

Partners Properties (UK) Ltd

Report and Financial Statements

Year Ended

31 March 2018

Company Number 04636391

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Partners Properties (UK) Ltd

Report and financial statements for the year ended 31 March 2018

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Directors

T Paphitis
M S Cooke
K Kyprianou
S J Lakin
I M Childs

Secretary and registered office

K Lawton, Ryman House, Savoy Road, Crewe, Cheshire, CW1 6NA

Company number

04636391

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

Bankers

Bank of Cyprus Limited, 27/31 Charlotte Street, London, W1T 1RP

Partners Properties (UK) Ltd

Strategic report for the year ended 31 March 2018

A review of the business and future developments, including key performance indicators and the principal risks and uncertainties is set out below.

Business review and future developments

Partners Properties (UK) Ltd owns the modern office, warehousing and distribution hub at Weston Gate, Crewe. The main logistics and administrative functions for the Ryman Group are operated from this site and the facility is also used to support these operations within Boux Avenue Limited and a number of administrative functions within Robert Dyas Holdings Limited.

The Company also owns land opposite the main premises which, during the year, has been developed to provide additional warehousing capacity for Ryman Group and other related companies, specifically Boux Avenue, to support future expansion.

Key Performance Indicators

Rental income of £625,000 for the year (2017 - £625,000).

Profit before tax of £1,790,000 (2017 - £805,000).

The directors are satisfied with the performance of the Company against these key performance indicators.

Principal risks and uncertainties

The principal risks and uncertainties that the Company faces together with an explanation of how they are managed and mitigated are as follows:

Liquidity and cash flow

The directors review the liquidity and cash flow risk of the Company carefully. Cash flow is monitored by the directors on a regular basis and surplus funds are primarily invested in readily accessible accounts to ensure that peak working capital requirements are easily managed. The directors are aware that current cash outflows exceed inflows and as a result the business may be reliant on financial support from other group companies in the future. The directors are comfortable that such support would be made available.

The Economy

The Company's financial performance is exposed to the risks of adverse movements in interest rates, rent levels and the ability of its tenant to meet its lease obligations. The property is let at a fixed annual rent, subject to five year reviews, and the Company ensures that the tenant maintains the property in accordance with its lease. We are constantly monitoring developments with Brexit and considering potential impacts across our group of companies. We will maintain our agile and collaborative approach to all aspects of our business to ensure that the impact of any disruption resulting from a disorderly Brexit is minimised.

On behalf of the Board



T Paphitis
Chairman

Date 20 December 2018

Partners Properties (UK) Ltd

Directors' report for the year ended to 31 March 2018

The directors present their report together with the audited financial statements for the year ended 31 March 2018.

Results and dividends

The statement of income and retained earnings is set out on page 7 and shows the result for the year.

The profit after taxation for the year amounted to £1,372,000 (2017 - £589,000).

The directors do not recommend the payment of a dividend (2017 - £nil).

Principal activity, business review and future developments

The principal activity during the period was that of a property management company receiving rental income.

A review of the business and future developments is contained in the strategic report on page 1.

Financial risk factors

The consideration of the key financial risk factors is contained in the strategic report on page 1.

Directors

The directors of the Company during the year were:

T Paphitis
M S Cooke
K Kyprianou
S J Lakin
R E Towner (non-executive – resigned 21 November 2018)
I M Childs

Partners Properties (UK) Ltd

Directors' report for the year ended 31 March 2018 (*continued*)

Directors' responsibilities

The directors are responsible for preparing the strategic report, 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 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 accounting estimates that are reasonable and prudent; and
- 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.

Auditors

Each individual director has taken all the steps necessary to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487 (2) they will automatically be reappointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their reappointment.

On behalf of the Board



T Paphitis
Director

Date 20 December 2018

Partners Properties (UK) Ltd

Independent auditor's report

TO THE MEMBERS OF PARTNERS PROPERTIES (UK) LTD

Opinion

We have audited the financial statements of Partners Properties (UK) Ltd ("the Company") for the year ended 31 March 2018 which comprise the statement of income and retained earnings, the statement of financial position and the related 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 Financial Reporting Standard 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 31 March 2018 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.

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 other 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 opinion.

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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.

Partners Properties (UK) Ltd

Independent auditor's report (*continued*)

Other information

The directors are 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.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' 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 and directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Partners Properties (UK) Ltd

Independent auditor's report (*continued*)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are 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 directors determine 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 directors are 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 directors either intend to liquidate the Company or to cease operations, or have 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



James Fearon (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
Date 20 December 2018

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

Partners Properties (UK) Ltd

Statement of income and retained earnings for the year ended 31 March 2018

	Note	2018 £'000	2017 £'000
Rental income	3	625	625
Administrative expenses		(44)	(47)
Investment property revaluation	10	1,248	285
		<hr/>	<hr/>
Operating profit	4	1,829	863
Interest payable and similar charges	7	(39)	(58)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		1,790	805
Taxation on profit on ordinary activities	8	(418)	(216)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		1,372	589
Retained profits at start of year		5,360	4,771
		<hr/>	<hr/>
Retained profits at end of year		<u>6,732</u>	<u>5,360</u>

All amounts relate to continuing activities.

The notes on pages 9 to 17 form part of these financial statements.

Partners Properties (UK) Ltd

Statement of financial position at 31 March 2018

<i>Company number 04636391</i>	Note	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Fixed assets					
Plant, property and equipment	9		170		197
Investment property	10		13,177		8,918
			13,347		9,115
Current assets					
Debtors	11	1		1	
Cash at bank and in hand		-		162	
			1	163	
Creditors: amounts falling due within one year	12	(5,142)		(2,005)	
Net current liabilities			(5,141)		(1,842)
Total assets less current liabilities			8,206		7,273
Creditors: amounts falling due after more than one year	13		(992)		(1,689)
Provision for liabilities and charges	15		(462)		(204)
Net assets			6,752		5,380
Capital and reserves					
Called up share capital	16		20		20
Profit and loss account			6,732		5,360
Shareholders' funds			6,752		5,380

The financial statements were approved by the Board and authorised for issue on **20 December 2018**


T Paphitis
Director

The notes on pages 9 to 17 form part of these financial statements.

Partners Properties (UK) Ltd

Notes forming part of the financial statements for the year ended 31 March 2018

1 Accounting policies

Partners Properties (UK) Ltd is a private Company limited by shares and incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the contents page and the nature of the Company's operations and its principal activities are set out in the strategic report.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis, modified to include investment properties at fair value as specified in the accounting policies below.

The accounts are drawn up to the nearest whole £'000, except where otherwise indicated.

The following principal accounting policies have been applied:

Basis of preparation

The Company has net current liabilities at the year end and is forecast to require additional cash funding in the coming year. The Company is therefore likely to require financial support from other group companies in the future which has been confirmed and the directors therefore consider that the Company will be able to meet its liabilities as they fall due for the foreseeable future. It is on this basis that the directors consider it appropriate to prepare the financial statements on a going concern basis.

Financial Reporting Standard 102 – reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- Statement of cash flows and related notes;
- Key management personnel remuneration.

This information is included in the consolidated financial statements of Fivefathers Holdings Limited as at 31 March 2018 and these financial statements may be obtained from the address given in note 19.

Turnover

Turnover represents rental income receivable from tenants of the warehouse and office complex.

Tangible fixed assets

Tangible fixed assets 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.

Investment property

Investment property is carried at fair value. Revaluation surpluses are recognised in the income statement. No depreciation is provided. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

Partners Properties (UK) Ltd

Notes forming part of the financial statements for the year ended 31 March 2018

1 Accounting policies (*continued*)

Depreciation

Depreciation is charged so as to write off the cost of assets, less their residual value, over their expected useful lives using the following rates:

Fixtures, and fittings and equipment - Between 10% and 15% on written down value

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, 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 within 'Administrative expenses' in the statement of income and retained earnings.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or 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 taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except:

- 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Reserves

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost, less any impairment.

Partners Properties (UK) Ltd

Notes forming part of the financial statements for the year ended 31 March 2018

1 Accounting policies (*continued*)

Financial liabilities and equity

Financial liabilities and equity are classified according to the economic substance of the financial instrument's contractual obligations rather than the financial instrument's legal form. Financial liabilities, excluding derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

Critical judgements in applying the group's accounting policies

The directors do not feel that they have made any critical judgements in the year in the process of applying the Company's accounting policies apart from those involving estimations (which are dealt with separately below).

Key sources of estimation uncertainty

The key assumptions or estimation uncertainties at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment property valuation

Investment property is carried at fair value; a fair value exercise is thus performed. Fair value is determined through external valuations on a periodic basis with directors' valuations performed in the intervening years. Professional judgement is applied in determining such things as an appropriate yield for a given property and estimated rental values. The fair value of the investment property is included in note 10.

Property, plant and equipment useful lives

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The selection of these estimated lives requires the exercise of management judgement. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. The carrying amount of tangible fixed assets is included in note 9.

Property, plant and equipment impairment

Determining whether property, plant and equipment assets are impaired requires an estimation of the value in use of the cash-generating units to which these assets have been allocated. The value in use calculation requires the Company to estimate the future cash flows expected to arise from a cash-generating unit. The directors have concluded that no impairment to the carrying value of tangible fixed assets is required in the period under review.

3 Rental income

Rental income is wholly attributable to the principal activity of the Company and arises solely within the United Kingdom.

Partners Properties (UK) Ltd

Notes forming part of the financial statements
for the year ended 31 March 2018 (*continued*)

4 Operating profit

	2018 £'000	2017 £'000
This is arrived at after charging/(crediting):		
- Depreciation of tangible fixed assets	27	32
- Auditors' remuneration - audit services	3	3
- Non-audit services payable to auditor	1	1
- Aggregate rentals receivable - operating leases	(625)	(625)
	<u> </u>	<u> </u>

5 Employees

There were no employees during the current or prior year, other than the directors.

6 Directors' remuneration

The directors did not receive any remuneration from the Company during the current or prior year.

7 Interest payable and similar charges

	2018 £'000	2017 £'000
Bank loans and overdrafts	39	58
	<u> </u>	<u> </u>

8 Taxation on profit on ordinary activities

	2018 £'000	2017 £'000
<i>UK Corporation tax</i>		
Group relief payable	160	159
	<u> </u>	<u> </u>
Total current tax	160	159
<i>Deferred tax</i>		
Investment property	258	57
	<u> </u>	<u> </u>
Taxation on profit on ordinary activities	<u>418</u>	<u>216</u>

Partners Properties (UK) Ltd

Notes forming part of the financial statements for the year ended 31 March 2018 (*continued*)

8 Taxation on profit on ordinary activities (*continued*)

The tax assessed for the year is higher (2017 – higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2018 £'000	2017 £'000
Profit on ordinary activities before tax	1,790	805
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2017 - 20%)	340	161
Effects of:		
Expenses not deductible for tax purposes	57	55
Revaluation not taxable for tax purposes	(237)	(57)
Movements in deferred tax	258	57
Total tax charge for year	418	216

A reduction in the UK corporation tax rate from 20% to 19% took effect from 1 April 2017. A further reduction in the UK corporation rate to 17% from 1 April 2020 has been announced.

9 Plant, property and equipment

	Fixtures, fittings and equipment £'000
<i>Cost</i>	
At 1 April 2017 and 31 March 2018	1,501
<i>Depreciation</i>	
At 1 April 2017	1,304
Provided for the year	27
At 31 March 2018	1,331
<i>Net book value</i>	
At 31 March 2018	170
At 31 March 2017	197

Partners Properties (UK) Ltd

Notes forming part of the financial statements
for the year ended 31 March 2018 (*continued*)

10 Investment Property

	£'000
Fair value at 1 April 2017	8,918
Additions	3,011
Net gains from fair value adjustments	1,248
	<hr/>
Fair value at 31 March 2018	13,177
	<hr/>

The Company's investment property was valued during September 2014 by an independent, professionally qualified valuer. Details on assumptions made and key sources of estimation uncertainty are given in note 2. The directors have valued the property as at 31 March 2017 and 31 March 2018.

The surplus on revaluation of the investment property at fair value arising of £1,248,000 has been credited to profit or loss.

The development referred to in the directors' report has been included at historic cost in the year of addition.

If investment property had been accounted for under the historic cost accounting rules, the property would have been measured as follows:

	2018 £'000	2017 £'000
Historic cost	6,258	6,258
Additions	3,011	-
Accumulated depreciation	(1,147)	(1,070)
	<hr/>	<hr/>
	8,122	5,188
	<hr/>	<hr/>

11 Debtors

	2018 £'000	2017 £'000
Prepayments and accrued income	1	1
	<hr/>	<hr/>

12 Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Bank overdraft	1,839	-
Accruals and deferred income	146	175
Bank loans (secured) - (Note 13)	704	830
Amounts due to other group companies	1,910	617
Corporation tax – group relieved	543	383
	<hr/>	<hr/>
	5,142	2,005
	<hr/>	<hr/>

Partners Properties (UK) Ltd

Notes forming part of the financial statements
for the year ended 31 March 2018 (*continued*)

13 Creditors: amounts falling due after more than one year

	2018 £'000	2017 £'000
Bank loans (secured)	992	1,689
	<u>992</u>	<u>1,689</u>
	2018 £'000	2017 £'000
Maturity of debt:		
- In one year or less (note 12)	704	830
- In more than one year but not more than five years	992	1,689
	<u>1,696</u>	<u>2,519</u>

The bank loans are secured by a fixed charge over the freehold property of the Company.

The bank loan of £467,000 is currently on a repayment basis, with the interest rate being 3 month Sterling LIBOR +1.55%. Repayment of capital is in quarterly instalments. This loan will be repaid in full by 27 February 2019.

The bank loan of £1,229,000 is currently on a repayment basis, with the interest rate being 3 month Sterling LIBOR +1.55%. Repayment of capital is in quarterly instalments. This loan will be repaid in full by 12 March 2023.

14 Financial instruments

	2018 £'000	2017 £'000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	-	162
	<u>-</u>	<u>162</u>
	-	162
Financial liabilities		
Financial liabilities measured at amortised cost	5,988	3,548
	<u>5,988</u>	<u>3,548</u>

Financial assets measured at amortised cost comprise cash at bank and in hand.

Financial liabilities measured at amortised cost comprise bank overdraft, bank loans, accruals and amounts owed to group undertakings.

Partners Properties (UK) Ltd

Notes forming part of the financial statements
for the year ended 31 March 2018 *(continued)*

15 Provision for liabilities and charges

Deferred taxation

	Accelerated Capital Allowances £'000	Investment Property £'000	Total £'000
At 1 April 2017	47	157	204
Expensed in the year	-	258	258
	<hr/>	<hr/>	<hr/>
At 31 March 2018	47	415	462
	<hr/>	<hr/>	<hr/>

16 Share capital

	2018 Number	2018 £'000	2017 Number	2017 £'000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	20,000	20	20,000	20
	<hr/>	<hr/>	<hr/>	<hr/>

17 Operating leases

The Company leases out the investment properties under non-cancellable operating leases for the following future minimum lease receipts. There are no contingent rents.

	2018 £'000	2017 £'000
Within one year	625	625
In one to five years	2,500	2,500
After five years	312	937
	<hr/>	<hr/>
	3,437	4,062
	<hr/>	<hr/>

Partners Properties (UK) Ltd

Notes forming part of the financial statements for the year ended 31 March 2018 *(continued)*

18 Related party transactions

The Company is controlled by Ryman Group Limited and Sevenfathers Limited. The Company's ultimate controlling party is Theo Paphitis who has control of the issued share capital of Fivefathers Holdings Limited, the ultimate parent company at the year end. The Company is a wholly owned subsidiary of Fivefathers Holdings Limited and has taken advantage of the exception conferred by FRS 102 paragraph 33.1A not to disclose transactions with Fivefathers Holdings Limited or other wholly owned subsidiaries within the group.

Related party transactions and balances

During the year, the Company charged rentals of £625,000 (2017 - £625,000) and provided short term funding of £1,875,000 to Ryman Limited, a subsidiary undertaking of Ryman Group Limited. Additionally Ryman Limited recharged the Company insurance costs of £13,849 (2017 - £12,190), provided short term funding of £120,000 (2017 - £312,000) and recharged external supplier warehouse development costs totalling £3,011,000. At the year end, the balance owed to Ryman Limited was £1,909,754 (2017 - £616,618).

19 Ultimate parent company

The Company's ultimate parent company is Fivefathers Holdings Limited which is the parent of both the smallest and largest groups of which the Company is a member and is included in that company's financial statements. Fivefathers Holdings Limited is registered in Cyprus and a copy of its financial statements can be obtained from its registered office at Karaiskaki 6, City House, 3032, Limassol, Cyprus.

At 31 March 2018 the Company was jointly owned by Ryman Group Limited and Sevenfathers Limited.

The directors consider Theo Paphitis to be the ultimate controlling party.