

REGISTERED NUMBER: 08139384 (England and Wales)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

FOR

CASPAN LIMITED

CASPAN LIMITED (REGISTERED NUMBER: 08139384)

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for the year ended 31 July 2017

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CASPAN LIMITED

COMPANY INFORMATION
for the year ended 31 July 2017

DIRECTORS:

D P Walsh
Mrs M Oberoi

REGISTERED OFFICE:

Garden Floor 2
Kensington Square
London
W8 5EP

REGISTERED NUMBER:

08139384 (England and Wales)

AUDITORS:

Thorne Lancaster Parker
Chartered Accountants &
Statutory Auditors
4th Floor
Venture House
27-29 Glasshouse Street
London
W1B 5DF

STATEMENT OF FINANCIAL POSITION
31 July 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Investment property	4		14,000,000		11,100,000
CURRENT ASSETS					
Debtors	5	33,629		26,498	
Cash at bank		<u>598,835</u>		<u>392,111</u>	
		632,464		418,609	
CREDITORS					
Amounts falling due within one year	6	<u>1,827,937</u>		<u>1,906,363</u>	
NET CURRENT LIABILITIES			<u>(1,195,473)</u>		<u>(1,487,754)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			12,804,527		9,612,246
CREDITORS					
Amounts falling due after more than one year	7		(5,488,975)		(5,584,675)
PROVISIONS FOR LIABILITIES	10		<u>(1,070,000)</u>		<u>(612,375)</u>
NET ASSETS			<u>6,245,552</u>		<u>3,415,196</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings	11		<u>6,245,452</u>		<u>3,415,096</u>
SHAREHOLDERS' FUNDS			<u>6,245,552</u>		<u>3,415,196</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 26 April 2018 and were signed on its behalf by:

D P Walsh - Director

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2017

1. STATUTORY INFORMATION

Caspan Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK Financial Reporting Standards.

As described in the financial statements the company has total net current liabilities of £1,195,473. These net current liabilities include loan notes due to the shareholders of £1,472,697 and a bank loan due for repayment of £95,700. Accordingly the company is dependant upon the continued support of its shareholders in order to meet its day to day working capital requirements.

The shareholders of Caspan Limited have confirmed to the Directors of Caspan Limited that they will not withdraw the shareholder funding loans per the Shareholder Agreement to the detriment of the company. This will enable the company to continue as a going concern. The Directors are satisfied that the Company has access to sufficient working capital funding.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, and to provide for further liabilities that might arise, and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

First year adoption of Financial Reporting Standard 102 (FRS 102) Section 1A

These financial statements for the year ended 31 July 2017 are the first that are prepared in accordance with FRS 102 Section 1A. The previous financial statements were prepared in accordance with UK GAAP, the date of transition to FRS 102 Section 1A is 1 August 2015.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in equity within the cumulative profit and loss account at the transition date.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2017

3. ACCOUNTING POLICIES - continued

Revenue recognition

Turnover consists of gross rental income calculated on an accruals basis and excluding value added tax. Where a rent-free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of the lease commencement to the lease end date.

Contingent rents, being those lease payments that are not fixed at the inception of a lease, for example increases arising on rent reviews are recorded as income in the periods in which they are earned.

Investment property

Investment property is accounted for in accordance with Section 16 and is included at fair value. All fair value gains and losses are recognised in the income statement.

Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

Financial instruments

Basic financial assets

Trade and other debtors, cash and bank balances are initially recognised at transaction price and subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period basic financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Basic financial assets are derecognised when (a) the contractual rights to the cash flows from the assets expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities

Trade and other creditors, bank loans and overdrafts, amounts due to related parties and accruals are initially recognised at transaction price and subsequently carried at amortised cost, using the effective interest rate method.

Basic financial liabilities are derecognised when the contractual obligation is discharged, cancelled or expired.

Equity instruments

The ordinary share capital of the company is classified as equity and recorded at fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2017

3. ACCOUNTING POLICIES - continued

Taxation

Taxation 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 in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity date of three months or less.

4. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 August 2016	11,100,000
Revaluation	2,900,000
At 31 July 2017	<u>14,000,000</u>
NET BOOK VALUE	
At 31 July 2017	<u>14,000,000</u>
At 31 July 2016	<u>11,100,000</u>

Fair value at 31 July 2017 is represented by:

	£
Valuation in 2015	3,581,145
Valuation in 2017	2,900,000
Cost	<u>7,518,855</u>
	<u>14,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2017

4. INVESTMENT PROPERTY - continued

If Investment Property had not been revalued it would have been included at the following historical cost:

	2017	2016
	£	£
Cost	<u>7,518,855</u>	<u>7,518,855</u>

Investment Property was valued on an open market basis on 29 October 2014 by Knight Frank .

The value of the investment property at 31 July 2017 is £14,000,000 and this is based on the directors assessment of the fair value of the investment property as at that date.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Other debtors	7,131	-
VAT	26,398	26,398
Called up share capital not paid	<u>100</u>	<u>100</u>
	<u>33,629</u>	<u>26,498</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts	95,700	95,700
Trade creditors	50,265	50,265
Other creditors	95,050	176,231
Amounts due to related parties	1,472,697	1,472,697
Accruals and deferred income	<u>114,225</u>	<u>111,470</u>
	<u>1,827,937</u>	<u>1,906,363</u>

The amounts due to related parties are interest free and repayable on demand.

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Bank loans - 1-2 years	95,700	95,700
Bank loans - 2-5 years	<u>5,393,275</u>	<u>5,488,975</u>
	<u>5,488,975</u>	<u>5,584,675</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2017

8. SECURED DEBTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank loans	<u>5,584,675</u>	<u>5,680,375</u>

The bank loan is secured by fixed and floating charges over the company's assets and undertakings and a first and only charge over the company's freehold property in Stroud.

9. FINANCIAL INSTRUMENTS

The company has the following financial instruments:

	Note	2017	2016
		£	£
- Other debtors	6	<u>7,231</u>	<u>100</u>
		<u>7,231</u>	<u>100</u>
Financial liabilities measured at amortised cost			
- Bank loans and overdrafts	9	5,584,675	5,680,375
- Trade creditors	7	50,625	50,625
- Other creditors	7	95,050	176,231
- Amounts due to related parties	7	1,472,697	1,472,697
- Accruals	7	<u>6,000</u>	<u>8,520</u>
		<u>7,209,047</u>	<u>7,388,448</u>

10. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Deferred tax		
Tax losses	(47,000)	(39,625)
Revaluation of investment property	<u>1,117,000</u>	<u>652,000</u>
	<u>1,070,000</u>	<u>612,375</u>
		Deferred tax
		£
Balance at 1 August 2016		612,375
Charge to Statement of Comprehensive Income during year		<u>457,625</u>
Balance at 31 July 2017		<u>1,070,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2017

11. **RESERVES**

Within retained earnings, there is an amount of £5,364,145 in relation to the revaluation surplus on the company's investment property net of deferred tax provision. This amount does not form part of the company's distributable reserves.

12. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Stephen R Parker (Senior Statutory Auditor)
for and on behalf of Thorne Lancaster Parker

13. **RELATED PARTY DISCLOSURES**

The directors consider the material transactions undertaken by the company during the period with related parties were as follows:

Zedan Limited

Zedan Limited, a 45% shareholder of the company lent £2,000,000 to the company in 2013. A balance of £950,000 remains outstanding at 31 July 2017 and is interest free and repayable on demand.

Mrs M Oberoi

Mrs M Oberoi, a director and shareholder of the company, lent £782,697 to the company during 2013. As at 31 July 2017 the amount outstanding was £522,697 and is interest free and repayable on demand.

14. **IMMEDIATE AND ULTIMATE CONTROLLING PARTY**

The company has no immediate parent company but as a result of their 45% direct holding and a further 45% indirect holding, the company's ultimate controlling parties are Mr A Oberoi and Mrs M Oberoi.

15. **FIRST YEAR ADOPTION**

Transitional relief

On transition to FRS 102, the company has taken advantage of the following transitional relief:

- to use a previous GAAP revaluation as deemed cost on an investment property.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.