,090)
Financing activities			
Proceeds from borrowings		147,797	324,499
Payment of hire purchase obligations		(209,710)	(213,770)
Net cash (used in)/generated from financing activities		(61,913)	110,729
Net (decrease)/increase in cash and cash equivalents		(43,127)	7,530
Cash and cash equivalents at beginning of year		1,377,965	1,370,435
Cash and cash equivalents at end of year		1,334,838	1,377,965

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Company information

Opecprime Development Limited is a private company limited by shares incorporated in England and Wales. The registered office is Harold Benjamin Solicitors, Fourth Floor, Hygeia House, 66 College Road, Harrow, Middlesex, HA1 1BE.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

The company's turnover represents the development and maintenance of residential and commercial property.

The company's other operating income consists of rental income, service charge income and ground rent income, net of applicable expenses.

1.4 Tangible fixed assets

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

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

Land and buildings Freehold	- Nil
Plant and machinery	- 25% reducing balance
Fixtures, fittings & equipment	- 12.5% on cost
Motor vehicles	- 20% reducing balance

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value.

Cost represents the total purchase costs and other ancillary professional fees but does not include interest payable. Net realisable value is the amount at which property can be sold in the normal course of business after allowing for the costs of realisation.

1.7 Cash and cash equivalents

Cash and cash equivalents 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.

1.8 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 measured at transaction price including transaction costs.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

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, bank loans, loans from fellow group companies and preference shares that are classified as debt, are recognised at transaction price.

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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.9 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.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 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.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

1.13 Retirement benefits

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

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

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.

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

3 Turnover and other revenue

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

	2022	2021
	£	£
Turnover analysed by class of business		
Sales	30,715,004	19,805,059
Maintenance income	5,237,066	3,348,055
Other income	369,422	653,037
	<u>36,321,492</u>	<u>23,806,151</u>

	2022	2021
	£	£
Other significant revenue		
Interest income	-	18
Grants received	-	48,049
Management charges receivable	944,749	876,667
Ground rent receivable	1,578	1,800
	<u>1,578</u>	<u>48,874</u>

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	-	(7)
Government grants	-	(48,049)
Fees payable to the company's auditor for the audit of the company's financial statements	6,400	6,000
Depreciation of owned tangible fixed assets	372,465	397,558
(Profit)/loss on disposal of tangible fixed assets	(46,518)	14,895
	<u>332,347</u>	<u>365,357</u>

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

5 Employees

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

	2022 Number	2021 Number
Administration	13	12
Property maintenance	10	9
Total	23	21

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	737,197	631,512
Social security costs	75,654	58,922
Pension costs	19,697	17,659
	832,548	708,093

6 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	-	160

7 Interest payable and similar expenses

	2022 £	2021 £
Other finance costs:		
Interest on hire purchase contracts	18,442	17,077
Other interest	1,032	14,541
	19,474	31,618

8 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	58,313	38,236

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

8 Taxation

(Continued)

	2022 £	2021 £
Deferred tax		
Origination and reversal of timing differences	50,175	15,791
	<u> </u>	<u> </u>
Total tax charge	108,488	54,027
	<u> </u>	<u> </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	355,143	294,175
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	67,477	55,893
Tax effect of expenses that are not deductible in determining taxable profit	63,100	78,786
Permanent capital allowances in excess of depreciation	(72,264)	(96,443)
Deferred tax movement	50,175	15,791
	<u> </u>	<u> </u>
Taxation charge for the year	108,488	54,027
	<u> </u>	<u> </u>

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

9 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2021	4,500	3,149,637	532,319	969,007	4,655,463
Additions	-	168,218	15,817	180,142	364,177
Disposals	-	(775,378)	-	(18,855)	(794,233)
At 30 June 2022	4,500	2,542,477	548,136	1,130,294	4,225,407
Depreciation and impairment					
At 1 July 2021	-	2,297,633	394,553	619,936	3,312,122
Depreciation charged in the year	-	239,592	28,266	104,607	372,465
Eliminated in respect of disposals	-	(714,658)	-	(12,677)	(727,335)
At 30 June 2022	-	1,822,567	422,819	711,866	2,957,252
Carrying amount					
At 30 June 2022	4,500	719,910	125,317	418,428	1,268,155
At 30 June 2021	4,500	852,004	137,766	349,071	1,343,341

The net book value of other tangible assets includes £528,908 (2021 - £554,872) in respect of assets held under finance leases or hire purchase contracts. The depreciation in respect of such assets amounted to £162,707 (2021 - £170,831) for the year.

10 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	10,171,896	6,783,104
Corporation tax recoverable	6,896	6,896
Other debtors	58,448	1,731,991
Prepayments and accrued income	605,134	201,661
	10,842,374	8,723,652
Amounts falling due after more than one year:		
Amount due from related parties	21,587,596	18,164,607
Total debtors	32,429,970	26,888,259

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

11 Stocks

	2022 £	2021 £
Stocks	582,607	-

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Obligations under hire purchase	199,820	198,977
Trade creditors	32,952,115	27,225,681
Corporation tax	98,638	39,293
Other taxation and social security	95,515	80,657
Other creditors	114,268	144,433
Accruals and deferred income	49,547	48,931
	33,509,903	27,737,972

13 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Obligations under hire purchase	183,658	246,414

14 Provisions for liabilities

	2022 £	2021 £
Deferred tax liabilities	200,111	149,936

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Accelerated capital allowances	200,111	149,936

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

15 Deferred taxation (Continued)

	2022 £
Movements in the year:	
Liability at 1 July 2021	149,936
Charge to profit or loss	50,175
Liability at 30 June 2022	200,111

16 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	19,697	17,659

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.

17 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	1,000	1,000	1,000	1,000

18 Related party transactions

Transactions with related parties

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

	Description of transaction	Income		Payments	
		2022 £	2021 £	2022 £	2021 £
Other related parties	Services provided	36,878,195	24,003,114	-	-

Amounts owed to/by related parties

The following amounts were outstanding at the reporting end date:

	Amount owed to		Amounts owed by	
	2022 £	2021 £	2022 £	2021 £
Other related parties	26,281,520	21,385,060	21,549,959	24,899,387

OPECPRIME DEVELOPMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

19 Ultimate controlling party

Control is shared equally between Mr B M Comer and Mr L A Comer by virtue of their shareholding.

20 Analysis of changes in net funds

	1 July 2021	Cash flows	New hire purchase leases	30 June 2022
	£	£	£	£
Cash at bank and in hand	1,377,965	(43,127)	-	1,334,838
Obligations under hire purchase	(445,391)	209,710	(147,797)	(383,478)
	<u>932,574</u>	<u>166,583</u>	<u>(147,797)</u>	<u>951,360</u>

21 Cash generated from operations

	2022 £	2021 £
Profit for the year after tax	246,655	240,148
Adjustments for:		
Taxation charged	108,488	54,027
Finance costs	19,474	31,618
Investment income	-	(18)
(Gain)/loss on disposal of tangible fixed assets	(46,518)	14,895
Depreciation and impairment of tangible fixed assets	372,465	397,558
Movements in working capital:		
Increase in stocks	(582,607)	-
Increase in debtors	(5,541,711)	(5,991,652)
Increase in creditors	5,711,743	5,684,933
Cash generated from operations	<u>287,989</u>	<u>431,509</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.