

LONDON & CAPITAL PROPERTIES LIMITED

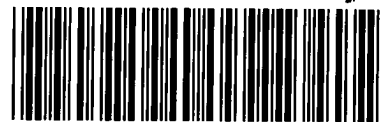
ANNUAL REPORT AND FINANCIAL STATEMENTS

REGISTERED NUMBER 03806748

FOR THE YEAR ENDED

30 JUNE 2017

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LONDON & CAPITAL PROPERTIES LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2017

BUSINESS REVIEW AND PRINCIPAL ACTIVITY

London & Capital Properties Limited is a wholly owned subsidiary of London and Capital Group Limited. The Company's principal activity is the provision of property investment and management services.

Following the disposal of all the Fund Properties, and the sale of its property management service, the Company's only activity is that it continues to earn a share of the property management fee earned by Orbit.

As the turnover of the business was correlated to the properties managed by the Company, the turnover in the year reduced to £30,105. (2016 : £689,333). As the business is winding down with only minor legacy revenues still to be collected, there are no material operating costs and no KPIs are therefore applicable.

The Director has reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, based on the assertion of continued support from the parent company. Further details regarding the adoption of the going concern basis can be found in the accounting policies in the financial statements.

LIKELY FUTURE DEVELOPMENTS

There are no likely future developments beyond the wind down of the Company that would materially effect operations.

RISK MANAGEMENT

The Director considers the principal risks and uncertainties facing the Company to comprise reputational, strategic, credit and liquidity risks.

- Reputational Risk

The Director considers a loss of reputation to be the most significant risk to a business operating in this sector but that this risk would crystallise only as a consequence of a failure in managing the Company's other principal risks.

- Strategic Risk

This risk results from external factors and inadequate senior management processes that could lead to a significant failure of the strategy of the Company as a whole. The risk is mitigated by a well established reporting structure for agreeing strategy, risk, planning and budgets.

- Credit Risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. Management monitors exposure to credit risk through regular review of credit exposure, assessing credit-worthiness of counter parties and prudent estimates of provision for doubtful debts. Due to the nature of financial assets, the Company believes that other than inter-company balances it is not exposed to any major concentration of credit risk.

- Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial requirements. Given the financial position of

BY ORDER OF THE SOLE DIRECTOR


D K FREEDMAN
Director

19th October 2017

Date

LONDON & CAPITAL PROPERTIES LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2017

The Director is pleased to present his Report and the audited financial statements of the Company for the year ended 30 June 2017.

DIRECTORS

The Directors in office throughout the year were as follows:

D K Freedman

GOING CONCERN

The Director has received confirmation from the parent Company that they will provide support to ensure that liabilities can be met as they fall due. Accordingly the financial statements have been prepared on a going concern basis.

DIRECTOR'S INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

CLOSE COMPANY

The Company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- 1) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- 2) the Director has taken all the steps that he ought to have taken in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

RESULTS AND DIVIDENDS

The Company's results for the year are given in the statement of comprehensive income on page 7.

The Director does not propose the payment of a dividend (2016: £nil)

Registered Office

7 Triton Square
Regents Place
London
NW1 3HG

Dated: 19th October 2017

BY ORDER OF THE SOLE DIRECTOR


D K FREEDMAN
Director

LONDON & CAPITAL PROPERTIES LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2017

The Director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Director is 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. He is 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.

Independent Auditor's Report to the Members of London & Capital Properties Limited

Opinion

We have audited the financial statements of London & Capital Properties Limited (the 'company') which comprise the statement of financial position as at 30 June 2017, and the statements of comprehensive income and changes in equity for the year ended 30 June 2017, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its result 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.

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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is 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.

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 this regard.

Independent Auditor's Report to the Members of London & Capital Properties Limited

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 Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Director's Responsibilities set out on page 3, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report to the Members of London & Capital Properties Limited

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during our audit.



Jeremy Watkins, *Senior Statutory Auditor*

For and on behalf of Moore Stephens LLP, Statutory Auditor

150 Aldersgate Street
London
EC1A 4AB

19 October 2017

LONDON & CAPITAL PROPERTIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

		Year ended 30 June 2017	Year ended 30 June 2016
	Notes	£	£
Revenue	(2)	30,105	689,333
Administrative expenses		<u>(30,112)</u>	<u>(689,339)</u>
Operating profit / (loss)		(7)	(6)
Net finance income		<u>7</u>	<u>6</u>
Profit / (loss) before tax	(3)	-	-
Tax expense	(4)	<u>-</u>	<u>-</u>
Profit / (loss) after tax		-	-
Other comprehensive income, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income		<u><u>-</u></u>	<u><u>-</u></u>

The notes on pages 10 to 14 form an integral part of these financial statements.

LONDON & CAPITAL PROPERTIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	Share Capital	Retained Earnings	Total Equity
		£	£	£
As at 30 June 2015		2	(2,092,321)	(2,092,319)
Profit for Year		-	-	-
Other Comprehensive Income		-	-	-
Total Comprehensive Income		-	-	-
As at 30 June 2016		2	(2,092,321)	(2,092,319)
Profit for Year		-	-	-
Other Comprehensive Income		-	-	-
Total Comprehensive Income		-	-	-
As at 30 June 2017	(10)	2	(2,092,321)	(2,092,319)

LONDON & CAPITAL PROPERTIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017
REGISTERED NUMBER 03806748

	Notes	As at 30 June 2017	As at 30 June 2016
		£	£
Current assets			
Trade and other receivables	(7)	601,161	1,160,103
Total current assets		<u>601,161</u>	<u>1,160,103</u>
Current liabilities			
Trade and other payables	(8)	(2,693,480)	(3,252,422)
Total current liabilities		<u>(2,693,480)</u>	<u>(3,252,422)</u>
Net Assets		<u><u>(2,092,319)</u></u>	<u><u>(2,092,319)</u></u>
Capital and reserves			
Called up share capital	(10)	2	2
Retained earnings		(2,092,321)	(2,092,321)
Total capital and reserves		<u><u>(2,092,319)</u></u>	<u><u>(2,092,319)</u></u>

The financial statements were approved by the Sole Director and authorised for issue :


D.K. FREEDMAN
Director

19th October 2017

Date:

The notes on pages 10 to 14 form an integral part of these financial statements.

LONDON & CAPITAL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1) ACCOUNTING POLICIES

a) Statement of compliance

London & Capital Properties Limited is a private Limited company incorporated in England and limited by shares. The Registered Office is 7 Triton Square, Regent's Place, London, NW1 3HG, UK.

The Company's financial statements have been prepared in accordance with the Financial Reporting Standard 102 issued by the Financial Reporting Council. They are presented in Pounds Sterling (GBP), the company's functional currency.

b) Basis of preparation

The Director has applied a going concern basis on the grounds that the Parent company has provided a letter of financial support for a period of at least 12 months from the date of signing these accounts.

c) Revenue

The Company recognises income from its share of property management fees from Orbit Property Management on an accruals basis. Revenue is measured at the fair value of the consideration received or receivable.

d) Taxation

Current Tax, including United Kingdom corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the year end date.

Full provision is made for deferred tax arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation. Deferred tax assets are recognised to the extent that they are regarded as recoverable and it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

e) Expenses

Expenses are accounted for on an accruals basis.

f) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the period end date. All differences are taken to profit or loss.

LONDON & CAPITAL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1) ACCOUNTING POLICIES (continued)

g) Exemption from preparing a cash-flow statement

The Company is exempt from the requirements of FRS 102 [Section 1 paragraph 1.12 (d)] to prepare a cash-flow statement. The exemption applies because the Company is the wholly-owned subsidiary of London and Capital Group Limited, which prepares publicly available consolidated financial statements that include the Company.

h) Trade and other receivables

Short term receivables 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.

i) Financial assets and liabilities

Financial instruments are recognised in the Statement of Financial Position when we become party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. A financing transaction is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Classification

Financial instruments are classified as 'basic' in accordance with Chapter 11 of FRS 102.

Subsequent measurement

Loans and receivables are measured at amortised cost, using the effective interest method. As all trade receivables and trade payables are expected to be settled within 12 months, they are recognised at the undiscounted amount owed by the customer or to the supplier, which is normally the invoice amount less any payments made on account.

j) Critical accounting estimates and judgements

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. When preparing these financial statements management deem that there are no critical estimates or judgements to be made.

LONDON & CAPITAL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

2) REVENUE

Revenue was derived from the principal activity and is earned wholly within the United Kingdom. The Company has only one class of business and operates in only one geographical segment.

3) PROFIT / (LOSS) BEFORE TAX

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Profit / (Loss) before tax is stated after charging:		
Auditors' remuneration - fees for the audit of the Company's accounts	-	-
Exchange Gain/(Loss)	<u>7</u>	<u>997</u>

The audit fee for London & Capital Properties Limited is incurred by the parent company, London and Capital Group Limited.

4) TAX EXPENSE

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Current tax	-	-
Deferred tax	-	-
Total tax expense	<u>-</u>	<u>-</u>

There are no reconciling differences between the current tax expense included in profit and loss, and the profit / (loss) before tax multiplied by the applicable tax rate. The applicable tax rate in the United Kingdom changed from 20% to 19% on 1 April 2017. The prior period applicable tax rate was 20%.

The Company has carried forward tax losses amounting to £239,181 (2016: £239,181). Any deferred tax asset in respect of these carried forward losses is not recognised in the financial statements due to the uncertainty of future taxable profits against which to utilise the losses (2016: same).

5) DIRECTOR'S REMUNERATION

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Director's emoluments	<u>-</u>	<u>-</u>

The Director was paid by the ultimate parent company London and Capital Group Ltd and their emoluments are disclosed in the financial statements of that Company.

The aggregate emoluments of all key management staff amounted to be £Nil (2016: £Nil)

LONDON & CAPITAL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

6) STAFF COSTS

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Wages and salaries	-	68,980
Social security costs	-	8,629
	<u>-</u>	<u>77,609</u>

In the prior year all employees within London & Capital Properties Ltd were transferred into the parent company London and Capital Group Ltd. Therefore there are no staff costs in the current financial period.

The average number of employees employed by the company during the period was nil (2016: 1).

Average number of employees by activity:

	Number	Number
Sales	-	1
Administration	-	-
	<u>-</u>	<u>1</u>

7) TRADE AND OTHER RECEIVABLES

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Prepayments and accrued income	6,500	4,884
Amounts owed from group undertakings	594,661	1,155,219
	<u>601,161</u>	<u>1,160,103</u>

8) TRADE AND OTHER PAYABLES

	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Amounts owed to group undertakings	2,693,480	3,252,267
Other payables	-	155
	<u>2,693,480</u>	<u>3,252,422</u>

9) FINANCIAL INSTRUMENTS

	Year ended 30 June 2017	Year ended 30 June 2016
Financial Assets	£	£
Financial assets measured at amortised cost	601,161	1,160,103
	<u>601,161</u>	<u>1,160,103</u>

Financial assets measured at amortised cost comprised of trade and other receivables and intercompany balances (note 7).

LONDON & CAPITAL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

9) FINANCIAL INSTRUMENTS (Continued)	Year ended 30 June 2017	Year ended 30 June 2016
Financial Liabilities		
Financial liabilities measured at amortised cost	£ 2,693,480	£ 3,252,422
	<u>2,693,480</u>	<u>3,252,422</u>

Financial liabilities measured at amortised cost comprised of intercompany balances (note 8).

10) SHARE CAPITAL	Year ended 30 June 2017	Year ended 30 June 2016
	£	£
Allotted, issued and fully paid		
2 Ordinary Shares of £1 each	<u>2</u>	<u>2</u>

11) RELATED PARTY TRANSACTIONS

The Company has opted to take advantage of the FRS 102 exemption in that disclosures need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

12) ULTIMATE PARENT COMPANY

The ultimate and immediate parent Company at 30 June 2017 was London and Capital Group Limited, a company incorporated in England and registered in England and Wales.

A copy of the parent Company's accounts may be obtained from 7 Triton Square, London, NW1 3HG. The parent undertaking of the largest and the smallest group for which Company and Group accounts are prepared is London and Capital Group Limited.

Mr Freedman controls the Company as a result of directly controlling 90% of the voting shares of the Group.

13) EVENTS AFTER YEAR END

Management is not aware of any adjusting or non-adjusting events subsequent to the end of the reporting period and up to and including the date of authorisation of these financial statements.