

Registered number: 04369500

LONDON TOWN ESTATES LIMITED

**SMALL COMPANY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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LONDON TOWN ESTATES LIMITED

COMPANY INFORMATION

Director	Koolesh D Shah
Company secretary	Koolesh D Shah
Registered number	04369500
Registered office	8-14 Talbot Square London W2 1TS
Independent auditor	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH

LONDON TOWN ESTATES LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

LONDON TOWN ESTATES LIMITED
REGISTERED NUMBER: 04369500

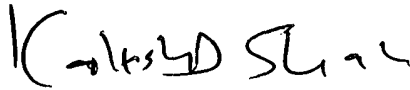
BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
Fixed assets			
Investment property	4	11,922,960	11,295,000
		<u>11,922,960</u>	<u>11,295,000</u>
Current assets			
Debtors: amounts falling due after more than one year	5	117,000	117,000
Debtors: amounts falling due within one year	5	1,178	1,274
Cash at bank and in hand	6	343,480	194,752
		<u>461,658</u>	<u>313,026</u>
Creditors: amounts falling due within one year	7	(28,492)	(38,508)
Net current assets		<u>433,166</u>	<u>274,518</u>
Total assets less current liabilities		<u>12,356,126</u>	<u>11,569,518</u>
Creditors: amounts falling due after more than one year	8	(3,904,369)	(3,841,322)
Provisions for liabilities			
Deferred tax		(1,250,193)	(1,263,453)
		<u>(1,250,193)</u>	<u>(1,263,453)</u>
Net assets		<u><u>7,201,564</u></u>	<u><u>6,464,743</u></u>
Capital and reserves			
Called up share capital		100	100
Other reserves		7,345,985	6,704,765
Profit and loss account		(144,521)	(240,122)
		<u><u>7,201,564</u></u>	<u><u>6,464,743</u></u>

LONDON TOWN ESTATES LIMITED
REGISTERED NUMBER: 04369500

BALANCE SHEET (continued)
AS AT 31 DECEMBER 2015

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 September 2016.



Koolesh D Shah
Director

The company's annual accounts and reports have been delivered to the registrar in accordance with the provisions applicable to companies subject to the small companies regime and the directors have not delivered to the registrar a copy of the company's profit and loss account.

The notes on pages 3 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. General information

The principal activity of the company in the period under review was that of renting properties in the United Kingdom.

The company is a private limited company (registered number 04369500), which is incorporated and domiciled in the UK. The address of the registered office is 8-14 Talbot Square, London, W2 1TS.

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 properties at fair value through profit and loss and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.*

This is the first year in which the financial statements have been prepared under FRS102. Refer to note 12 for an explanation of the transition.

The auditor's report that was included in the annual accounts and reports delivered to the director was unqualified. The audit report was issued by Crowe Clark Whitehill LLP and was signed by Nigel Bostock.

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue from rental of investment properties arose wholly in the United Kingdom and is derived primarily from the rental of flats.

2.3 Investment property

Investment property is carried at fair value determined annually by either a director valuation or 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 Profit and loss account.

2.4 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.

2.5 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.

LONDON TOWN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. Accounting policies (continued)

2.6 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.

2.7 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change 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.

3. Auditor's remuneration

	2015 £	2014 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	3,500	3,500

LONDON TOWN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

4. Investment property

	Investment property £
Valuation	
At 1 January 2015	11,295,000
Surplus on revaluation	627,960
At 31 December 2015	11,922,960

The 2015 valuations were made by the Director, on an open market value for existing use basis.

5. Debtors

	2015 £	2014 £
Due after more than one year		
Amounts owed by group undertakings	117,000	117,000
	117,000	117,000
Due within one year		
Prepayments and accrued income	1,178	1,274
	1,178	1,274

There are no allowances for doubtful debts or reversals of allowances for doubtful debts in 2015 or 2014.

LONDON TOWN ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

6. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	343,480	194,752
	<u>343,480</u>	<u>194,752</u>

7. Creditors: Amounts falling due within one year

	2015 £	2014 £
Corporation tax	4,618	7,621
Rental deposits	6,603	15,573
Accruals and deferred income	17,271	15,314
	<u>28,492</u>	<u>38,508</u>

8. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	3,827,322	3,827,322
Amounts owed to group undertakings	77,047	14,000
	<u>3,904,369</u>	<u>3,841,322</u>

Secured loans

Bank loans are secured by charges on some of the freehold properties.

9. Loans

Analysis of the maturity of loans is given below:

	2015 £	2014 £
Amounts falling due after more than 5 years		
Bank loans	3,827,322	3,827,322
	<u>3,827,322</u>	<u>3,827,322</u>

LONDON TOWN ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

10. Deferred taxation

	Deferred tax £
At 1 January 2015	(1,263,453)
Charged to the profit or loss	13,260
At 31 December 2015	<u>(1,250,193)</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Deferred tax liability through profit and loss brought forward	(1,263,453)	(894,105)
Deferred tax liability through profit and loss	13,260	(369,348)
	<u>(1,250,193)</u>	<u>(1,263,453)</u>

The deferred tax liability arises in respect of revaluations of investment properties which includes the legacy deferred tax liability on amounts previously revalued.

11. Parent undertaking

London Town Group of Companies Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 31 December 2015. The consolidated financial statements of London Town Group of Companies Limited can be obtained from 8-14 Talbot Square, London, W2 1TS.

LONDON TOWN ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

12. Transition to FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2014. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 January 2014

	Note	£
Equity at 1 January 2014 under previous UK GAAP		5,455,175
To recognise deferred tax on investment property fair value movements		(894,106)
Equity shareholders funds at 1 January 2014 under FRS 102		4,561,069

Reconciliation of equity at 31 December 2014

	Note	£
Equity at 31 December 2014 under previous UK GAAP		7,728,196
To recognise deferred tax on investment property fair value movements		(1,263,453)
Equity shareholders funds at 31 December 2014 under FRS 102		6,464,743

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 The movement relates to the provision of deferred tax in respect of revalued investment properties at 1 January 2014 and 31 December 2014 as a consequence of FRS102.