Jolan Piccadilly Limited

Directors' report and financial statements

Registered number 06855403

Year ended 31 March 2018

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COMPANIES HOUSE

Contents

Officers and professional advisors

The board of directors

JC Barnsley
RW Jefferson
ST Glanville

Company secretary

HL Austin

Registered office

First Floor, Finchale House
Belmont Business Park
Durham
DH1 1TW

Directors' report

The directors present their directors' report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company is to carry on a property investment business.

Results and dividends

The results for the year are set out on page 4.

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

Directors

The directors who held office during the year were as follows:

JC Barnsley
RW Jefferson
ST Glanville

Political contributions

The company made no political donations or incurred any political expenditure during the year *(2017: £nil)*.

Audit exemption

The company qualifies as a small company under section 477 of the Companies Act 2006 and is therefore entitled to exemption from audit. The shareholders do not require audited financial statements, therefore the directors have taken up the exemption from audit.

The directors' report has been prepared taking advantage of the small companies' exemption under Section 415A of the Companies Act 2006.

By order of the board

RW Jefferson
Director

First Floor, Finchale House
Belmont Business Park
Durham
DH1 1TW

19 December 2018

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law.

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 estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Income Statement
for the year ended 31 March 2018

	Note	2018 £	2017 £
Revenue	2	**15,616**	15,596
Administrative expenses		**(17,218)**	(27,469)
Operating loss before net valuation movements	2-3	**(1,602)**	(11,873)
Net valuation movement on investment property	5	**(51,000)**	-
Loss before taxation		**(52,602)**	(11,873)
Taxation	4	-	-
Loss for the year	11	**(52,602)**	(11,873)

Statement of Other Comprehensive Income
for the year ended 31 March 2018

	2018 £	2017 £
Loss for the year	**(52,602)**	(11,873)
Other comprehensive income		
Other comprehensive income for the year	-	-
Total comprehensive income / (expense) for the year	**(52,602)**	(11,873)

Balance Sheet
as at 31 March 2018

	Notes	2018 £	2017 £
Non-current assets			
Investment property	5	**150,000**	201,000
Current assets			
Trade and other receivables	7	**4,722,388**	4,719,185
Cash and cash equivalents	8	**59,057**	67,116
		4,781,445	4,786,301
Total assets		**4,931,445**	4,987,301
Current liabilities			
Trade and other payables	9	**(206,552)**	(209,806)
Total liabilities		**(206,552)**	(209,806)
Net assets		**4,724,893**	4,777,495
Equity			
Share capital	10	**1**	1
Retained earnings	11	**4,724,892**	4,777,494
Total equity		**4,724,893**	4,777,495

For the year ending 31 March 2018, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 ("the Act") relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors on 19 December 2018 and were signed on its behalf by:

ST Glanville
Director

Company registration number: 06855403

Statement of Changes in Equity
for the year ended 31 March 2018

	Share capital £	Retained earnings £	Total £
Balance at 1 April 2016	1	4,789,367	4,789,368
Total comprehensive income for the year			
Loss for the year	-	(11,873)	(11,873)
Balance at 31 March 2017	1	4,777,494	4,777,495
Balance at 1 April 2017	**1**	**4,777,494**	**4,777,495**
Total comprehensive income for the year			
Loss for the year	**-**	**(52,602)**	**(52,602)**
Balance at 31 March 2018	**1**	**4,724,892**	**4,724,893**

Cash Flow Statement
for the year ended 31 March 2018

	Note	2018	2017
		£	£
Cash flows from operating activities			
Loss for the year		**(52,602)**	(11,873)
Adjustments for:			
Taxation	*4*	**-**	-
Net valuation movement on investment property	*5*	**51,000**	-
		(1,602)	(11,873)
Decrease/(increase) in trade and other receivables		**(3,203)**	227,097
(Decrease)/increase in trade and other payables		**(3,254)**	(151,812)
		(8,059)	63,412
Tax paid		**-**	-
Net cash from operating activities		**(8,059)**	63,412
Cash flows from investing activities			
Acquisition of investment property	*5*	**-**	(1,000)
Net cash from investing activities		**(8,059)**	(1,000)
Cash flows from financing activities		**-**	-
Net increase/(decrease) in cash and cash equivalents		**(8,059)**	62,412
Cash and cash equivalents at 1 April		**67,116**	4,704
Cash and cash equivalents at 31 March	*8*	**59,057**	67,116

Notes
(forming part of the financial statements)

1 Accounting policies

Jolan Piccadilly Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 06855403 and the registered address is First Floor, Finchale House, Belmont Business Park, Durham, United Kingdom, DH1 1TW.

The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis except that investment properties are stated at their fair value.

Going concern

The company meets its day to day working capital requirements through its positive cash balances and cash generated from its operations. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company is expected to have a sufficient level of financial resources available through current facilities.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Foreign currency

Transactions in foreign currencies are translated to the company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Classification of financial instruments issued by the company

Following the adoption of IAS 32, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Notes *(continued)*

1 Accounting policies *(continued)*

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its fair value at the year end. Gains or losses arising from changes in the fair value of investment property are included in net profit or loss for the year in which they arise.

Gains or losses arising from the retirement or disposal of investment property, being the difference between the net disposal proceeds and carrying value, are included in profit or loss for the year of the retirement/disposal.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Rental income from investment property is recognised on a straight-line basis over the term of the relevant operating lease. The aggregate cost of lease incentives are recognised as a reduction of rental income on a straight-line basis over the term of the lease.

Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Financing income and expenses

Financing expenses comprise interest payable and is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

Notes *(continued)*

1 Accounting policies *(continued)*

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. For investment property that is measured at fair value deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the company's business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income is used.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Standards and Interpretations applied for the first time

None of the Adopted IFRSs, which became effective for the first time, had a significant impact on either the company's result for the year or equity.

Adopted IFRS not yet applied

Of the IFRSs that have been issued and endorsed by the EU but have not yet been applied by the company, because they are not yet effective, none are expected to have a material effect on the company's financial statements.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to the valuation of the company's investment property – see note 5.

2 Revenue

	2018	2017
	£	£
Investment property rentals	**15,009**	15,000
Rendering of services	**607**	596
	15,616	15,596

All of the company's revenue is derived from investment property in the UK.

Notes *(continued)*

3 Remuneration of directors, staff numbers, and costs

	2018	2017
	£	£
Sums paid to third parties for directors' services	**12,000**	12,000

Fees in respect of directors' services are paid to a related undertaking (see note 14). The company had no other employees during the current year and preceding financial year.

4 Taxation

Recognised in the income statement

	2018	2017
	£	£
Current tax expense		
Current year	**-**	-
Deferred taxation (see note 6)		
Origination and reversal of timing differences	**-**	-
Total tax expense	**-**	-

Reconciliation of effective tax rate

	2018	2017
	£	£
Loss for the year	**(52,602)**	(11,873)
Total tax expense	**-**	-
Loss excluding taxation	**(52,602)**	(11,873)
Tax using the UK corporation tax rate of 19% *(2017: 20%)*	**(9,994)**	(2,375)
Non-deductible expenses	**9,690**	1,267
Current year tax losses for which no deferred tax asset was recognised	**304**	1,108
Utilisation of fixed asset timing differences for which no deferred tax was recognised	**-**	-
Group relief surrendered for no consideration	**-**	-
Total tax expense	**-**	-

The company has tax losses of £507,137 *(2017: £5,540)* available to relieve against future taxable profits of the company. A deferred tax asset of £86,213 *(2017: £942)* in respect of these losses has not been recognised due to the uncertainty surrounding their future recovery against taxable profits.

Factors that may affect future current and total tax charges

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The unprovided deferred tax asset at 31 March 2018 has been calculated based on these rates.

Notes *(continued)*

5 Investment property

	2018	2017
	£	£
Balance at 1 April	**201,000**	200,000
Additions	-	1,000
Net movement on revaluation	**(51,000)**	-
Balance at 31 March	**150,000**	201,000

The company has valued all of its investment property as at 31 March 2018 at fair value.

The fair value of the company's investment property has been arrived by certain directors of the company who are members of the Royal Institution of Chartered Surveyors.

All of the investment properties have been categorised within Level 3 of the fair value hierarchy outlined in note 12. Their valuation was arrived at by reference to market evidence of transaction prices for similar properties.

6 Deferred tax assets

Recognised and unrecognised deferred tax assets are attributable to the following:

	2018		2017	
	Recognised	**Unrecognised**	Recognised	Unrecognised
	£	£	£	£
Investment property	-	**570,429**	-	655,428
Tax value of loss carry-forwards	-	**86,213**	-	942
	-	**656,642**	-	656,370

No deferred tax asset was recognised as at 31 March 2017 and 31 March 2018 as there is insufficient certainty as to when these amounts may be recoverable from future profits.

7 Trade and other receivables

	2018	2017
	£	£
Current		
Amounts due from related undertakings (note 14)	**4,721,961**	4,718,464
Other tax and social security	**427**	721
Other receivables	-	-
	4,722,388	4,719,185
Provision for doubtful debts	-	-
	4,722,388	4,719,185

A provision against trade and other receivables is made when these are considered to be impaired after taking into account the specific nature of the receivable.

None of the balances noted above in the current and prior period were past their due date.

Notes *(continued)*

8 Cash and cash equivalents/ bank overdrafts

	2018 £	2017 £
Cash and cash equivalents per balance sheet	**59,057**	67,116
Bank overdrafts	**-**	-
Cash and cash equivalents per cash flow statements	**59,057**	67,116

9 Trade and other payables

	2018 £	2017 £
Current		
Trade payables	**-**	1,374
Amounts owed to related undertaking (note 14)	**200,000**	201,670
Accruals and deferred income	**6,552**	6,762
	206,552	209,806

The directors consider that the carrying value of trade and other payables approximates to their fair value. Classification of trade and other payables within current liabilities represent the fact their contractual cash flows are due in less than one year.

10 Called up share capital

	Ordinary shares 2018 Number	2017 Number
In issue at 1 April and 31 March - fully paid	**1**	1

	2018 £	2017 £
Allotted, called up and fully paid		
1 ordinary share of £1	**1**	1
Shares classified in shareholders' funds	**1**	1

The holder of the ordinary share is entitled to receive dividends as declared from time to time and is entitled to one vote at meetings of the company.

Dividends

No dividend was recognised during the year *(2017: £nil)*.

Notes *(continued)*

11 Reserves

	Retained earnings £
Balance at 1 April 2016	4,789,367
Loss for the year	(11,873)
Balance at 31 March 2017	4,777,494
Balance at 1 April 2017	**4,777,494**
Loss for the year	**(52,602)**
Balance at 31 March 2018	**4,724,892**

12 Financial instruments

The company's financial assets and liabilities consist primarily of cash and cash equivalents, trade and other receivables and trade and other payables. The company has no external borrowings. The company does not trade in financial instruments and no financial instruments are measured at fair value.

Fair value of financial instruments (disclosure only)

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated at its carrying value where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

Trade and other receivables

The fair value of trade and other receivables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if this is material.

Trade and other payables

The fair value of trade and other payables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

Fair value hierarchy

The company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market prices (unadjusted) in an active market for an identical item.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Valuation techniques using significant unobservable inputs. This category includes those items where the valuation technique includes inputs not based on observable data and the unobservable data have a significant effect on the valuation.

Notes *(continued)*

12 Financial instruments *(continued)*

The fair values of all other financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

	2018		2017	
	Carrying amount	Fair value	Carrying amount	Fair value
	£	£	£	£
Loans and receivables				
Cash and cash equivalents	59,057	59,057	67,116	67,116
Amounts due from related undertakings	4,721,961	4,721,961	4,718,464	4,718,464
Other tax and social security	427	427	721	721
Other receivables	-	-	-	-
Total financial assets	4,781,445	4,781,445	4,786,301	4,786,301
Financial liabilities measured at amortised cost				
Trade and other payables	206,552	206,552	209,806	209,806
Total financial liabilities	206,552	206,552	209,806	209,806

Cash and cash equivalents falls within Level 1. All other financial assets and financial liabilities noted above fall within Level 2.

Management of financial risk

The company's risk management policies are established to identify and analyse the risk faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The main risks associated with the company's financial instruments have been identified as credit risk and liquidity risk.

Credit risk

Credit risk is the risk of financial loss if a customer or counterparty fails to meet its contractual obligations and arises from the company's amounts due from related parties and other receivables. This risk is mitigated through established credit management techniques, including monitoring counterparty creditworthiness, setting exposure limits and monitoring exposure against these customer credit limits. Credit assessments are performed on all tenants looking to enter into lease agreement with the company, with the majority of tenants paying rent in advance. Outstanding tenants' receivables are monitored on a regular basis. The carrying amount of balances due from related parties and other receivables in the balance sheet represents the maximum exposure to credit risk. There were no balances past their due date at the balance sheet date.

The directors consider the company's exposure to credit risk to be acceptable and normal for entities of its size.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the company's reputation.

Notes *(continued)*

12 Financial instruments *(continued)*

Capital management

The company defines capital as share capital and retained earnings. The company's objective in capital management is to safeguard its ability to continue as a going concern providing returns to shareholders, through optimisation of the debt and equity balance, and to maintain a strong credit rating and headroom. The company manages its capital structure and makes appropriate decisions in light of the current economic conditions and strategic objectives of the company.

13 Commitments

Capital commitments

Capital commitments at the end of the period for which no provision has been made amounted to £nil *(2017: £nil).*

Leases as lessor

The investment properties are let under operating leases. The future minimum lease payments under non-cancellable leases are as follows:

	2018	2017
	£	£
Less than one year	**15,000**	15,000
Between one and five years	**60,000**	60,000
More than five years	**96,164**	111,164
	171,164	186,164

Where the operating leases on investment properties provide for contingent rental increases, estimated contingent rents have not been included in the above note.

14 Related party transactions

During the year ended the company undertook the following transactions with companies whose directors included JC Barnsley, RW Jefferson and ST Glanville:

	Transactions in		**Amounts due from**		**Amounts due to**	
	2018	2017	**2018**	2017	**2018**	2017
	£	£	**£**	£	**£**	£
API Limited						
Management fees payable	**804**	804	**37**	-	-	1,670
Wellbark Property Limited						
Payments made on account	-	-	**934**	-	-	-
Stampflat Limited						
Payment received on account	-	-	-	-	**200,000**	200,000
Crossco Limited						
Payments made on account	-	-	**4,328,464**	4,328,464	-	-
Michael Noble Investments						
Fees in respect of directors' services	**12,000**	12,000	-	-	-	-
Coney (York) Limited						
Payments mande on account	-	-	**2,526**	-	-	-

Notes *(continued)*

14 Related party transactions *(continued)*

During the year the company undertook the following transactions limited partnerships whose general partner's directors included JC Barnsley, RW Jefferson and ST Glanville:

	Transactions in		Amounts due from		Amounts due to	
	2018	2017	**2018**	2017	**2018**	2017
	£	£	**£**	£	**£**	£
Derandd Investment Partners LP						
Payments made on account	**-**	390,000	**390,000**	390,000	**-**	-

All related party balances are unsecured and will be settled by cash generated from operations.

Transactions with key management personnel

Directors of the company and their immediate relatives control none of the voting shares of the company.

Key management personnel (including the directors) are not compensated by the company. Compensation in respect of key management personnel is instead recharged to the company through management fees payable to API Limited and directors' fees payable to Michael Noble Investments, related undertakings, as noted above.

15 Ultimate parent company and parent company of larger group

The company's immediate parent undertaking is Golftee LP4 Limited, a company incorporated in the United Kingdom.. The directors consider the ultimate controlling party to be the trustees of the Michael Noble Will Trusts.

The results of the company are not included in any group financial statements.