

Registered number: 03873722

Opus Property Finance Limited

Unaudited

Directors' report and financial statements

For the Year Ended 31 March 2019

Opus Property Finance Limited

Company Information

Directors	P C De Haan S C Johnson
Company secretary	S J Ghysen
Registered number	03873722
Registered office	Unit 328/9 Metalbox Factory 30 Great Guildford Street London SE1 0HS
Accountants	Kreston Reeves LLP Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	Bank of Scotland Plc The Mound Edinburgh EH1 1YZ
Solicitors	Watson, Farley & Williams 15 Appold Street London EC2A 2HB

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**Directors' report
For the Year Ended 31 March 2019**

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

Directors' responsibilities statement

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

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

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the Company during the year was to invest in residential property development schemes.

Directors

The directors who served during the year were:

P C De Haan
S C Johnson

Small companies note

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 20 December 2019 and signed on its behalf.

S C Johnson
Director

Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Opus Property Finance Limited for the Year Ended 31 March 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Opus Property Finance Limited for the year ended 31 March 2019 which comprise the statement of income and retained earnings, the balance sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Opus Property Finance Limited, as a body, in accordance with the terms of our engagement letter dated 31 July 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Opus Property Finance Limited and state those matters that we have agreed to state to the board of directors of Opus Property Finance Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Opus Property Finance Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Opus Property Finance Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Opus Property Finance Limited. You consider that Opus Property Finance Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Opus Property Finance Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kreston Reeves LLP
Chartered Accountants
Canterbury
20 December 2019

**Statement of income and retained earnings
For the Year Ended 31 March 2019**

	2019 £000	2018 £000
Administrative expenses	<u>(15)</u>	<u>29</u>
Operating (loss)/profit	(15)	29
Tax on (loss)/profit	<u>-</u>	<u>-</u>
(Loss)/profit after tax	<u>(15)</u>	<u>29</u>
Retained earnings at the beginning of the year	(2,799)	(2,828)
(Loss)/profit for the year	<u>(15)</u>	<u>29</u>
Retained earnings at the end of the year	<u>(2,814)</u>	<u>(2,799)</u>

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of income and retained earnings.

The notes on pages 5 to 9 form part of these financial statements.

Balance sheet
As at 31 March 2019

	Note	2019 £000	2018 £000
Investments		-	-
		<u>-</u>	<u>-</u>
Current assets			
Debtors	4	3,733	3,733
Cash at bank and in hand		1	-
		<u>3,734</u>	<u>3,733</u>
Creditors: amounts falling due within one year	5	(6,548)	(6,532)
Net current liabilities		<u>(2,814)</u>	<u>(2,799)</u>
Net liabilities		<u>(2,814)</u>	<u>(2,799)</u>
Capital and reserves			
Called up share capital	6	-	-
Profit and loss account		(2,814)	(2,799)
		<u>(2,814)</u>	<u>(2,799)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 20 December 2019.

P C De Haan
Director

S C Johnson
Director

The notes on pages 5 to 9 form part of these financial statements.

**Notes to the financial statements
For the Year Ended 31 March 2019**

1. General information

Opus Property Finance Limited a limited liability company incorporated in England and Wales.

The company's registered office is Unit 328/9 Metalbox Factory 30 Great Guildford Street, London, England, SE1 0HS.

The company number is 03873722.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The company's functional and presentational currency is Pounds Sterling.

The company's financial statements are presented to the nearest thousand.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual entity and not about its group.

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

The following principal accounting policies have been applied:

2.2 Going concern

In order to meet its day-to-day working capital requirements the company relies upon support provided by its parent company.

After making enquiries, the directors have reasonable expectation that the company will have adequate resources together with continued support of its parent company to continue in operational existence for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.3 Revenue recognition

Revenue is recognised to the extent that the company obtains the right to its receipt. Revenue is measured at the fair value of consideration received excluding VAT. The following criteria must also be met before revenue is recognised:

- Interest income is recognised on a time accrued basis by reference to the principal outstanding and effective interest rate
- Rental income arising from investment properties is accounted for on a straight-line basis over the lease term
- Profit on the sale of investments is recognised when a sale is made under a contract

Revenue is not recognised where there is doubt as to the recoverability of the income as a result of the impairment of the underlying loan.

**Notes to the financial statements
For the Year Ended 31 March 2019**

2. Accounting policies (continued)

2.4 Investments

Investments in subsidiary undertakings are valued at cost less provision for impairment.

2.5 Taxation

Tax is recognised in the statement of income and retained earnings, 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 balance sheet 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 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 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 balance sheet date.

2.6 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.

2.7 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.

2.8 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 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans

Notes to the financial statements
For the Year Ended 31 March 2019

2. Accounting policies (continued)

2.9 Financial instruments (continued)

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 the case of an out-right short-term loan not at market 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 income and retained earnings.

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 of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are 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.

3. Employees

The company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

The directors are remunerated by other group companies, as their services to Opus Property Finance Limited are considered incidental.

4. Debtors

	2019	2018
	£000	£000
Amounts owed by group undertakings	3,543	3,543
Other debtors	190	190
	<u>3,733</u>	<u>3,733</u>

The company has provided short term loans to third parties with a gross value of £4,106,058 (2018: £4,106,058) and of which £3,916,058 has been provided for (2018: £3,916,058). As such there was £190,000 due at the year end (2018: £190,000) which is considered recoverable.

Notes to the financial statements
For the Year Ended 31 March 2019

5. Creditors: Amounts falling due within one year

	2019	2018
	£000	£000
Trade creditors	-	1
Amounts owed to group undertakings	6,546	6,529
Accruals and deferred income	2	2
	<u>6,548</u>	<u>6,532</u>

6. Share capital

	2019	2018
	£000	£000
Allotted, called up and fully paid		
1 Ordinary share of £1.00	<u>-</u>	<u>-</u>

7. Related party transactions

The company is exempt from disclosing related party transactions with other companies that are wholly owned within the group. The company is also exempt from disclosing related party transactions that are conducted under normal market conditions.

8. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary undertaking of Opus 102 Limited, a company incorporated in England and Wales.

The ultimate parent undertaking is Opus Trust Investments Limited, a company incorporated in England and Wales.

Notes to the financial statements
For the Year Ended 31 March 2019

9. Subsidiary undertaking

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Holding
Arca Homes (Collingwood) Limited	Unit 328/9, Metal Box Factory, 30 Great Guildford Street, London, SE1 0HS	Property Investment	100 %

The aggregate of the share capital and reserves as at 31 March 2019 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves £000	Profit/(Loss) £000
Arca Homes (Collingwood) Limited	(2,629)	23

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.