

Company Registration No. 06566157 (England and Wales)

PORTOBELLO ROAD PROPERTIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018
PAGES FOR FILING WITH REGISTRAR



PORTOBELLO ROAD PROPERTIES LIMITED

COMPANY INFORMATION

Director	W B Todd
Secretary	W Kirby
Company number	06566157
Registered office	30 City Road London EC1Y 2AB
Accountants	Arram Berlyn Gardner (AH) Limited 30 City Road London EC1Y 2AB

PORTOBELLO ROAD PROPERTIES LIMITED

CONTENTS

	Page
Statement of financial position	1 - 2
Notes to the financial statements	3 - 6

PORTOBELLO ROAD PROPERTIES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	Notes	2018 £	2017 £
Fixed assets			
Investment properties	3	1,894,832	1,885,406
Current assets			
Debtors	4	983,439	16,910
Cash at bank and in hand		28,934	18
		1,012,373	16,928
Creditors: amounts falling due within one year	5	(1,870,267)	(1,929,655)
Net current liabilities		(857,894)	(1,912,727)
Total assets less current liabilities		1,036,938	(27,321)
Creditors: amounts falling due after more than one year	6	(1,060,271)	-
Net liabilities		(23,333)	(27,321)
Capital and reserves			
Called up share capital	7	1	1
Profit and loss reserves		(23,334)	(27,322)
Total equity		(23,333)	(27,321)

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 June 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

PORTOBELLO ROAD PROPERTIES LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2018

The financial statements were approved and signed by the director and authorised for issue on 27/03/2019

.....
W B Todd
Director

Company Registration No. 06566157

PORTOBELLO ROAD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company information

Portobello Road Properties Limited is a private company limited by shares and is incorporated and domiciled in England. The principal place of business is First Floor, 103 Portobello Road, London W11 2QB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis even though at the balance sheet date the company's current liabilities exceeded its current assets by £857,894 and net liabilities of £23,333.

The directors consider the going concern basis to be appropriate because, in their opinion, the company will continue to obtain sufficient funding from connected companies under common control to enable it to pay its debts as they fall due.

1.3 Turnover

Turnover represents rent receivable from letting of investment properties. Rent receivable from tenants is measured at fair value. Rental income is recognised in the period to which it arises on an accrual basis and in accordance with the terms of the lease.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

The fair value model is determined by the directors with the benefit of professional 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.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand.

PORTOBELLO ROAD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from connected companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

PORTOBELLO ROAD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 1 (2017 - 1).

3 Investment property

	2018 £
Fair value	
At 1 July 2017	1,885,406
Additions	9,426
At 30 June 2018	<u>1,894,832</u>

No depreciation is provided in respect of these properties.

On a historical cost basis the investment property would have been included at an original cost of £1,894,832 (2017 - £1,885,406).

4 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Other debtors	<u>983,439</u>	<u>16,910</u>

5 Creditors: amounts falling due within one year

	2018 £	2017 £
Other creditors	<u>1,870,267</u>	<u>1,929,655</u>

PORTOBELLO ROAD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

6 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	1,060,271	-

The bank loans are secured by fixed and floating charges over the assets of the company.

7 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid 1 Ordinary of £1 each	1	1

8 Events after the reporting date

The bank loan of £1,060,271 which is included in non-current liabilities falls due in July 2019. The company is currently negotiating with its bankers to re-finance the loan.

9 Related party transactions

The following amounts were outstanding at the reporting end date:

	2018 £	2017 £
Amounts due to related parties		
Other related parties	1,863,859	1,589,775

The following amounts were outstanding at the reporting end date:

	2018 £	2017 £
Amounts due from related parties		
Other related parties	974,715	-

Other transactions:

Holland Park Investments Ltd, a connected company, has provided a guarantee up to £1.375m to the company's bankers in respect of the bank loans detailed in note 6.

Director's guarantee:

The director W B Todd has provide a personal guarantee up to £30,000 to the company's bankers in respect of the loans described in note 6.