

**Sydney & Tavistock Properties Limited**

**Directors' report and financial statements**

**Registered number 03684660**

**31 March 2019**



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## **Directors' report**

The directors present their report and the audited financial statements for the year ended 31 March 2019.

### **Principal activities**

The principal activity of the company is property investment.

### **Business review**

The results for the year ended 31 March 2019 are set out on page 6.

### **Dividends and transfers to reserves**

The loss for the financial year was £3,082 (2018: £1,056). The directors do not recommend the payment of a dividend (2018: £nil).

### **Directors**

The directors who held office during the year were as follows:

RJ Anning  
SJ Childs

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**SJ Childs**  
Director

1<sup>st</sup> Floor Sackville House  
143-149 Fenchurch Street  
London  
EC3M 6BN

24 September 2019

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

## KPMG LLP

3 Assembly Square

Britannia Quay

Cardiff

CF10 4AX

## Independent auditor's report to the members of Sydney & Tavistock Properties Limited

### Opinion

We have audited the financial statements of Sydney & Tavistock Properties Limited ("the company") for the year ended 31 March 2019 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of debtors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

## **Independent auditor's report to the members of Sydney & Tavistock Properties Limited (continued)**

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

## **Independent auditor's report to the members of Sydney & Tavistock Properties Limited (continued)**

### **Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

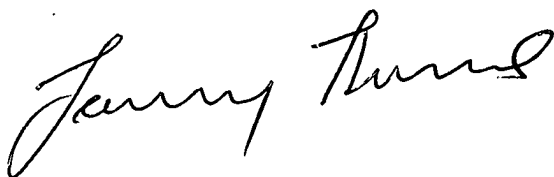
### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Jeremy Thomas (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
3 Assembly Square  
Britannia Quay  
Cardiff  
CF10 4AX

24/9/ 2019

**Profit and Loss Account**  
*for the year ended 31 March 2019*

	<i>Note</i>	<b>Year ended 31 March 2019 £</b>	<b>Year ended 31 March 2018 £</b>
<b>Turnover</b>	2	<b>50</b>	50
<b>Gross profit</b>		<b>50</b>	50
Administrative expenses		<b>(3,132)</b>	(1,106)
<b>Operating loss</b>	3-4	<b>(3,082)</b>	(1,056)
<b>Loss before and after taxation being loss for the financial year</b>	2-5	<b>(3,082)</b>	(1,056)

The company has no other comprehensive income in either year. Accordingly, a statement of other comprehensive income has not been prepared.

The above results relate entirely to continuing operations.



## Balance Sheet

at 31 March 2019

	Note	2019	2018
		£	£
<b>Fixed assets</b>			
Investment property	6	1,000	1,000
Investments	7	318,356	-
		<u>319,356</u>	<u>1,000</u>
<b>Current assets</b>			
Debtors	8	419	260
Cash at bank and in hand		21,733	431
		<u>22,152</u>	<u>691</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(345,122)</u>	<u>(2,223)</u>
<b>Net current liabilities</b>		<u>(322,970)</u>	<u>(1,532)</u>
<b>Total assets less current liabilities being net liabilities</b>		<u>(3,614)</u>	<u>(532)</u>
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Non-distributable profit reserve	10	500	500
Profit and loss account		<u>(4,116)</u>	<u>(1,034)</u>
<b>Shareholder's deficit funds</b>		<u>(3,614)</u>	<u>(532)</u>

These financial statements were approved by the board of directors on  
signed on its behalf by:

24 September 2019 and were



**SJ Childs**  
Director

**Statement of Changes in Equity**  
*for the year ended 31 March 2019*

	Called up Share capital	Non- distributable profit reserve	Profit and loss account	Total equity
	£	£	£	£
Balance at 1 April 2017	2	500	22	524
<b>Total comprehensive income for the period</b>				
Loss, being the total comprehensive income for the year	-	-	(1,056)	(1,056)
<b>Balance at 31 March 2018</b>	<b>2</b>	<b>500</b>	<b>(1,034)</b>	<b>(532)</b>

	Called up Share capital	Non- distributable profit reserve	Profit and loss account	Total equity
	£	£	£	£
Balance at 1 April 2018	2	500	(1,034)	(532)
<b>Total comprehensive income for the period</b>				
Loss, being the total comprehensive income for the year	-	-	(3,082)	(3,082)
<b>Balance at 31 March 2019</b>	<b>2</b>	<b>500</b>	<b>(4,116)</b>	<b>(3,614)</b>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Sydney & Tavistock Properties Limited (the "Company") is a private company limited by shares and incorporated, registered and domiciled in the UK (England and Wales).

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102").

The Company's parent undertaking, Sydney & London Properties Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Sydney & London Properties Limited are available to the public and may be obtained from Park House, Greyfriars Road, Cardiff, CF10 3AF. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to the end of the year;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation

As the consolidated financial statements of Sydney & London Properties Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements or estimates made by the directors in the application of these accounting policies that have a significant effect on the financial statements are discussed in note 13.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £3,614 and net current liabilities of £322,970 which the directors believe to be appropriate for the following reasons. The company is dependent on funds provided to it, by Sydney & London Properties Limited, the company's immediate parent. Sydney & London Properties Limited has indicated that for at least 12 months from the date of approval of these financial statements and for the foreseeable future, it will continue to make available such funds and security as are needed by the company and in particular will not seek repayment of the amounts currently made available if the company does not have adequate cash or facilities to make the repayment. The directors consider that the foregoing will enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors therefore believe that it remains appropriate to prepare the financial statements on a going concern basis.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.3 Basic financial instruments

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

#### 1.4 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

#### 1.5 Turnover

Turnover (which is stated net of VAT) consists of rental income earned from properties held for investment purposes. Proceeds from the sale of investment properties are not included in turnover and the related profit or loss is calculated with reference to the carrying amount in the balance sheet. Acquisitions and disposals of investment properties are normally recognised when exchanged contracts become unconditional.

#### 1.6 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing difference is not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## Notes (continued)

### 2 Turnover

All turnover is derived from the UK and arises solely from the principal activity of the company.

### 3 Expenses and auditor's remuneration

*Auditor's remuneration:*

	2019 £	2018 £
Audit of these financial statements	2,000	1,000

### 4 Staff number and costs/remuneration of directors

The company has no employees. Certain expenses of the company are paid and services are provided by Gross Hill Management Services Limited for which the company pays management charges.

The directors received remuneration totalling £9,000 (2018: nil) in respect of their services to the company. The remuneration was paid by other companies within the Group of the ultimate parent undertaking, Boughton Holdings Limited.

### 5 Taxation

#### Total tax expense recognised in the profit and loss account

	2019 £	2018 £
<i>Current tax</i>		
UK corporation tax	-	-

There are taxable trading losses of £631,157 (2018: £628,075) available to carry forward, which may affect future tax charges.

The Company did not recognise a deferred tax asset in respect of the taxable trading losses on the basis that it is not sufficiently certain that future taxable profits against which they can be offset will arise.

## Notes (continued)

### 5 Taxation (continued)

#### Reconciliation of effective tax rate

	2019 £	2018 £
Loss before taxation	(3,082)	(1,056)
Tax using the UK corporation tax rate of 19 % (2018: 19 %)	(586)	(201)
Tax rate differences	46	201
Expenses not deductible for tax purposes	143	-
Deferred tax not recognised	397	-
Total tax included in profit or loss	-	-

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2018) were substantively enacted on 16 October 2015. Further reductions to 17% (effective from 1 April 2020) were substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

### 6 Investment property

	2019 £
Balance at start and end of the year	1,000
Historical cost at start and end of year	500

### 7 Fixed asset investment

	2019 £
At beginning of year	-
Additions	318,356
At end of year	318,356

The above is investment in an Israeli Limited Partnership which is undertaking a property project.

## Notes (continued)

### 8 Debtors

	2019 £	2018 £
Other debtors and prepayments	209	202
Other tax and social security	210	58
	<u>419</u>	<u>260</u>

### 9 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	900	-
Accruals and deferred income	2,022	1,023
Amounts owed to group undertaking	342,200	1,200
	<u>345,122</u>	<u>2,223</u>

Amounts owed to group undertaking is a non interest bearing loan. The loan has no fixed date for repayment.

### 10 Share capital and reserves

	2019 £	2018 £
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

#### *Non-distributable profit reserve*

Unrealised changes in fair value of investment properties are included in a non-distributable profit reserve.

## **Notes (continued)**

### **11 Related parties**

The following companies have been identified as related parties by virtue of their shareholdings in the company:

Sydney & London Properties Limited

The balance with the related parties has been identified and disclosed in note 9.

### **12 Ultimate parent company and parent company of larger group**

The ultimate parent undertaking of the company is Boughton Holdings Limited, a company incorporated in Gibraltar. Boughton Holdings Limited is under the control of Michael Gross and Danielle Beissah Katri, the main shareholders.

Gross Hill Properties heads the largest group of undertakings for which group financial statements are drawn up, and of which the company is a member. The parent undertaking of the company which heads the smallest group of undertakings for which group financial statements are drawn up, and of which the company is a member, is Sydney & London Properties Limited, a company incorporated in England and Wales. The consolidated financial statements of these companies are available to the public and may be obtained from Park House, Greyfriars Road, Cardiff, CF10 3AF.

### **13 Accounting estimates and judgements**

#### *Recognition of deferred tax asset*

Recognition of a deferred tax asset requires management judgement on whether future financial performance of the company will allow the deferred tax asset to be utilised. Changes in the level of recognised deferred tax assets would lead to a change in the tax charge.

There are no other key assumptions concerning the future or other key sources of estimation uncertainty at the balance sheet date that may cause material adjustment to the carrying amount of assets or liabilities within the next financial year.