

Registered number: 02792313

House Owners Investments (London) Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018

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HOUSE OWNERS INVESTMENTS (LONDON) LIMITED

COMPANY INFORMATION

Directors	David Turner William G Amies James Acheson
Company Secretary	William G Amies
Registered number	02792313
Registered office	34 Park Street London W1K 2JD
Asset manager	Brunswick Property Partners Limited Sanderson House, 22 Station Road Horsforth, Leeds LS18 5NT
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU
Administrator and accountant	Langham Hall UK Services LLP 8th Floor 1 Fleet Place London EC4M 7RA
Bankers	National Westminster Bank 1 Princes Street London EC2R 8BP
Solicitors	Shoosmiths LLP 6th Floor 1 St. Martin's Le Grand London EC1A 4AS Linklaters LLP 1 Silk Street London EC2Y 8HQ
Valuer	Cushman & Wakefield 43/45 Portman Square London W1A 3BG

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED

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HOUSE OWNERS INVESTMENTS (LONDON) LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

The directors present their Report and the financial statements for the period from 1 April 2018 to 31 December 2018.

Directors' responsibilities statement

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

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

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principle activity of the Company is that of property investment and management.

Directors

The directors who served during the period were:

David Turner
William G Amies
James Acheson

Disclosure of information to auditors

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

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

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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

Post balance sheet events

On 8 January 2019, House Owners Investments Limited and House Owners Investments (London) Limited disposed of the Weybridge Estate, one of a number of properties included in Investment Property for a cash consideration of £17.10 million.

On 27 February 2019, House Owners Investments (London) Limited paid a dividend of £4,741,838 to its parent company House Owners Investments Limited.

Auditors

BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 12/09/19 and signed on its behalf.

W G Amies
Director



HOUSE OWNERS INVESTMENTS (LONDON) LIMITED

INDEPENDENT AUDITORS' REPORT TO MEMBERS OF HOUSE OWNERS INVESTMENTS (LONDON) LIMITED

Opinion

We have audited the financial statements of House Owners Investments (London) Limited ("the Company") for the period from 01 April 2018 to 31 December 2018 which comprise the statement of comprehensive income, the statement of financial position, 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 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 31 December 2018 and of its profit 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 Directors report and financial statements, 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

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED

INDEPENDENT AUDITORS' REPORT TO MEMBERS OF HOUSE OWNERS INVESTMENTS (LONDON) LIMITED (CONTINUED)

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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

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.

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED

**INDEPENDENT AUDITORS' REPORT TO MEMBERS OF HOUSE OWNERS INVESTMENTS (LONDON)
LIMITED (CONTINUED)**

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

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Christopher Young (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
Date 12/9/2019.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2018

	Note	Period from 1 April 2018 to 31 December 2018 £	March 2018 £
Turnover	3	2,144,964	2,262,893
Cost of sales		(710,709)	(222,813)
Gross profit		1,434,255	2,040,080
Administrative expenses		(185,097)	(123,559)
Operating profit before fair value movements		1,249,158	1,916,521
Fair value uplift on investment property	8	7,290,353	34,868,725
Operating profit		8,539,511	36,785,246
Interest receivable and similar income	5	-	13
Interest payable	6	-	(888,358)
Profit before tax		8,539,511	35,896,901
Tax on profit	7	(814,380)	(3,987,354)
Profit for the financial period		7,725,131	31,909,547
Total comprehensive income for the period		7,725,131	31,909,547

The notes on pages 9 to 16 form part of these financial statements.

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	December 2018 £	March 2018 £
Fixed assets			
Investment property	8	<u>56,170,160</u>	<u>48,547,000</u>
		56,170,160	48,547,000
Current assets			
Stocks		621,400	621,400
Debtors: amounts falling due within one year	9	1,784,924	1,825,660
Cash at bank and in hand	10	<u>97,860</u>	<u>378,559</u>
		2,504,184	2,825,619
Creditors: amounts falling due within one year	11	<u>(4,770,715)</u>	<u>(6,053,099)</u>
Net current liabilities		<u>(2,266,531)</u>	<u>(3,227,480)</u>
Total assets less current liabilities		53,903,629	45,319,520
Provisions for liabilities			
Deferred tax	12	<u>(4,843,350)</u>	<u>(3,984,371)</u>
		(4,843,350)	(3,984,371)
Net assets		<u>49,060,279</u>	<u>41,335,149</u>
Capital and reserves			
Called up share capital	13	2	2
Profit and loss account		<u>49,060,277</u>	<u>41,335,147</u>
		49,060,279	41,335,149

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

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

 12/09/19

W G Amies
Director

The notes on pages 9 to 16 form part of these financial statements.

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2017	2	9,425,601	9,425,603
Profit for the year	-	<u>31,909,545</u>	<u>31,909,545</u>
At 1 April 2018	2	41,335,146	41,335,148
Profit for the period	-	<u>7,725,131</u>	<u>7,725,131</u>
At 31 December 2018	<u>2</u>	<u>49,060,277</u>	<u>49,060,279</u>

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018

1. General information

House Owners Investments (London) Limited (the "Company") is incorporated in England and Wales (registration number: 02792313). The principle activity of the Company is that of property investment and management.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Reporting period

The Company's financial information has been prepared for the period 1 April 2018 to 31 December 2018, with the prior period statements prepared from 1 April 2017 to 31 March 2018. The periods covered by the financial information for the Company vary in length and level of activities therefore it is not entirely comparable.

Following an application to shorten the accounting reference date to 31 December 2018, the company's next reporting will cover the period from 1 January 2019 to 31 December 2019.

2.3 Going concern

After making enquiries, the directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation of the Company having adequate resources to continue in operational existence for the foreseeable future and there is an expectation that finance will remain available.

In reaching this conclusion the directors have considered the support provided by the Company's ultimate parent company and in particular the confirmation that it will not recall the amounts owned by the Company unless it is in a position to pay such amounts.

2.4 Revenue recognition

Revenue includes amounts receivable in respect of property rental income and is measured at fair value of the consideration received or receivable. Rental income is derived from investment properties and is recognised on a straight line basis over the term of the relevant leases.

Incentives for lessees to enter lease arrangements are spread evenly over the non-cancellable period of the lease, even if payments are not made on that basis.

Contingent rents, such as turnover rents, rent review and inflation-linked indexation, are recorded as income in the period in which they are earned.

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

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

2.5 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.6 Lease incentives

Benefits to lessees in the form of the rent free periods, cash incentives and capital contributions are treated as a reduction in the overall return on the leases and, in accordance with UK GAAP operating lease incentives are recognised on a straight line basis over the length of lease term.

The total of the unamortised capital contributions and any lease incentives in place at the year-end are included within the carrying value of investment properties. Any remaining lease incentive balances in respect of properties disposed of are included in the calculation of profit or loss arising on disposal.

2.7 Debtors

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

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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

2.10 Creditors

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

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

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

2.12 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.13 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

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

3. Turnover

	Period from 1 April 2018 to 31 December 2018 £	March 2018 £
Rental and service charge income	2,158,334	2,278,174
Amortisation of lease incentives	(13,370)	(15,281)
	<u>2,144,964</u>	<u>2,262,893</u>

4. Auditors' remuneration

	Period from 1 April 2018 to 31 December 2018 £	March 2018 £
Audit fees	8,263	8,945
Taxation fees	5,000	-
	<u>13,263</u>	<u>8,945</u>

5. Interest receivable and similar income

	Period from 1 April 2018 to 31 December 2018 £	March 2018 £
Other Interest receivable	-	13
	<u>-</u>	<u>13</u>

6. Interest payable

	Period from 1 April 2018 to 31 December 2018 £	March 2018 £
Bank loan interest expense	-	888,358
	<u>-</u>	<u>888,358</u>

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

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

7. Taxation

	Period to December 2018 £	March 2018 £
Corporation tax		
Prior period adjustment to tax on profits	(150,028)	7,675
Current tax on profits for the year	105,429	283,319
Deferred tax for the year	858,979	3,696,360
Total tax charge	814,380	3,987,354

Factors affecting tax charge for the year

The tax assessed for the year is lower/the same as the standard rate of corporation tax in the UK of 19% (2017 - 20%). The differences are explained below:

	Period to December 2018 £	March 2018 £
Profit on ordinary activities before tax	8,539,511	35,896,901
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	1,622,507	6,820,411
<i>Effects of:</i>		
Expenses not deductible for tax purposes	60,384	92,530
Income not taxable for tax purposes	(1,141,017)	(6,726,323)
Chargeable gains	613,803	3,793,061
Group relief surrendered / (claimed)	(191,269)	-
Adjustments to tax charge in respect of previous periods	(150,028)	7,675
Total tax charge for the year	814,380	3,987,354

8. Investment property

	Total £
Cost or valuation	
At 1 April 2018	48,547,000
Additions	332,807
Revaluation	7,290,353
At 31 December 2018	56,170,160

The group's investment properties are valued annually on 31 December at fair value. £52,320,160 has been determined by an independent, professionally qualified valuer. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors' Appraisal and valuation Manual. Details on the assumptions made and the key sources of estimation uncertainty are given in note 2. The 2018 valuations have been performed by the company's accredited external valuers Cushman and Wakefield.

£3,850,000 has been valued by the Directors based on transactions which occurred after the year end.

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

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

9. Debtors: amounts falling due within one year

	December 2018 £	March 2018 £
Tenant debtors	242,088	300,600
Amounts owed by group undertakings	820,768	1,142,729
Lease incentive debtor	62,012	75,382
Other debtors	39,125	31,795
Prepayments and accrued income	2,028	3,939
Cash held by managing agent	618,903	271,215
	<u>1,784,924</u>	<u>1,825,660</u>

All amounts fall due for payment within one year.

10. Cash and cash equivalents

	December 2018 £	March 2018 £
Cash at bank and in hand	<u>97,860</u>	<u>378,559</u>
	<u>97,860</u>	<u>378,559</u>

11. Creditors: Amounts falling due within one year

	December 2018 £	March 2018 £
Trade creditors	101,426	10,732
Amounts owed to group undertakings	3,832,402	4,833,238
Other taxation and social security	95,854	74,051
Other creditors	108,574	77,961
Accruals and deferred income	561,739	555,149
Corporation tax	70,720	501,968
	<u>4,770,715</u>	<u>6,053,099</u>

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

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

12. Deferred taxation

	December 2018 £
At beginning of period	(3,984,371)
Charged to profit or loss	<u>(858,979)</u>
At end of period	<u>(4,843,350)</u>

The provision for deferred taxation is made up as follows:

	December 2018 £	March 2018 £
Fixed asset timing differences	(290,416)	(289,498)
Capital gains and losses	<u>(4,552,934)</u>	<u>(3,694,873)</u>
	<u>(4,843,350)</u>	<u>(3,984,371)</u>

13. Share capital

	December 2018 £	March 2018 £
Allotted, called up and fully paid		
2- Ordinary shares of £1 each	<u>2</u>	<u>2</u>

14. Controlling party

The Company is controlled by House Owners Investments Limited, a Company incorporated in England and Wales (registration number: 00278047). The registered address is 34 Park Street, London, W1K 2JD.

The ultimate controlling party is QInvest LLC, a Limited Liability Company incorporated in Qatar (registration number: 00048). The registered address is Tornado Tower, Majles Al Tawoun Street 213, 26222, Doha, State of Qatar.

15. Related party transactions

House Owners Investments Limited, Pearl UK Holdco Limited and Pearl UK Midco Limited are respectively immediate and intermediate parent entities of House Owners Investments (London) Limited.

Asset Management Fees of £153,058 (March 2018: £61,643) were charged by Brunswick Property Partners Limited as per the Asset Management Agreement. The amount outstanding as at 31 December 2018 was £NIL (March 2018: £61,643).

HOUSE OWNERS INVESTMENTS (LONDON) LIMITED
REGISTERED NUMBER: 02792313

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

16. Subsequent events

On 8 January 2019, House Owners Investments Limited and House Owners Investments (London) Limited disposed of the Weybridge Estate, one of a number of properties included in Investment Property for a cash consideration of £17.10 million.

On 27 February 2019, House Owners Investments (London) Limited paid a dividend of £4,741,838 to its parent company House Owners Investments Limited.

17. Operating lease commitments

Lessor

The Company leases out the investment properties under non-cancellable operating leases for the following future minimum lease payments. There are no contingent rents.

	December 2018	March 2018
Not later than 1 year	2,071,962	1,895,448
Later than 1 year and not later than 5 years	4,942,085	5,122,761
Later than 5 years	<u>4,362,772</u>	<u>4,838,387</u>
	<u>11,376,819</u>	<u>11,856,596</u>