

O&H (One) Limited

Report and Financial Statements

Year Ended

29 February 2016

Company Number 05715384

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O&H (One) Limited

Company Information

Directors	P Dee-Shapland D S Gabbay D W Lyons E A Shahmoon
Registered number	05715384
Registered office	25-28 Old Burlington Street London W1S 3AN
Independent auditors	BDO LLP 55 Baker Street London W1U 7EU

O&H (One) Limited

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O&H (One) Limited

Directors' Report For the Year Ended 29 February 2016

The directors present their report and the financial statements for the year ended 29 February 2016.

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). 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 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 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 company's principal activity is that of investing in unit trusts which invest in UK commercial property.

Results and dividends

The loss for the year, after taxation, amounted to £272,020 (2015 - profit £123,757).

Directors

The directors who served during the year were:

P Dee-Shapland
D S Gabbay
D W Lyons (appointed 18 January 2016)
E A Shahmoon

O&H (One) Limited

Directors' Report (continued) For the Year Ended 29 February 2016

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this director's report advantage has been taken of the small companies' exemption.

This report was approved by the board on 10 October 2016 and signed on its behalf.



E A Shahmoon
Director

O&H (One) Limited

Independent Auditors' Report to the Members of O&H (One) Limited

We have audited the financial statements of O&H (One) Limited for the year ended 29 February 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 February 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

O&H (One) Limited

Independent Auditors' Report to the Members of O&H (One) Limited

Matters on which we are required to report by exception

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 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 prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Paul Bailey (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
London
United Kingdom

10 October 2016

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

O&H (One) Limited

Statement of Comprehensive Income For the Year Ended 29 February 2016

	Note	2016 £	2015 £
Turnover	3	813,284	605,832
Gross profit		<u>813,284</u>	<u>605,832</u>
Administrative expenses		(69,591)	(59,064)
Operating profit and profit before taxation	4	<u>743,693</u>	<u>546,768</u>
Taxation on profit on ordinary activities	6	(1,015,713)	(423,011)
(Loss)/ Profit after taxation for the year		<u>(272,020)</u>	<u>123,757</u>
Other comprehensive income for the year			
Other comprehensive income		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(272,020)</u>	<u>123,757</u>

All amounts relate to continuing activities.

The notes on pages 8 to 15 form part of these financial statements.

O&H (One) Limited
Registered number:05715384

Statement of Financial Position
As at 29 February 2016

		29 February 2016 £	28 February 2015 £
	Note		
Fixed assets			
Fixed asset investments		20,957,340	19,050,480
Current assets			
Debtors		539,904	344,535
Creditors: amounts falling due within one year	9	(19,559,827)	(18,040,802)
Net current liabilities		(19,019,923)	(17,696,267)
Net assets less current liabilities		1,937,417	1,354,213
Deferred taxation	10	(2,223,361)	(1,368,137)
		(2,223,361)	(1,368,137)
Net liabilities		(285,944)	(13,924)
Capital and reserves			
Share capital		1	1
Profit and loss account	12	(285,945)	(13,925)
		(285,944)	(13,924)

The Company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 October 2016.


E A Shahmoon
Director

The notes on pages 8 to 15 form part of these financial statements.

O&H (One) Limited

Statement of Changes in Equity For the Year Ended 29 February 2016

	Share capital £	Retained earnings £	Total equity £
At 1 March 2015	1	(13,925)	(13,924)
Comprehensive income for the year			
Loss for the year	-	(272,020)	(272,020)
Total comprehensive income for the year	-	(272,020)	(272,020)
At 29 February 2016	1	(285,945)	(285,944)

Statement of Changes in Equity For the Year Ended 28 February 2015

	Share capital £	Retained earnings £	Total equity £
At 1 March 2014	1	(137,682)	(137,681)
Comprehensive income for the year			
Profit for the year	-	123,757	123,757
Total comprehensive income for the year	-	123,757	123,757
At 28 February 2015	1	(13,925)	(13,924)

The notes on pages 8 to 15 form part of these financial statements.

O&H (One) Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

O&H (One) Limited is a company limited by shares, incorporated in England & Wales under the Companies Act. 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 directors' report.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The company adopted FRS 102 on 1 March 2014. Information on the impact of first-time adoption of FRS 102 is given in note 15.

The functional currency is sterling and the figures are presented in round pounds.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Consolidated financial statements

The financial statements contain information about O&H (One) Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in EEA group accounts of a larger group.

1.3 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":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of O&H Holdings Limited as at 29 February 2016 and these financial statements may be obtained from Companies House.

1.4 Turnover

Turnover represents distributions arising from the company's investment in units in certain Jersey property unit trusts investing in UK commercial property. Turnover is recognised on an accruals basis.

O&H (One) Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

1. Accounting policies (continued)

1.5 Valuation of investments

Investments in subsidiaries and associates are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

1.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.7 Financial assets

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

1.8 Financial liabilities

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

1.9 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.

1.10 Going concern

The financial statements have been prepared on a going concern basis which is dependent on the continued support of the ultimate parent company, O&H Holdings Limited. The directors of O&H Holdings Limited have confirmed that the company will continue to provide such support for the foreseeable future.

O&H (One) Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

1. Accounting policies (continued)

1.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position 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 reporting date.

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

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are indicators of impairment of the company's fixed asset investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

3. Analysis of turnover

All turnover arose within the United Kingdom.

4. Operating profit

Audit and taxation fees are borne by fellow subsidiaries.

5. Employees

The company had no employees in the year (2015 - Nil) and the directors did not receive any remuneration for their service to the company (2015 - £Nil).

O&H (One) Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

6. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	149,334	-
Adjustments in respect of previous periods	11,155	-
Total current tax	160,489	-
Deferred tax		
Origination and reversal of timing differences	855,224	423,011
Taxation on profit on ordinary activities	1,015,713	423,011

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

O&H (One) Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

7. Fixed asset investments

	Investment in Unit Trust £
Cost	
At 1 March 2015	19,050,480
Additions	1,906,860
At 29 February 2016	<u>20,957,340</u>
Net book value	
At 29 February 2016	<u>20,957,340</u>
At 28 February 2015	<u>19,050,480</u>

Subsidiary undertakings, associated undertakings and other investments

The undertakings in which the company's interest at the year end is 20% or more are as follows:

Name	Country of incorporation	Class of shares	Holding	Principal activity
The Grafton Estate No 1 Unit Trust	Jersey	Ordinary	50 %	Property investment

An additional 50% of the above unit trust is held in O&H Mayfair No.2 Limited, a fellow subsidiary company. The group therefore holds 100% of the unit trust.

O&H (One) Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

8. Debtors

	29 February 2016 £	28 February 2015 £
Prepayments and accrued income	<u>539,904</u>	<u>344,535</u>

9. Creditors: Amounts falling due within one year

	29 February 2016 £	28 February 2015 £
Amounts owed to group undertakings	19,399,338	18,040,802
Corporation tax	160,489	-
	<u>19,559,827</u>	<u>18,040,802</u>

There are no formal arrangements in place for the repayment of amounts owed to group undertakings. The directors have revisited these arrangements as a result of the FRS 102 conversion and consequently the comparatives have been reclassified as within one year on the basis of the substance of these arrangements. Interest is not charged on these balances.

10. Deferred taxation

	Deferred taxation £
At 1 March 2015	1,368,137
Charged to the profit or loss	855,224
	<u>2,223,361</u>
At 29 February 2016	

The provision for deferred taxation is made up as follows:

	29 February 2016 £	28 February 2015 £
Revaluation gains	<u>2,223,361</u>	<u>1,368,137</u>

O&H (One) Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

11. Share capital

	29 February 2016 £	28 February 2015 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

12. Reserves

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid.

Share capital

Called up share capital reserve represents the nominal value of the shares issued.

13. Related party transactions

During the year, the company purchased investments of £1,906,860 from trusts of which some of the directors of the company are trustees of.

14. Immediate and ultimate parent company

At 29 February 2016 the company's ultimate parent company was O&H Holdings Limited which is the parent of the largest group of which the company is a member. O&H Limited is the parent of the smallest group of which the company is a member.

Copies of the consolidated financial statements of O&H Holdings Limited are available from Companies House.

O&H (One) Limited

Notes to the Financial Statements For the Year Ended 29 February 2016

15. Transition to FRS 102

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

Reconciliation of equity at 1 March 2014

	Note	£
Equity at 1 March 2014 under previous UK GAAP		8,395,926
Fixed asset investments reverted to cost	1	(7,588,481)
Deferred taxation arising on subsidiary transition	2	(945,126)
Equity shareholders funds at 1 March 2014 under FRS 102		(137,681)

Reconciliation of equity at 28 February 2015

	Note	£
Equity at 28 February 2015 under previous UK GAAP		11,536,118
Fixed asset investments reverted to cost	1	(10,181,905)
Deferred taxation arising on subsidiary transition	2	(1,368,137)
Equity shareholders funds at 28 February 2015 under FRS 102		(13,924)

Reconciliation of profit and loss account for the year ended 28 February 2015

		£
Profit for the year under previous UK GAAP		546,768
Deferred taxation arising on subsidiary transition	2	(423,011)
Profit for the year ended 28 February 2015 under FRS 102		123,757

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

- 1 The company now recognises its fixed asset investments at historical cost rather than at valuation. This led to a reduction to the carrying value of fixed asset investments of £7,588,481 at 1 March 2014 and £10,181,905 at 28 February 2015, accordingly reducing shareholders funds by these amounts. There was no effect on the profits for the year ended 28 February 2015 as the gains and losses were previously recognised in the statement of recognised gains and losses.
- 2 The company's investment, Grafton Estate No.1 LP, now recognises deferred tax on revaluation gains/losses. The company is liable for the tax on its interest in the LP and accordingly has recognised its share of this deferred tax. This has resulted in a reduction in shareholders' funds as at 1 March 2014 and 28 February 2015 of £945,126 and £1,368,137 accordingly. The movement of £423,011 is recognised within the profit for the year.