

Registered number: 06853558

LANDMARK BUSINESS CENTRES (OBS) LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**



LANDMARK BUSINESS CENTRES (OBS) LIMITED

COMPANY INFORMATION

DIRECTORS AND ADVISERS

Directors

John Spencer
John Hunter
James Farnworth

Secretary

Malcolm Clark

Registered office

4 Tilgate Forest Business Park
Brighton Road
Crawley
West Sussex RH11 9BP
United Kingdom

Independent Auditor

Deloitte LLP, Statutory auditor

Trading address

No.1 Royal Exchange
London EC3V 3DG
United Kingdom

Registered number

06853558

LANDMARK BUSINESS CENTRES (OBS) LIMITED

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LANDMARK BUSINESS CENTRES (OBS) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2018

INTRODUCTION

The Directors present their annual report and the financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The Company completed the sale of its business and assets to a fellow subsidiary, Landmark Space Limited with effect from 1 January 2018, for a consideration of £411,328. The Company retained its leasehold property interest after that sale that is now also sublet to Landmark Space Limited, which it retains at the date of this report.

DIRECTORS

The Directors who served during the year and to the date of this report are as follows:

John Spencer	
Andrew Blurton	Retired 31 December 2018
James Farnworth	Appointed 1 January 2019
John Hunter	
Malcolm Clark	Resigned 5 June 2018

RESULTS AND DIVIDENDS PROPOSED

All trading was transferred to Landmark Space Limited during the year.

No further dividends have been proposed at year end (2017: Nil).

DIRECTORS' INDEMNITIES AND DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

In accordance with the Company's Articles of Association, an indemnity is provided by the Company to the Directors to the extent permitted by law in respect of liabilities incurred from their office as Directors.

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 period. 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 and then apply them consistently;
- make judgments 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.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)

DIRECTORS' RESPONSIBILITIES STATEMENT(continued)

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GOING CONCERN

The Directors are confident that the Company has adequate financial resources to continue in operational existence in the next 12 months from the date of approval of the financial statements. As a result they have accordingly continued to adopt the going concern basis of accounting in preparing the Company's financial statements.

SUBSEQUENT EVENTS

The Directors are not aware of any significant subsequent events as at the date of signing.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the Directors at the date of approval of this Report of the Directors has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of S418 of the Companies Act.

AUDITOR

Nexia Smith & Williamson had been the auditor of the Company in previous years and until September 2018. On that date, they were succeeded Deloitte LLP. A resolution to reappoint Deloitte LLP as auditor of the Company will be proposed at the Annual General Meeting.

SMALL COMPANIES EXEMPTION

The Directors have taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 not to provide a strategic report.

This report was approved by the Board on 17 July 2019 and signed on its behalf.



James Farnworth
Director

LANDMARK BUSINESS CENTRES (OBS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LANDMARK BUSINESS CENTRES (OBS) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion the financial statements of Landmark Business Centres (OBS) Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of income and retained earnings;
- the balance sheet; and
- the related notes 1 to 17.

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).

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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

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.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LANDMARK BUSINESS CENTRES (OBS) LIMITED (continued)

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 respect of these matters.

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 on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; the Directors' report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the the Directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; and
- the Directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

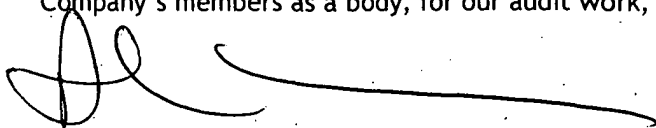
We have nothing to report in respect of these matters.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LANDMARK BUSINESS CENTRES (OBS) LIMITED (continued)

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.



Darren Longley, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

18 July 2019

LANDMARK BUSINESS CENTRES (OBS) LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Year ended 31 December 2018 £	Nine months ended 31 December 2017 £
Turnover	3	2,010,031	3,762,159
Cost of sales		(2,010,031)	(2,371,211)
Gross profit		-	1,390,948
Administrative expenses		-	(384,195)
Profit before taxation	4	-	1,006,753
Taxation charge on profit	6	-	(200,493)
Profit and total comprehensive income for the financial year/period attributable to the equity shareholders of the company		-	806,260
Retained earnings at beginning of the year/period		411,228	189,968
Profit for the year/period		-	806,260
Dividends declared and paid	7	(391,000)	(585,000)
Retained earnings at the end of the year/period		20,228	411,228

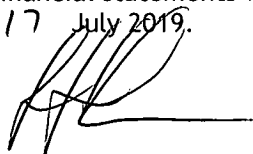
All amounts relate to continuing operations.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

BALANCE SHEET AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	8	-	883,595
Current assets			
Debtors	9	661,720	1,445,121
Cash at bank and in hand		15,030	675,630
		676,750	2,120,751
Creditors: amounts falling due within one year	10	(656,422)	(1,929,176)
Net current assets		20,328	191,575
Total assets less current liabilities		20,328	1,075,171
Creditors: amounts falling due after more than one year	11	-	(613,321)
Provision for liabilities	12	-	(50,522)
Net assets		20,328	411,328
Capital and reserves			
Share capital	13	100	100
Retained earnings	14	20,228	411,228
Equity attributable to the owners of the Company		20,328	411,328

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 17 July 2019.



James Farnworth
Director

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

1.1 PRINCIPAL ACTIVITIES AND REGISTERED OFFICE

With effect from 1 January 2018, the Company completed the sale of its business and assets to a fellow subsidiary, Landmark Space Limited. The Company retained its leasehold property interest after that sale, which it retains at the date of these financial statements. In the prior period, the principal activities of the Company were that of operating a high quality serviced office and related services in London. The Company is incorporated in the United Kingdom under Companies Act 2006 and registered England and Wales and its registered office is 4 Tilgate Forest Business Park, Brighton Road, Crawley, West Sussex RH11 9BP. The Company is a private limited company, limited by shares.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The results presented are for the year ended 31 December 2018. The comparative results are for a period of 9 months ended 31 December 2017 when the Company shortened its accounting period to align it with that of its ultimate parent company. The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the requirements of the Companies Act 2006.

The Company's functional currency and reporting currency is Pounds Sterling.

Reduced disclosure exemptions

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

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

The notes to the Financial Statements have been left due to being part of the Group policies and being for comparatives.

The following principal accounting policies have been applied in the preparation of these financial statements:

1.3 GOING CONCERN

The Company's forecasts and projections, which take into account current and future business levels and possible changes in performance, confirm future operations will not be cash negative. The Directors are confident that the Company has adequate resources to continue in operational existence for at least 12 months from date of approval of the financial statements and they have accordingly continued to adopt the going concern basis of accounting in preparing the Company's financial statements.

1.4 TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes. Turnover in the prior period had been generated from 3rd party rent while in the current year is generated through an intergroup lease.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.5 PENSIONS

The Company contributes to a defined contribution plan for its employees. Once the contributions have been paid, the Company has no further payment obligations. The contributions are recognised as an expense when they fall due. Amounts not paid are included in accruals in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.6 HOLIDAY PAY ACCRUAL

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the date of the Balance Sheet.

1.7 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 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 reporting date.

Deferred tax is 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 difference between the fair values of assets acquired and future tax deductions available for them, and the difference between the fair values of liabilities acquired and the amount that will be assessed for tax for them. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.8 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when they are paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.9 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.

The carrying amount of items in fixed assets only includes the cost of replacing part of that item if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of any replaced part is de-recognised. Repairs and maintenance are charged to the Income Statement during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Short-term leasehold property	-	Over the term of the lease
Fixtures, fittings and office equipment	-	4 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

The residual values of fixed assets, their useful lives, and their depreciation rates are reviewed at each reporting date and where there is an indication of a significant change since the previous reporting date, they are adjusted prospectively.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

1.10 IMPAIRMENT OF ASSETS

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Income Statement, as described below.

Non-financial assets

The recoverable amount of a non-financial asset is the higher of its fair value less costs to sell and its value in use. A non-financial asset is impaired where the estimated recoverable value of the asset has been reduced.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.10 IMPAIRMENT OF ASSETS (continued)

Financial assets

Financial assets that are measured at cost or amortised cost are assessed at the end of each reporting period for objective evidence of impairment. The impairment loss is measured as the difference between a financial asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the related contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the Board's best estimate of its value, with the latter being an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

1.11 CASH AT BANK AND IN HAND

Cash is represented by cash on hand and demand deposits. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash without significant risk of change in value.

1.12 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of an instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction in which case they are measured at the present value of future payments, discounted at a market rate of interest for a similar debt instrument.

Debt instruments which meet the criteria set out within section 11 of FRS 102 for basic financial instruments are subsequently measured at amortised cost using the effective interest method.

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the criteria for a basic financial instrument, are measured at the undiscounted amount of cash or other consideration expected to be paid or received, net of impairment.

Financial assets are de-recognised when:

- (a) the contractual rights to the cash flows from the financial asset expire or are settled; or
- (b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- (c) the Company, despite having retained some but not all significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are de-recognised only when the obligation specified in the contract is discharged, cancelled or expires.

Financial assets and liabilities are only 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.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Income Statement on a straight line basis over the term of the lease, including where payments are not required to be made on a straight line basis. Lease incentives are similarly spread on a straight line basis over the relevant lease terms.

The Company has applied the exemption in Section 35.10(p) to continue to recognise any residual benefit or cost associated with lease incentives on the same basis as that applied at the date of transition to FRS 102.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgements or key sources of estimation uncertainty represented as at 31 December 2018.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. TURNOVER

	Year ended 31 December 2018 £	Nine months ended 31 December 2017 £
An analysis of turnover by class of business is as follows:		
Licence fees	-	3,582,442
Other services	-	179,717
Rental Income - intercompany	2,010,031	-
	<u>2,010,031</u>	<u>3,762,159</u>

All turnover of the Company is generated in the United Kingdom.

4. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	Year ended 31 December 2018 £	Nine months ended 31 December 2017 £
Depreciation of tangible fixed assets	-	80,186
Fees payable to the Company's auditor for the audit of the Company's financial statements	-	4,500
Fees payable to the Company's auditor and its associates for other services	-	2,250
Operating lease rentals	1,524,608	1,084,556
	<u>1,524,608</u>	<u>1,084,556</u>

The Directors' received no emoluments during the year ended 31 December 2018 (nine months ended 31 December 2017: Nil).

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. EMPLOYEES

	Year ended 31 December 2018	Nine months ended 31 December 2017
	£	£
Staff costs were as follows:		
Wages and salaries	-	195,480
Social security costs	-	15,715
Defined contribution pension scheme costs	-	993
	-	212,188

The average number of employees excluding Directors during the year was as follows:

	Year ended 31 December 2018	Nine months ended 31 December 2017
	No	No
Serviced office operations	-	16

6. TAX ON PROFIT

	Year ended 31 December 2018	Nine months ended 31 December 2017
	£	£
UK corporation tax		
Current tax on profit for the year/period	-	-
Group relief payable	-	199,578
Adjustment in respect of prior periods	-	1,893
Total current tax	-	201,471
Deferred tax	-	(978)
Taxation charge for the year/period	-	200,493

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

6. TAXATION (continued)

FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR

The standard rate of tax applied to reported profit is 19% (2017: 19%). The Finance Act 2015 changed the rate from 20% to 19% during the prior period. The change of tax rates following the enactment of the Finance Act 2016 in September 2016 means that deferred tax balances should be calculated using 17%. The impact on deferred tax assets and liabilities is immaterial. The tax charge for the prior period is higher than the standard rate of corporation tax in the UK of 19%. The principal differences are as follows:

	Year ended 31 December 2018 £	Nine months ended 31 December 2017 £
Profit before tax	-	1,006,753
Profit multiplied by standard rate of corporation tax in the UK of 19%	-	191,283
Effects of:		
Depreciation not allowable for tax purposes	-	7,190
Expenditure not deductible for tax purposes	-	127
Adjustments to tax charge in respect of previous periods	-	1,893
Total tax charge for the year/period	-	200,493

The Directors consider that adjustments similar to those above are likely to be relevant in calculating the Group's tax charge in future years.

7. DIVIDENDS

	Year ended 31 December 2018 £	Nine months ended 31 December 2017 £
Dividends paid	391,000	585,000

An interim dividend of £391,000 was paid by the Company in June 2018 and no final dividend was declared.

Dividend per ordinary share totalled 3,910.0p (2017: 5,850.0p).

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. TANGIBLE FIXED ASSETS

	Short-Term Leasehold Property £	Fixtures, fittings & office Equipment £	Total £
Cost or valuation			
At 1 January 2018	1,564,232	458,043	2,022,275
Sale to fellow subsidiary	(1,564,232)	(458,043)	(2,022,275)
At 31 December 2018	-	-	-
Depreciation			
At 1 January 2018	702,991	435,689	1,138,680
Transfer on sale to a fellow subsidiary	(702,991)	(435,689)	(1,138,680)
At 31 December 2018	-	-	-
Net book value			
At 31 December 2018	-	-	-
At 31 December 2017	861,241	22,354	883,595

9. DEBTORS

	31 December 2018 £	31 December 2017 £
Due within one year		
Trade debtors	-	412,369
Amounts owed by Group Undertakings	661,720	351,985
Other debtors	-	11,087
Corporation tax recoverable	-	34,812
Prepayments and accrued income	-	634,868
	661,720	1,445,121

Amounts owed by Group Undertakings are payable on demand.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

10. CREDITORS: amounts falling due within one year

	31 December 2018 £	31 December 2017 £
Client deposits	-	945,086
Licence fees invoiced in advance	-	399,375
Trade creditors	54	10,856
Taxation and social security	-	133,849
Other creditors	-	26,072
Amounts Owing to Fellow Subsidiary Undertakings	-	224,719
Amounts Owed to Group Undertakings	656,368	43,983
Unamortised operating lease incentives	-	55,134
Capital contributions	-	59,111
Accruals	-	30,991
	<u>656,422</u>	<u>1,929,176</u>

Amounts owed to Group Undertakings are payable on demand.

11. CREDITORS: amounts falling due after more than one year

	31 December 2018 £	31 December 2017 £
Other creditors	-	613,321

Other creditors represent the unamortised element of operating lease incentives that will be amortised after more than one year.

12. DEFERRED TAXATION

	31 December 2018 £	31 December 2017 £
Deferred taxation arose as follows:		
At beginning of year/period	50,522	51,500
Movement for the year/period (note 6)	-	(978)
Transfer on asset sale to fellow subsidiary	(50,522)	-
	<u>-</u>	<u>50,522</u>

Deferred taxation relates primarily to timing differences between capital allowances claimed and depreciation charged on the Company's fixed assets.

LANDMARK BUSINESS CENTRES (OBS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

13. SHARE CAPITAL

	31 December 2018 £	31 December 2017 £
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

All the Company's Ordinary shares are non-redeemable. They rank equally in terms of voting rights, participation in approved dividend distributions for that class of share, and participation in any capital distribution on a winding up.

14. RESERVES

Retained earnings

Retained earnings represent cumulative profits and losses, after payment of dividends.

15. COMMITMENTS AND CONTINGENCIES

At 31 December 2018, the Company had outstanding commitments for future minimum lease payments and other costs under non-cancellable operating leases as follows:

	31 December 2018 £	31 December 2017 £
Not later than one year	1,635,643	1,639,143
Later than one year and not later than five years	6,542,572	6,556,572
Later than five years	381,285	2,253,822
	8,559,500	10,449,537

16. CONTROLLING PARTIES

At the date of approval of these financial statements, the immediate parent Company and smaller group is Landmark Limited. The ultimate controlling party and ultimate parent company of the Company, and the largest group which incorporates the financial statements of the Company, is O.C.S. Group Limited. The registered address of Landmark Limited and O.C.S. Group Limited is 4 Tilgate Forest Business Park, Brighton Road, Crawley, West Sussex, RH11 9BP. Copies of the financial statements of Landmark Limited and O.C.S. Group Limited are available from 4 Tilgate Forest Business Park, Brighton Road, Crawley, West Sussex, RH11 9BP.

17. SUBSEQUENT EVENTS

The Directors are not aware of any significant subsequent events as at the date of signing.