

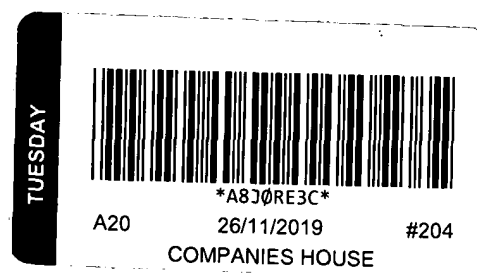
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**GARDEN STUDIOS BUSINESS CENTRE LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**



## **GARDEN STUDIOS BUSINESS CENTRE LIMITED**

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### **COMPANY INFORMATION**

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#### **DIRECTORS AND ADVISERS**

**Directors**

Nicholas Benbow  
Mohamed Jiwaji

**Registered office**

4 Tilgate Forest Business Park  
Brighton Road  
Crawley  
West Sussex RH11 9BP  
United Kingdom

**Independent Auditor**

Deloitte LLP, Statutory auditor

**Trading address**

No.1 Royal Exchange  
London EC3V 3DG  
United Kingdom

**Registered number**

02800109

## GARDEN STUDIOS BUSINESS CENTRE LIMITED

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## **GARDEN STUDIOS BUSINESS CENTRE LIMITED**

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### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **INTRODUCTION**

The Directors present their annual report and the financial statements for the year ended 31 December 2018.

On 18 September 2019 the Company changed its name from Landmark Business Centres (Garden Studios) Limited to Garden Studios Business Centre Limited ('the Company').

#### **PRINCIPAL ACTIVITY**

All business and assets was transferred to Landmark Space Limited with effect from 1 January 2018, by the payment of reverse consideration of £39,068. The Company retained its leasehold property interest after that sale that is now also sublet to Landmark Space Limited, which it retains at the date of this report.

At the date of signing these financial statements the Company's immediate parent company, Landmark Limited, will enter into a binding agreement for the sale of the entire share capital of the Company. As a consequence the amounts owed to Group companies will be waived, at 31 December 2018 this creditor totalled £195,692.

At the date of signing these financial statements, the company acquiring the entire share capital of Garden Studios Business Centre Limited will enter into a binding agreement to purchase the business and assets, formerly owned by the Company, from Landmark Space Limited.

#### **DIRECTORS**

The Directors who served during the year and to the date of this report unless otherwise stated are as follows:

Nicholas Benbow	Appointed 18 September 2019
Mohamed Jiwaji	Appointed 18 September 2019
John Spencer	Resigned 18 September 2019
Andrew Blurton	Retired 31 December 2018
James Farnworth	Appointed 1 January 2019, resigned 18 September 2019
John Hunter	Resigned 18 September 2019
Malcolm Clark	Resigned 5 June 2018

#### **RESULTS AND DIVIDENDS PROPOSED**

The results for the year are set out in the statement of income and retained earnings.

No further dividends have been proposed at year end (2017: Nil).

#### **DIRECTORS' INDEMNITIES AND DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

In accordance with the Company's Articles of Association, an indemnity is provided by the Company to the Directors to the extent permitted by law in respect of liabilities incurred from their office as Directors.

#### **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 period. 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 and then apply them consistently;

## **GARDEN STUDIOS BUSINESS CENTRE LIMITED**

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### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)**

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#### **DIRECTORS' RESPONSIBILITIES STATEMENT (continued)**

- make judgments 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. 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. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **GOING CONCERN AND SUBSEQUENT EVENTS**

At 31 December 2018 the Company had net current liabilities of £39,068 (2017 : £248,644). As discussed in the principal activities, at the date of signing these financial statements the Company's immediate parent company, Landmark Limited, will enter into a binding agreement for the sale of the entire share capital of the Company. As a consequence the amounts owed to Group companies will be waived, at 31 December 2018 this creditor totalled £195,692.

At the date of signing these financial statements, the company acquiring the entire share capital of Garden Studios Business Centre Limited will enter into a binding agreement to purchase the business and assets, formerly owned by the Company, from Landmark Space Limited.

At the date of signing these financial statements the Company will receive £500,000 in respect of further share capital issued to Landmark Limited (comprising £1 nominal value and £499,999 share premium).

On the basis of the Directors' assessment of the cashflow requirements of the business against the funding requirements of the sale agreement and having made the appropriate enquiries of the acquirer about their intention and ability to continue the business as a going concern and the acquirer's capability to improve the performance of the business the Directors have concluded that it is appropriate to prepare these financial statements on the going concern basis.

#### **DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the Directors at the date of approval of this Report of the Directors has confirmed that:

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

This confirmation is given and should be interpreted in accordance with the provision of S418 of the Companies Act.

**GARDEN STUDIOS BUSINESS CENTRE LIMITED**

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**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)**

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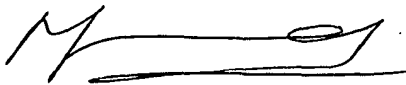
**AUDITOR**

Nexia Smith & Williamson had been the auditor of the Company in previous years and until September 2018. On that date they were succeeded by Deloitte LLP.

**SMALL COMPANIES EXEMPTION**

The Directors have taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 not to provide a strategic report.

This report was approved by the Board and signed on its behalf.



**Mohamed Jiwaji**  
Director

22 November 2019

## **GARDEN STUDIOS BUSINESS CENTRE LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GARDEN STUDIOS BUSINESS CENTRE LIMITED**

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#### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

##### **Opinion**

In our opinion the financial statements of Garden Studios Business Centre Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of income and retained earnings;
- the balance sheet; and
- the related notes 1 to 15.

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).

##### **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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

##### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **GARDEN STUDIOS BUSINESS CENTRE LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GARDEN STUDIOS BUSINESS CENTRE LIMITED (continued)**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

#### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Report on other legal and regulatory requirements**

##### **Opinions 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 year for which the financial statements are prepared is consistent with the financial statements; the Directors' report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Directors' report.

##### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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; and
- the Directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



## GARDEN STUDIOS BUSINESS CENTRE LIMITED

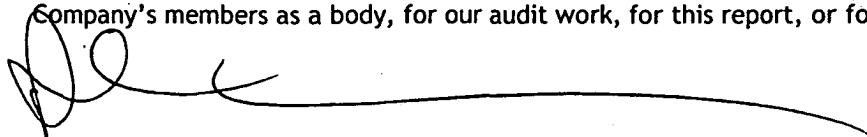
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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GARDEN STUDIOS BUSINESS CENTRE LIMITED (continued)

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#### 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.



Darren Longley, FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom

22 November 2019

# GARDEN STUDIOS BUSINESS CENTRE LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Year ended 31 December 2018 £	Nine months ended 31 December 2017 £
Turnover	3	831,513	1,374,062
Cost of sales		(831,513)	(1,199,785)
Gross profit		-	174,277
Administrative expenses		-	(251,445)
Loss before taxation	4	-	(77,168)
Taxation charge on loss	6	-	(2,634)
Loss for the financial year/period attributable to the equity shareholders of the company		-	(79,802)
Retained (loss)/profit at beginning of the year/period		(39,158)	40,644
Loss for the year/period		-	(79,802)
Retained loss at the end of the year/period		(39,158)	(39,158)

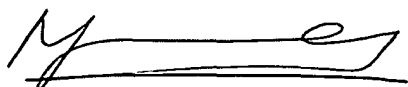
All amounts relate to continuing operations.

# GARDEN STUDIOS BUSINESS CENTRE LIMITED

## BALANCE SHEET AT 31 DECEMBER 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	7	-	221,709
<b>Current assets</b>			
Debtors	8	32,917	149,885
Cash at bank and in hand		123,707	555,299
		156,624	705,184
Creditors: amounts falling due within one year	9	(195,692)	(953,828)
Net current liabilities		(39,068)	(248,644)
Total assets less current liabilities		(39,068)	(26,935)
Provision for liabilities	10	-	(12,133)
Net liabilities		(39,068)	(39,068)
<b>Capital and reserves</b>			
Share capital	11	90	90
Retained losses	12	(39,158)	(39,158)
		(39,068)	(39,068)

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 27 November 2019.



Mohamed Jiwaji  
Director

REGISTERED NUMBER 02800109

## GARDEN STUDIOS BUSINESS CENTRE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 1. ACCOUNTING POLICIES

##### 1.1 PRINCIPAL ACTIVITIES AND REGISTERED OFFICE

With effect from 1 January 2018, the Company completed the sale of its business and assets to a fellow subsidiary, Landmark Space Limited. The Company retained its leasehold property interest after that sale, which it retains at the date of these financial statements. In the prior period, the principal activities of the Company were that of operating a high quality serviced office and related services in London. The Company is incorporated in the United Kingdom under Companies Act 2006 and registered England and Wales and its registered office is 4 Tilgate Forest Business Park, Brighton Road, Crawley, West Sussex RH11 9BP. The Company is a private limited company, limited by shares.

##### 1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The results presented are for the year ended 31 December 2018. The comparative results are for a period of 9 months ended 31 December 2017 when the Company shortened its accounting period to align it with that of its ultimate parent company. The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the requirements of the Companies Act 2006.

The Company's functional currency and reporting currency is Pounds Sterling.

##### **Reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 4 Balance Sheet paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

The notes to the Financial Statements have been left due to being part of the Group policies and being for comparatives.

The following principal accounting policies have been applied in the preparation of these financial statements:

##### 1.3 GOING CONCERN

At 31 December 2018 the Company had net current liabilities of £39,068 (2017 : £248,644). As discussed in the principal activities, at the date of signing these financial statements the Company's parent company, Landmark Limited, will enter into a binding agreement for the sale of the entire share capital of the Company. As a consequence the amounts owed to Group companies will be waived, at 31 December 2018 this creditor totalled £195,692.

At the date of signing these financial statements, the company acquiring the entire share capital of Garden Studios Business Centre Limited will enter into a binding agreement to purchase the business and assets, formerly owned by the Company, from Landmark Space Limited.

At the date of signing these financial statements the Company will receive £500,000 in respect of further share capital issued to Landmark Limited (comprising £1 nominal value and £499,999 share premium).

## GARDEN STUDIOS BUSINESS CENTRE LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES (continued)

#### 1.3 GOING CONCERN (continued)

On the basis of the Directors' assessment of the cashflow requirements of the business against the funding requirements of the sale agreement and having made the appropriate enquiries of the acquirer about their intention and ability to continue the business as a going concern and the acquirer's capability to improve the performance of the business the Directors have concluded that it is appropriate to prepare these financial statements on the going concern basis.

#### 1.4 TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes. Turnover in the prior period had been generated from 3<sup>rd</sup> party rent while in the current year is generated through an intergroup lease.

#### 1.5 PENSIONS

The Company contributes to a defined contribution plan for its employees. Once the contributions have been paid, the Company has no further payment obligations. The contributions are recognised as an expense when they fall due. Amounts not paid are included in accruals in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

#### 1.6 HOLIDAY PAY ACCRUAL

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the date of the Balance Sheet.

#### 1.7 CURRENT AND DEFERRED TAXATION

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, 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.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet 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 difference between the fair values of assets acquired and future tax deductions available for them, and the difference between the fair values of liabilities acquired and the amount that will be assessed for tax for them. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## GARDEN STUDIOS BUSINESS CENTRE LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.8 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when they are paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

##### 1.9 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The carrying amount of items in fixed assets only includes the cost of replacing part of that item if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of any replaced part is de-recognised. Repairs and maintenance are charged to the Income Statement during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Short-term leasehold property	-	Over the term of the lease
Fixtures, fittings and office equipment	-	4 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

The residual values of fixed assets, their useful lives, and their depreciation rates are reviewed at each reporting date and where there is an indication of a significant change since the previous reporting date, they are adjusted prospectively.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

##### 1.10 IMPAIRMENT OF ASSETS

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Income Statement, as described below.

###### Non-financial assets

The recoverable amount of a non-financial asset is the higher of its fair value less costs to sell and its value in use. A non-financial asset is impaired where the estimated recoverable value of the asset has been reduced.

## GARDEN STUDIOS BUSINESS CENTRE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 1. ACCOUNTING POLICIES (continued)

##### 1.10 IMPAIRMENT OF ASSETS (continued)

###### Financial assets

Financial assets that are measured at cost or amortised cost are assessed at the end of each reporting period for objective evidence of impairment. The impairment loss is measured as the difference between a financial asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the related contract.

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

##### 1.11 CASH AT BANK AND IN HAND

Cash is represented by cash on hand and demand deposits. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash without significant risk of change in value.

##### 1.12 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of an instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction in which case they are measured at the present value of future payments, discounted at a market rate of interest for a similar debt instrument.

Debt instruments which meet the criteria set out within section 11 of FRS 102 for basic financial instruments are subsequently measured at amortised cost using the effective interest method.

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the criteria for a basic financial instrument, are measured at the undiscounted amount of cash or other consideration expected to be paid or received, net of impairment.

Financial assets are de-recognised when:

- (a) the contractual rights to the cash flows from the financial asset expire or are settled; or
- (b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- (c) the Company, despite having retained some but not all significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are de-recognised only when the obligation specified in the contract is discharged, cancelled or expires.

Financial assets and liabilities are only offset and the net amount reported in the Balance Sheet when there is an 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.

## GARDEN STUDIOS BUSINESS CENTRE LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Income Statement on a straight line basis over the term of the lease, including where payments are not required to be made on a straight line basis. Lease incentives are similarly spread on a straight line basis over the relevant lease terms.

The Company has applied the exemption in Section 35.10(p) to continue to recognise any residual benefit or cost associated with lease incentives on the same basis as that applied at the date of transition to FRS 102.

#### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgements or key sources of estimation uncertainty represented as at 31 December 2018.



# GARDEN STUDIOS BUSINESS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 3. TURNOVER

	Year ended 31 December 2018	Nine months ended 31 December 2017
	£	£
An analysis of turnover by class of business is as follows:		
Licence fees	-	1,152,896
Other services	-	221,166
Rental Income - intercompany	831,513	-
	<u>831,513</u>	<u>1,374,062</u>

All turnover of the Company is generated in the United Kingdom.

### 4. LOSS BEFORE TAXATION

The loss before taxation is stated after charging:

	Year ended 31 December 2018	Nine months ended 31 December 2017
	£	£
Depreciation of tangible fixed assets	-	48,620
Fees payable to the Company's auditor for the audit of the Company's financial statements	-	4,500
Fees payable to the Company's auditor and its associates for other services	-	2,250
Operating lease rentals	831,513	673,082
	<u>831,513</u>	<u>673,082</u>

The Directors received no emoluments during the year ended 31 December 2018 (nine months ended 31 December 2017: Nil).

# GARDEN STUDIOS BUSINESS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 5. EMPLOYEES

	Year ended 31 December 2018	Nine months ended 31 December 2017
	£	£
Staff costs were as follows:		
Wages and salaries	-	136,995
Social security costs	-	11,181
Defined contribution pension scheme costs	-	844
	-	149,020

The average number of employees excluding Directors during the year was as follows:

	Year ended 31 December 2018	Nine months ended 31 December 2017
	No	No
Serviced office operations	-	5

### 6. TAX ON LOSS

	Year ended 31 December 2018	Nine months ended 31 December 2017
	£	£
UK corporation tax		
Current tax on loss for the year/period	-	(12,685)
Adjustment in respect of prior periods	-	11,698
Total current tax	-	(987)
Deferred tax	-	3,621
Taxation charge for the year/period	-	2,634

## GARDEN STUDIOS BUSINESS CENTRE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 6. TAX ON LOSS (continued)

##### FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The standard rate of tax applied to reported profit is 19% (2017: 19%). The Finance Act 2015 changed the rate from 20% to 19% during the prior period. The change of tax rates following the enactment of the Finance Act 2016 in September 2016 means that deferred tax balances should be calculated using 17%. The impact on deferred tax assets and liabilities is immaterial. The tax charge for the prior period is higher than the standard rate of corporation tax in the UK of 19%. The principal differences are as follows:

	Year ended 31 December 2018 £	Nine months ended 31 December 2017 £
Loss before tax	-	(77,168)
Loss multiplied by standard rate of corporation tax in the UK of 19%	-	(14,662)
Effects of:		
Depreciation not allowable for taxation purposes	-	5,598
Adjustments in respect of prior periods	-	11,698
Total tax charge for the year/period	-	2,634

The Directors consider that adjustments similar to those above are likely to be relevant in calculating the Group's tax charge in future years.

# GARDEN STUDIOS BUSINESS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 7. TANGIBLE FIXED ASSETS

	Short-Term Leasehold Property £	Fixtures, fittings & office equipment £	Total £
Cost or valuation			
At 1 January 2018	676,481	1,032,186	1,708,667
Sale to fellow subsidiary	(676,481)	(1,032,186)	(1,708,667)
At 31 December 2018	-	-	-
Depreciation			
At 1 January 2018	509,442	977,516	1,486,958
Transfer on sale to fellow subsidiary	(509,442)	(977,516)	(1,486,958)
At 31 December 2018	-	-	-
Net book value			
At 31 December 2018	-	-	-
At 31 December 2017	167,039	54,670	221,709

### 8. DEBTORS

	2018 £	2017 £
Due within one year		
Trade debtors	-	23,881
Amounts owed by Group Undertakings	-	9,930
Other debtors	32,917	27,908
Prepayments and accrued income	-	88,166
	32,917	149,885

Amounts owed by Group Undertakings are payable on demand.

# GARDEN STUDIOS BUSINESS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 9. CREDITORS: amounts falling due within one year

	2018 £	2017 £
Client deposits	-	256,871
Licence fees invoiced in advance	-	123,437
Trade creditors	-	113,935
Amounts owed to Group Undertakings	195,692	213,710
Corporation tax	-	48,345
Amounts owing to Fellow Subsidiary Undertakings	-	10,546
Taxation and social security	-	40,080
Other creditors	-	103,298
Accruals	-	43,606
	<u>195,692</u>	<u>953,828</u>

Amounts owed to Group Undertakings are payable on demand.

### 10. PROVISION FOR LIABILITIES

	2018 £	2017 £
Provision for liabilities consist of Deferred taxation and arose as follows:		
At beginning of year/period	12,133	8,512
Movement for the year/period (note 6)	-	3,621
Transfer on asset sale to fellow subsidiary	(12,133)	-
	<u>-</u>	<u>12,133</u>
At end of year/period	-	12,133

Deferred taxation relates primarily to timing differences between capital allowances claimed and depreciation charged on the Company's fixed assets.

### 11. SHARE CAPITAL

	2018 £	2017 £
Authorised, allotted, called up and fully paid		
90 Ordinary shares of £1 each	90	90

All the Company's Ordinary shares are non-redeemable. They rank equally in terms of voting rights, participation in approved dividend distributions for that class of share, and participation in any capital distribution on a winding up.

## GARDEN STUDIOS BUSINESS CENTRE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 12. RESERVES

##### Retained losses

Retained losses represent cumulative profits and losses, after payment of dividends.

#### 13. COMMITMENTS AND CONTINGENCIES

At 31 December 2018, the Company had outstanding commitments for future minimum lease payments and other costs under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than one year	844,772	755,250
Later than one year and not later than five years	2,497,028	2,087,955
Later than five years	6,270,000	109,000
	<u>9,611,800</u>	<u>2,952,205</u>

#### 14. CONTROLLING PARTIES

At the year end and until the sale of the entire share capital of the Company (see note 15), the immediate parent Company and parent company of the smallest group which incorporates the financial statements of the Company was Landmark Limited. The ultimate controlling party and ultimate parent company of the Company, and the largest group which incorporates the financial statements of the Company, was O.C.S. Group Limited. The registered address of Landmark Limited and O.C.S. Group Limited is 4 Tilgate Forest Business Park, Brighton Road, Crawley, West Sussex, RH11 9BP. Copies of the financial statements of Landmark Limited and O.C.S. Group Limited are available from 4 Tilgate Forest Business Park, Brighton Road, Crawley, West Sussex, RH11 9BP.

#### 15. SUBSEQUENT EVENTS

At the date of signing these financial statements the Company's immediate parent company, Landmark Limited, will enter into a binding agreement for the sale of the entire share capital of the Company. As a consequence the amounts owed to Group companies will be waived, at 31 December 2018 this creditor totalled £195,692.

At the date of signing these financial statements, the company acquiring the entire share capital of Garden Studios Business Centre Limited will enter into a binding agreement to purchase the business and assets, formerly owned by the Company, from Landmark Space Limited.

At the date of signing these financial statements the Company will receive £500,000 in respect of further share capital issued to Landmark Limited (comprising £1 nominal value and £499,999 share premium).