

# **Ten Harley Street Limited**

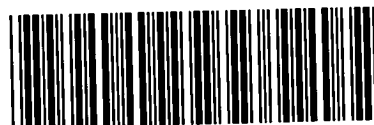
Report and Financial Statements

Year Ended

31 December 2016

Company Number 02806036

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# Ten Harley Street Limited

## Company Information

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<b>Directors</b>	S D Kay D Kay
<b>Company secretary</b>	S D Kay
<b>Registered number</b>	02806036
<b>Registered office</b>	31 Chertsey Street Guildford Surrey United Kingdom GU1 4HD
<b>Independent auditor</b>	BDO LLP 31 Chertsey Street Guildford Surrey GU1 4HD

# Ten Harley Street Limited

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# Ten Harley Street Limited

## Directors' Report For the Year Ended 31 December 2016

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The directors present their report and the financial statements for the year ended 31 December 2016.

### Principal activities

The principal activity of the company in the year under review was that of providing serviced practice/office accommodation to the medical profession.

### Directors

The directors who served during the year were:

S D Kay  
D Kay

### Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

### Auditor

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

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

This report was approved by the board on 11<sup>th</sup> May 2017 and signed on its behalf.



S D Kay  
Director

# **Ten Harley Street Limited**

## **Directors' Responsibilities Statement For the Year Ended 31 December 2016**

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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). 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 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.

# **Ten Harley Street Limited**

## **Independent Auditor's Report to the Members of Ten Harley Street Limited**

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We have audited the financial statements of Ten Harley Street Limited for the year ended 31 December 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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.

### **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 year 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.

# Ten Harley Street Limited

## Independent Auditor's Report to the Members of Ten Harley Street Limited

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

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

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

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

BDO LLP

**Nick Poulter** (senior statutory auditor)  
for and on behalf of BDO LLP, statutory auditor  
Guildford  
United Kingdom

Date: 11 MAY 2017

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

# Ten Harley Street Limited

## Statement of Comprehensive Income For the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover		3,400,907	3,264,614
Administrative expenses		(2,968,021)	(2,855,871)
<b>Operating profit</b>		<b>432,886</b>	<b>408,743</b>
Interest receivable and similar income		1,221	869
Interest payable and similar charges	5	-	(2,069)
<b>Profit before tax</b>		<b>434,107</b>	<b>407,543</b>
Tax on profit on ordinary activities	6	19,437	151,735
<b>Profit for the financial year</b>		<b>453,544</b>	<b>559,278</b>

There was no other comprehensive income for 2016 (2015: £NIL).

The notes on pages 9 to 22 form part of these financial statements.



**Ten Harley Street Limited**  
Registered number: 02806036

**Statement of Financial Position**  
**As at 31 December 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	8	325,740	421,132
Investment property	9	12,750,000	12,750,000
		<u>13,075,740</u>	<u>13,171,132</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	10	488,326	573,683
Debtors: amounts falling due within one year	10	381,784	462,778
Cash and cash equivalents		491,261	524,388
		<u>1,361,371</u>	<u>1,560,849</u>
Creditors: amounts falling due within one year	11	(2,044,463)	(661,292)
<b>Net current (liabilities)/assets</b>		<u>(683,092)</u>	<u>899,557</u>
<b>Total assets less current liabilities</b>		<u>12,392,648</u>	<u>14,070,689</u>
<b>Provisions for liabilities</b>			
Deferred tax	12	(2,012,501)	(2,144,086)
<b>Net assets</b>		<u><u>10,380,147</u></u>	<u><u>11,926,603</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	52,250	52,250
Undistributable Reserves	14	9,646,494	9,527,378
Capital redemption reserve	14	158,000	158,000
Profit and loss account	14	523,403	2,188,975
<b>Shareholders' funds</b>		<u><u>10,380,147</u></u>	<u><u>11,926,603</u></u>

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

  
**S D Kay**  
Director

*11<sup>th</sup> May 2017*

The notes on pages 9 to 22 form part of these financial statements.

# Ten Harley Street Limited

## Statement of Changes in Equity For the Year Ended 31 December 2016

	Called up share capital	Capital redemption reserve	Undistributable reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2016	52,250	158,000	9,527,378	2,188,975	11,926,603
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	453,544	453,544
<b>Other comprehensive income for the year</b>	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	453,544	453,544
Dividends: Equity capital	-	-	-	(2,000,000)	(2,000,000)
Transfer to/from profit and loss account	-	-	119,116	(119,116)	-
<b>At 31 December 2016</b>	<b>52,250</b>	<b>158,000</b>	<b>9,646,494</b>	<b>523,403</b>	<b>10,380,147</b>

# Ten Harley Street Limited

## Statement of Changes in Equity For the Year Ended 31 December 2015

	Called up share capital	Capital redemption reserve	Undistributable reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2015	52,250	158,000	9,283,405	1,873,670	11,367,325
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	559,278	559,278
<b>Other comprehensive income for the year</b>	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	559,278	559,278
Transfer to/from profit and loss account	-	-	243,973	(243,973)	-
<b>At 31 December 2015</b>	<b>52,250</b>	<b>158,000</b>	<b>9,527,378</b>	<b>2,188,975</b>	<b>11,926,603</b>

The notes on pages 9 to 22 form part of these financial statements.

# **Ten Harley Street Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2016**

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### **1. General information**

Ten Harley Street Limited is a private company limited by shares incorporated in England and Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are disclosed in the director's report.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment property 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 date of transition to FRS 102 was 1 January 2015. The last set of financial statements which were prepared under the previous UK GAAP framework were for the year ended 31 December 2015.

Information on the impact of first-time adoption of Section 1A of FRS 102 is given in note 19.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies (see note 3).

The following principal accounting policies have been applied:

#### **2.2 Turnover**

Turnover represents amounts derived from the provision of serviced practice and office accommodation to medical practitioners, exclusive of Value Added Tax. Turnover is recognised at the point at which the services are delivered to the customer. All turnover arises within the United Kingdom.

#### **2.3 Tangible fixed assets**

Tangible fixed assets under the cost model, other than investment properties, 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.

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

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### 2. Accounting policies (continued)

#### 2.3 Tangible fixed assets (continued)

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.

Depreciation is provided on the following basis:

Plant & machinery	- 25%
Fixtures, fittings & equipment	- 10% - 25%
Improvements to property	- over lease period

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

#### 2.4 Investment property

Investment property is carried at fair value determined annually by the directors as informed periodically by external valuers 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.

#### 2.5 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.

#### 2.6 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.

#### 2.7 Financial instruments

The company only enters into basic financial instruments 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

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### 2. Accounting policies (continued)

#### 2.7 Financial instruments (continued)

rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated 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 contract.

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

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

#### 2.8 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.

#### 2.9 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.

#### 2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

#### 2.11 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

#### 2.12 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

# **Ten Harley Street Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2016**

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### **2. Accounting policies (continued)**

#### **2.13 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.

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty:

- **Tangible fixed assets (see note 8)**  
Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- **Investment property (see note 9)**  
The investment property value is considered by directors on an annual basis. The directors obtain independent valuations periodically in accordance with RICS Red Book. The valuations have been prepared based on fair value, using yield methodology. There is, however, a degree of judgement involved in that each property asset is unique and value can only be reliably tested in the market.

### 4. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	126,288	120,839
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	13,350	14,350
Operating lease rentals - land and buildings	244,619	213,132

During the year, no director received any emoluments (2015: £Nil).

### 5. Interest payable and similar charges

	2016 £	2015 £
On loans from group undertakings	-	2,069



# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 6. Taxation

	2016 £	2015 £
<b>Corporation tax</b>		
UK corporation tax charge on profit for the year	112,148	103,964
Adjustments in respect of previous periods	-	(2,850)
<b>Total current tax</b>	<b>112,148</b>	<b>101,114</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(131,585)	(252,849)
<b>Total deferred tax</b>	<b>(131,585)</b>	<b>(252,849)</b>
<b>Taxation on loss on ordinary activities</b>	<b>(19,437)</b>	<b>(151,735)</b>
<b>Factors that may affect future tax charges</b>		
There were no factors that may affect future tax charges.		

### 7. Dividends

	2016 £	2015 £
Dividends proposed	2,000,000	-
	<b>2,000,000</b>	<b>-</b>

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 8. Tangible fixed assets

	Plant & machinery £	Fixtures, fittings & equipment £	Improvements to property £	Total £
<b>Cost</b>				
At 1 January 2016	2,007	1,028,993	450,888	1,481,888
Additions	-	30,896	-	30,896
At 31 December 2016	2,007	1,059,889	450,888	1,512,784
<b>Depreciation</b>				
At 1 January 2016	2,007	834,572	224,177	1,060,756
Charge for the year	-	83,280	43,008	126,288
At 31 December 2016	2,007	917,852	267,185	1,187,044
<b>Net book value</b>				
At 31 December 2016	-	142,037	183,703	325,740
At 31 December 2015	-	194,421	226,711	421,132

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 9. Investment property

	Freehold investment property £
<b>Valuation</b>	
At 1 January 2016	12,750,000
<b>At 31 December 2016</b>	<u>12,750,000</u>
<b>Comprising</b>	
Historic cost	1,131,246
Annual revaluation surplus: 2015 and prior	11,618,754
<b>At 31 December 2016</b>	<u>12,750,000</u>

The latest valuations was carried out at 18 December 2014 by Knight Frank LLP on a fair value basis. The directors consider this valuation to represent the best estimate of the fair value of the property as at 31 December 2016.

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 10. Debtors

	2016 £	2015 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	488,326	573,683
	<u>488,326</u>	<u>573,683</u>
	2016 £	2015 £
<b>Due within one year</b>		
Trade debtors	212,420	320,750
Amounts owed by group undertakings	45,100	14,574
Other debtors	4,306	3,902
Prepayments and accrued income	119,958	123,552
	<u>381,784</u>	<u>462,778</u>

The impairment loss recognised in profit or loss for the year in respect of bad and doubtful trade debtors was £5,165 (2015: £18,000).

The company has adopted the revised standards under FRS 102 section 35.10 (v).

### 11. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	111,795	110,872
Amounts owed to group undertakings	1,368,812	30,105
Corporation tax	112,148	103,964
Other taxation and social security	-	5,373
Other creditors	378,258	378,504
Accruals and deferred income	73,450	32,474
	<u>2,044,463</u>	<u>661,292</u>

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 12. Deferred taxation

	2016 £	2015 £
At beginning of year	2,144,086	2,396,935
Charged to the profit or loss	(131,585)	(252,849)
<b>At end of year</b>	<b>2,012,501</b>	<b>2,144,086</b>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	2,013,380	2,144,691
Short term timing differences	(879)	(605)
	<b>2,012,501</b>	<b>2,144,086</b>

### 13. Share capital

	2016 £	2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
50,000 Ordinary shares of £1 each	50,000	50,000
2,000 Deferred "A" shares of £1 each	2,000	2,000
25,000 Deferred shares of £0.01 each	250	250
	<b>52,250</b>	<b>52,250</b>

The ordinary shares have attached to them full voting, dividend and capital distribution rights (including upon winding up)

The Deferred shares shall rank equal with the ordinary shares in all aspects but Ordinary shareholders should be paid first in winding up, return of capital etc. They shall be paid the same dividend as Ordinary shareholders.

The 'A' Deferred shares shall be non-voting, on winding up shareholders are entitled to repayment equal to the sum paid up on the shares. They shall not be entitled to any other rights of participation in the assets and rank in priority when winding up.

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 14. Reserves

The company's reserves are as follows:

#### Undistributable reserve (formerly revaluation reserve)

The undistributable reserve account represents the difference between the fair value of fixed assets and their historical cost.

#### Capital redemption reserve

The capital redemption reserve contains the nominal value of own shares that have been acquired by the company and cancelled.

#### Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

### 15. Contingent liabilities

The parent company DKS Trading Limited has taken out loans which are secured by a first legal charge over the investment property of this company and other subsidiaries.

### 16. Commitments under operating leases

At 31 December 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
<b>Land and buildings</b>		
Not later than 1 year	278,252	216,377
Later than 1 year and not later than 5 years	944,190	860,359
Later than 5 years	-	88,802
	<u>1,222,442</u>	<u>1,165,538</u>

### 17. Related party transactions

The company has taken advantage of the exemption available in section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

S D Kay, a director, has provided a limited guarantee of £50,000 (2015: £50,000) to the company's bankers.

# **Ten Harley Street Limited**

## **Notes to the Financial Statements For the Year Ended 31 December 2016**

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### **18. Ultimate parent undertaking and controlling party**

The company is a subsidiary of DKS Trading Limited, a company incorporated in England and Wales.

The ultimate controlling party is Jovale Limited, a company incorporated in the British Virgin Islands.

# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 19. First time adoption of FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2015. The impact of the transition to FRS 102 is as follows:

	As previously stated 1 January 2015	Effect of transition (as restated) 1 January 2015	FRS 102 1 January 2015	As previously stated 31 December 2015	Effect of transition (as restated) 31 December 2015	FRS 102 31 December 2015
Note	£	£	£	£	£	£
Fixed assets	13,282,189	-	13,282,189	13,171,132	-	13,171,132
Current assets	1,527,165	-	1,527,165	1,560,848	-	1,560,848
Creditors: amounts falling due within one year	(603,881)	-	(603,881)	(661,292)	-	(661,292)
<b>Net current assets</b>	<b>923,284</b>	<b>-</b>	<b>923,284</b>	<b>899,556</b>	<b>-</b>	<b>899,556</b>
<b>Total assets less current liabilities</b>	<b>14,205,473</b>	<b>-</b>	<b>14,205,473</b>	<b>14,070,688</b>	<b>-</b>	<b>14,070,688</b>
Creditors: amounts falling due after more than one year	(441,213)	-	(441,213)	-	-	-
Provisions for liabilities	(61,586)	(2,335,349)	(2,396,935)	(52,710)	(2,091,376)	(2,144,086)
<b>Net assets</b>	<b>13,702,674</b>	<b>(2,335,349)</b>	<b>11,367,325</b>	<b>14,017,978</b>	<b>(2,091,376)</b>	<b>11,926,602</b>
Capital and reserves	13,702,674	(2,335,349)	11,367,325	14,017,978	(2,091,376)	11,926,602



# Ten Harley Street Limited

## Notes to the Financial Statements For the Year Ended 31 December 2016

### 19. First time adoption of FRS 102 (continued)

	Note	As previously stated 31 December 2015 £	Effect of transition 31 December 2015 £	FRS 102 (as restated) 31 December 2015 £
Turnover		3,264,614	-	3,264,614
<b>Gross profit</b>		3,264,614	-	3,264,614
Administrative expenses		(2,855,871)	-	(2,855,871)
<b>Operating profit</b>		408,743	-	408,743
Interest receivable and similar income		869	-	869
Interest payable and similar charges		(2,069)	-	(2,069)
Taxation		(92,238)	243,973	151,735
<b>Profit on ordinary activities after taxation and for the financial year</b>		315,305	243,973	559,278

Explanation of changes to previously reported profit and equity:

1 FRS 102 requires that deferred tax be recognised on revaluations of investment property. This was not required under previous UK GAAP unless there was a binding agreement to sell the revalued asset and the gains or losses expected to arise on sale had been recognised. This change has been retrospectively applied, leading to the recognition of additional deferred tax liabilities at the date of transition and to increase the deferred tax charge for the year ended 31 December 2014. The adjustment of £2,091,376 (2014: £2,335,349) has been posted to undistributable reserves, which was formerly named the revaluation reserve account.