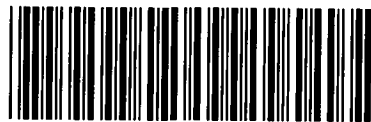


LAZARI PROPERTIES 2A LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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COMPANIES HOUSE

LAZARI PROPERTIES 2A LIMITED

COMPANY INFORMATION

DIRECTORS

L Lazari
N Lazari
A Lazari

COMPANY SECRETARY

N Lazari

REGISTERED NUMBER

09983133

REGISTERED OFFICE

Accurist House
44 Baker Street
London
W1U 7BR

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditors
1 Harefield Road
Uxbridge
UB8 1EX

LAZARI PROPERTIES 2A LIMITED

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LAZARI PROPERTIES 2A LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

The directors present their report and the audited financial statements of Lazari Properties 2A Limited ("the company") for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The company's principal activity is that of a holding company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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 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

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.

DIRECTORS' CONFIRMATIONS

In the case of each director in office at the date the Directors' Report is approved:

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

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £19,807 (2019 - £20,819).

No dividends were declared in the year (2019 - nil).

LAZARI PROPERTIES 2A LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Covid-19 and Brexit

The directors have considered the impact of Covid-19 and the need for an orderly exit from the European Union during the next financial year and impact on the business and Group and are very aware of the implications that it has had on assets, employees, stakeholders and the going concern assessment. All material financial and operational adjustments, where needed, have been made.

GOING CONCERN

A detailed review of cash flow forecasts and working capital requirements for the 12 months from the signing of the financial statements, incorporating the impact of Covid-19, have been undertaken by the Directors' to confirm that the company has sufficient resources to meet its normal trading liabilities as and when they fall due for a period of at least one year from the date of signature of the financial statements of the company for the year ended 31 March 2020.

POST BALANCE SHEET EVENT

In the post balance sheet period, a capital reduction of £1,000,000 circulated on 23 March 2020 became effective in April 2020 when it was displayed at Companies House to increase the distributable reserve position of the company. Therefore, no adjustment was included in the year ended 31 March 2020 as it was not effective at the year end.

DIRECTORS

The directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

L Lazari
N Lazari
A Lazari

INDEPENDENT AUDITORS

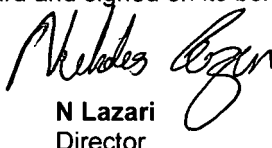
The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

SMALL COMPANIES EXEMPTION

This report has been prepared in accordance with the special provisions related to small companies within Part 15 of the Companies Act 2006 and the company is therefore exempt from the requirement to prepare a Strategic Report.

This report was approved by the board and signed on its behalf on 28 July 2020 by:


L Lazari
Director


N Lazari
Director


A Lazari
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAZARI PROPERTIES 2A LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Lazari Properties 2A Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2020; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

LAZARI PROPERTIES 2A LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAZARI PROPERTIES 2A LIMITED
(CONTINUED)**

Reporting on other matters

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit*Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAZARI PROPERTIES 2A LIMITED
(CONTINUED)**

Responsibilities for the financial statements and the audit (continued)

Auditors' 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 auditors' 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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

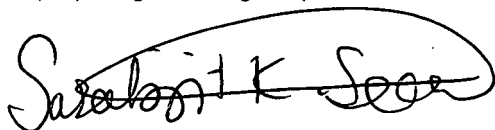
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Sarabjit Seera (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge

Date: 29/7/20

LAZARI PROPERTIES 2A LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Administrative expenses		(8,154)	(12,921)
OPERATING LOSS		(8,154)	(12,921)
Income from fixed asset investment	7	46,924	42,400
Interest payable and similar expenses		(11,516)	(10)
PROFIT BEFORE TAX		27,254	29,469
Tax on profit	5	(7,447)	(8,650)
PROFIT FOR THE FINANCIAL YEAR		19,807	20,819

There was no other comprehensive income for 2020 (2019 - nil).

All amounts relate to continuing operations.

The notes on pages 9 to 17 form part of these financial statements.

LAZARI PROPERTIES 2A LIMITED
REGISTERED NUMBER: 09983133

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investments	7	1,200,000	1,200,000
CURRENT ASSETS			
Debtors: amounts falling due within one year	8	82,594	10,477
Cash at bank and in hand	9	12,015	60,196
		<u>94,609</u>	<u>70,673</u>
Creditors: amounts falling due within one year	10	(32,527)	(28,398)
NET CURRENT ASSETS		<u>62,082</u>	<u>42,275</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,262,082</u>	<u>1,242,275</u>
NET ASSETS		<u>1,262,082</u>	<u>1,242,275</u>
CAPITAL AND RESERVES			
Called up share capital	11	2	2
Share premium account	12	1,199,999	1,199,999
Retained earnings	12	62,081	42,274
TOTAL EQUITY		<u>1,262,082</u>	<u>1,242,275</u>

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

The financial statements on pages 6 to 17 were approved by the board on 28 July 2020 and signed on its behalf by:


L Lazari
 Director


N Lazari
 Director


A Lazari
 Director

The notes on pages 9 to 17 form part of these financial statements.

LAZARI PROPERTIES 2A LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 April 2019	2	1,199,999	42,274	1,242,275
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the financial year	-	-	19,807	19,807
Transfer from share premium to retained earnings	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	19,807	19,807
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	-
AT 31 MARCH 2020	2	1,199,999	62,081	1,262,082

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 April 2018	2	1,199,999	21,455	1,221,456
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the financial year	-	-	20,819	20,819
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	20,819	20,819
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	-
AT 31 MARCH 2019	2	1,199,999	42,274	1,242,275

The notes on pages 9 to 17 form part of these financial statements.

LAZARI PROPERTIES 2A LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. GENERAL INFORMATION

Lazari Properties 2A Limited ("the company") is a holding company.

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is: Accurist House, 44 Baker Street, London, W1U 7BR.

The company's functional and presentational currency is pound sterling.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, 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 (FRS 102) and the Companies Act 2006 as applied to small companies.

Amendments to FRS 102 introduced by the Triennial review 2017 are effective for accounting periods beginning on or after 1 January 2019. Changes relevant to these financial statements are incorporated where relevant

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 3).

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated:

2.2 Going concern

A detailed review of cash flow forecasts and working capital requirements for the 12 months from the signing of the financial statements, incorporating the impact of Covid-19, have been undertaken by the Directors' to confirm that the company has sufficient resources to meet its normal trading liabilities as and when they fall due for a period of at least one year from the date of signature of the financial statements of the company for the year ended 31 March 2020.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.3 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 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Lazari Investments Limited as at 31 March 2020 and these financial statements may be obtained from Accurist House, 44 Baker Street, London, W1U 7BR.

2.4 Income from fixed asset investment

Income from fixed asset investment is recognised to the extent that it is probable that the economic benefits will flow to the company and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable.

Investment income is recognised when the right to receive payment is established.

2.5 Valuation of investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other debtors and creditors, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Financial risk management

The objective of the company's financial risk management is to manage and control the risk exposures of its operations and borrowings. The Board of Directors has overall responsibility for overseeing the management of financial risks, with a significant volume of the review work performed by a dedicated treasury function, which has documented procedures designed to identify, monitor and manage the financial risks to which the company is exposed. This note presents information about the company's exposure to financial risks, its objectives, policies and processes for managing risk and the company's management of its financial resources.

Inflation risk

The company's contracts are generally structured so that contractual income and costs are either wholly or partially linked to specific inflation, where possible, to minimise the risks of a mismatch between income and costs due to movements in inflation indexes. The company's overall cash flows are estimated to vary partially with inflation. The effects of these inflation changes do not always flow immediately through to the company's cash flows.

Credit risk

Credit risk is the risk that a counterparty of the company will be unable or unwilling to meet a commitment that it has entered into with the company. Debtors are presented in the balance sheet net of allowances for doubtful debts. The company seeks to only trade with creditworthy third parties and monitors the levels of debt on a regular basis. The credit risk of debtors is considered to be low.

The credit risk on liquid funds is limited as the counterparties are banks with high credit ratings assigned by international credit rating agencies.

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 have sufficient financial resources and liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the company's reputation. Long term and short term liquidity needs are reviewed on a periodic basis by management and the board.

2.10 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.

2.11 Interest payable and similar expenses

Interest payable is charged to the Statement of Comprehensive Income over the term of the loan so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. ACCOUNTING POLICIES (CONTINUED)

2.12 Current and deferred taxation

Tax is recognised in the Profit and Loss Account, 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 balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are 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 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 balance sheet date.

2.13 Share capital

Ordinary shares are classified as equity.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical accounting estimates and assumptions

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. 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 are outlined below.

Impairment of unlisted investments

The carrying value of unlisted investments are considered to ascertain whether the value of the investments are appropriate or whether an impairment should be applied. Where an indication of impairment is identified, management estimate the recoverable value of the investment based on the expected future cash flows using an appropriate discount rate in order to calculate the net present value of those cash flows.

LAZARI PROPERTIES 2A LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. AUDITORS' REMUNERATION

	2020 £	2019 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>3,500</u>	<u>3,000</u>

5. TAX ON PROFIT

	2020 £	2019 £
CORPORATION TAX		
Current tax on profits for the year	7,465	5,552
Adjustments in respect of previous periods	(18)	3,098
TOTAL CURRENT TAX	<u>7,447</u>	<u>8,650</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before taxation	<u>27,254</u>	<u>29,469</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	5,178	5,599
EFFECTS OF:		
Expenses not deductible for tax purposes	4,376	-
Income not taxable for tax purposes	(2,205)	-
Other adjustments	-	(26)
Adjustments to tax charge in respect of prior periods	(19)	-
Adjustments to tax charge in respect of previous periods	-	3,098
Transfer pricing adjustments	117	(21)
TOTAL TAX CHARGE FOR THE YEAR	<u>7,447</u>	<u>8,650</u>

LAZARI PROPERTIES 2A LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. TAX ON PROFIT (CONTINUED)**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge accordingly.

6. EMPLOYEES

The company has no employees other than the directors, who did not receive any remuneration from this company but are remunerated by another group company.

7. INVESTMENTS

	Unlisted investments £
VALUATION	
At 1 April 2019	1,200,000
At 31 March 2020	<u>1,200,000</u>
NET BOOK VALUE	
At 31 March 2020	<u>1,200,000</u>
At 31 March 2019	<u>1,200,000</u>

This entity holds the investment in Merbrook Bond Property Unit Trust. As at 31 March 2020, the Trust held investment properties valued by independent valuers Jones Lang LaSalle of £138,500,000 (2019 - £133,750,000). Lazari Properties 2A Limited holds 1% of the units and its share of the investment as at 31 March 2020 was £1,385,000 (2019 - £1,337,500). In addition the Trust posted rental income of £4,613,474 (2019 - £4,228,384) for the year ended 31 March 2020.

The Trust distributed income of £46,924 (2019 - £42,400) to Lazari Properties 2A Limited for the year ended 31 March 2020.

The registered office of the Merbrook Bond Property Unit Trust is 13-14 Esplanade, St Helier, Jersey, JE1 1EE.

LAZARI PROPERTIES 2A LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

8. DEBTORS: Amounts falling due within one year

	2020 £	2019 £
Trade debtors	-	10,400
Amounts owed by group undertakings	82,517	-
Other debtors	77	77
	<u>82,594</u>	<u>10,477</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

9. CASH AT BANK AND IN HAND

	2020 £	2019 £
Cash at bank and in hand	<u>12,015</u>	<u>60,196</u>

10. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Corporation tax	7,465	3,861
Accruals	14,200	14,937
Rents received in advance	10,862	9,600
	<u>32,527</u>	<u>28,398</u>

11. CALLED UP SHARE CAPITAL

	2020 £	2019 £
Shares classified as equity		
Allotted, called up and fully paid		
2 (2019:2) Ordinary shares of £1 each	<u>2</u>	<u>2</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

12. RESERVES

Share premium account

Amount subscribed for share capital in excess of nominal value.

Retained earnings

The retained earnings represents the accumulated profits, losses and distributions of the company.

13. SECURITY OVER ASSETS

Barclays Bank plc has a fixed and floating charge over the assets of the company.

14. POST BALANCE SHEET EVENT

In the post balance sheet period, a capital reduction of £1,000,000 circulated on 23 March 2020 became effective in April 2020 when it was displayed at Companies House to increase the distributable reserve position of the company. Therefore, no adjustment was included in the year ended 31 March 2020 as it was not effective at the year end.

15. CONTROLLING PARTY

The immediate and ultimate parent undertaking, which is also the parent undertaking of the smallest and largest group of undertakings for which the group financial statements are drawn up and of which the company is a member, is Lazari Investments Limited, which is incorporated in the UK. Group financial statements are available on request from Accurist House, 44 Baker Street, London, W1U 7BR.

The 3 directors are the ultimate controlling parties.