

Company Registration No. 473566 (England and Wales)

SOHO ESTATES LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

SOHO ESTATES LIMITED

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SOHO ESTATES LIMITED

COMPANY INFORMATION

Directors	Mr S Norris Mr J James Miss F James Mr M Egglenton Mrs Rachel Wood Mr P Whalan Mr P Thompson
Secretary	Mrs R Wood
Company number	473566
Registered office	58 Wardour Street London W1D 4JQ
Auditor	KPMG LLP St Nicholas House 31 Park Row Nottingham NG1 6FQ

SOHO ESTATES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present the strategic report for the year ended 31 March 2019.

Principal activities

The principal activity of the group continued to be that of property investment, substantially, but not exclusively, in the W1 postal district. The group also has an interest in projects in the United Arab Emirates.

Principal risks and uncertainties

The Group's principal activity is that of property investment. We invest in real estate primarily in London's Soho which is rated as prime real estate, enjoying a diverse economy with high occupancy rates in our target markets and therefore mitigating certain economic business risks.

The Group understands and respects the "village" in which we operate and reacts accordingly. We understand the requirements of our tenants and have helped in times of recession to maintain their cash flow and keep the small businesses of Soho thriving, whilst also helping some of our tenants to grow into major concerns.

The Group is closely involved with the local authority and community stakeholders to assist the regeneration of Soho. We contribute to upgrading the area to improve public safety and security.

The Group has a long term strategy view of Soho centred on building the future whilst respecting the past and does not fear the short term changes in the market place. Our objectives are:

- To produce a sustainable growth through long-term investment in our portfolio and careful management
- To build a strong company for future generations
- To mitigate risk on future market changes

The risks to the Group are that planning laws become restrictive and prohibit or frustrate our enhancement of the Estate. Although this would not cause a loss in revenue it would lead to suboptimal development of a key area at London's heart. The Group has a small exposure to a rise in interest rates and is comfortable that there is sufficient headroom to cope with a higher than anticipated increase and therefore does not pose a significant concern. The Group is also exposed to the risk that the demand for commercial and/or residential properties in Soho decreases but the Group operates with low overheads and is not concerned that this would have a material effect.

The Estate continues to develop and currently has a significant four year project underway. A combination of sustained demand for space in our Estate and the asset management initiatives enable us to continue to retain turnover whilst underpinning growth in earnings and the overall value of our portfolio.

The key performance indicators (KPI's) are rental growth, both current and potential, high occupancy level and low obsolescence. These underpin long-term growth in capital values.

The financial statements of Soho Estates Limited have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice ('UK GAAP'), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

On behalf of the board



Mr S Norris
Director
31 July 2019

SOHO ESTATES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the company and group primarily continued to be that of property investment and development.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S Norris
Mr J James
Miss F James
Mr M Egglenton
Mrs Rachel Wood
Mr P Whalan
Mr P Thompson

Results and dividends

The results for the year are set out on page 7.

The directors recommend the payment of a dividend of £nil (2018: £45,000,000).

It is proposed that the retained profit is transferred to the group's reserves.

Charitable donations

During the year the group made charitable donations of £152,000 (2018: £142,000)

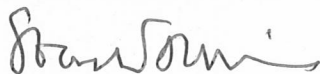
Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



Mr S Norris
Director

31 July 2019

SOHO ESTATES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

The directors are responsible for preparing the Strategic Report, 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 the directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 or 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 and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

SOHO ESTATES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOHO ESTATES LIMITED

Opinion

We have audited the financial statements of Soho Estates Limited (the 'company') for the year ended 31 March 2019 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards , including FRS 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as valuation of investment property and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going Concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

SOHO ESTATES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF SOHO ESTATES LIMITED

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you 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.

We have nothing to report in these respects.

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 group's and the parent 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 group or the parent 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>.

SOHO ESTATES LIMITED

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF SOHO ESTATES LIMITED**

The purpose of our audit work and to whom we owe our responsibilities

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.



**Anthony Hambleton (Senior Statutory Auditor)
for and on behalf of KPMG LLP**

7 August 2019

**Chartered Accountants
Statutory Auditor**

St Nicholas House
31 Park Row
Nottingham
NG1 6FQ

SOHO ESTATES LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £'000	2018 £'000
Turnover	2	33,736	28,967
Cost of sales		(1,805)	(2,174)
Gross profit		31,931	26,793
Profit on sale of investment property		-	16
Administrative expenses		(5,899)	(4,197)
Other operating income		14,151	28,032
Operating profit		40,183	50,644
Share of results of associates and joint ventures		(100)	(39)
Interest receivable and similar income	7	180	137
Interest payable and similar expenses	8	(8,949)	(6,887)
Profit before taxation		31,314	43,855
Tax on profit	9	(4,641)	(6,866)
Profit for the financial year		26,673	36,989

Profit for the financial year is all attributable to the owner of the parent company.

Total comprehensive income for the year is all attributable to the owner of the parent company.

Notes on page 13 to 29 form part of the financial statements.

SOHO ESTATES LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £'000	£'000	2018 £'000	£'000
Fixed assets					
Tangible assets	10		616		781
Investment properties	11		995,766		943,537
Investments	12		-		100
			<u>996,382</u>		<u>944,418</u>
Current assets					
Debtors	14	15,455		12,568	
Cash at bank and in hand		10,120		46,912	
		<u>25,575</u>		<u>59,480</u>	
Creditors: amounts falling due within one year	15	<u>(40,144)</u>		<u>(55,704)</u>	
Net current (liabilities)/assets			<u>(14,569)</u>		<u>3,776</u>
Total assets less current liabilities			<u>981,813</u>		<u>948,194</u>
Creditors: amounts falling due after more than one year	16		(223,834)		(218,834)
Provisions for liabilities					
Deferred tax liability	18	<u>63,361</u>		<u>61,415</u>	
			<u>(63,361)</u>		<u>(61,415)</u>
Net assets			<u><u>694,618</u></u>		<u><u>667,945</u></u>
Capital and reserves					
Called up share capital	19		100		100
Share premium account			155,036		155,036
Revaluation reserve			424,350		412,329
Distributable profit and loss reserves			115,132		100,480
			<u>694,618</u>		<u>667,945</u>
Total equity			<u><u>694,618</u></u>		<u><u>667,945</u></u>

The financial statements were approved by the board of directors and authorised for issue on 31 July 2019 and are signed on its behalf by:



Mr S Norris

Chairman

Company Registration No. 00473566

SOHO ESTATES LIMITED

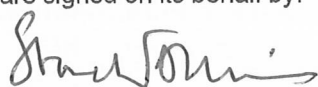
COMPANY BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019		2018	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	10		44		30
Investment properties	11		824,619		799,845
Investments	12		3,656		3,656
			<u>828,319</u>		<u>803,531</u>
Current assets					
Debtors	14	140,321		111,576	
Cash at bank and in hand		9,898		46,849	
			<u>150,219</u>	<u>158,425</u>	
Creditors: amounts falling due within one year	15	(39,494)		(55,310)	
Net current assets			110,725		103,115
Total assets less current liabilities			<u>939,044</u>		<u>906,646</u>
Creditors: amounts falling due after more than one year	16		(223,834)		(218,834)
Provisions for liabilities					
Deferred tax liability	18	57,785		55,960	
			<u>(57,785)</u>	<u>(55,960)</u>	
Net assets			<u>657,425</u>		<u>631,852</u>
Capital and reserves					
Called up share capital	19		100		100
Share premium account			155,036		155,036
Revaluation reserve			389,319		377,597
Distributable profit and loss reserves			112,970		99,119
Total equity			<u>657,425</u>		<u>631,852</u>

As permitted by Section 408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year £25,573,000 (2018: £36,253,000).

The financial statements were approved by the board of directors and authorised for issue on 31 July 2019 and are signed on its behalf by:



Mr S Norris

Director

Company Registration No. 00473566

SOHO ESTATES LIMITED

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

Notes	Share capital £'000	Share premium account £'000	Revaluation reserve £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 April 2017	100	155,036	387,703	133,117	675,956
Year ended 31 March 2018:					
Profit for the year	-	-	-	36,989	36,989
Transfer of depreciation to revaluation reserve	-	-	(106)	106	-
Transfer to revaluation reserve	-	-	28,032	(28,032)	-
Movement of deferred tax on revaluation reserve	-	-	(3,300)	3,300	-
Dividends	-	-	-	(45,000)	(45,000)
Balance at 31 March 2018	100	155,036	412,329	100,480	667,945
Year ended 31 March 2019:					
Profit for the year	-	-	-	26,673	26,673
Transfer of depreciation to revaluation reserve	-	-	(184)	184	-
Transfer to revaluation reserve	-	-	14,151	(14,151)	-
Movement of deferred tax on revaluation reserve	-	-	(1,946)	1,946	-
Balance at 31 March 2019	100	155,036	424,350	115,132	694,618

SOHO ESTATES LIMITED

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

Notes	Share capital £'000	Share premium account £'000	Revaluation reserve £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 April 2017	100	155,036	352,907	132,556	640,599
Year ended 31 March 2018:					
Profit for the year	-	-	-	36,253	36,253
Transfer to revaluation reserve	-	-	28,032	(28,032)	-
Movement on deferred tax on revaluation reserve	-	-	(3,342)	3,342	-
Dividends	-	-	-	(45,000)	(45,000)
Balance at 31 March 2018	100	155,036	377,597	99,119	631,852
Year ended 31 March 2019:					
Profit for the year	-	-	-	25,573	25,573
Transfer to revaluation reserve	-	-	13,547	(13,547)	-
Movement on deferred tax on revaluation reserve	-	-	(1,825)	1,825	-
Balance at 31 March 2019	100	155,036	389,319	112,970	657,425

SOHO ESTATES LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	2019		2018	
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Cash generated from operations		26,673		36,989
Depreciation, amortisation and impairment		202		119
Change in value of investment property		(14,151)		(28,032)
Loss on joint venture		100		39
Profit from sale of investment property		-		(16)
Interest receivable		(180)		(137)
Interest payable		8,949		6,887
Taxation		4,641		6,866
		<hr/>		<hr/>
Net cash inflow from operating activities		26,234		22,715
Increase in trade and other debtors		(2,887)		(8,343)
Increase/(decrease) in trade and other creditors		(14,670)		20,903
		<hr/>		<hr/>
		(17,557)		12,560
Interest paid		(608)		(1)
Tax paid		(3,930)		(2,000)
		<hr/>		<hr/>
Net cash from operating activities		4,139		33,274
Proceeds from sale of investment property	-		8,200	
Acquisition of investment property and fixed assets	(38,121)		(36,118)	
Interest received	121		147	
	<hr/>		<hr/>	
Net cash from investing activities		(38,000)		(27,771)
Cash flows from financing activities				
Interest paid	(7,931)		(7,508)	
Proceeds from issue of loan notes	-		97,500	
Proceeds from new bank loans	5,000		202,834	
Repayment of bank loan	-		(211,500)	
Dividends paid	-		(45,000)	
	<hr/>		<hr/>	
Net cash from financing activities		(2,931)		36,326
Net (decrease)/increase in cash and cash equivalents		(36,792)		41,829
Cash and cash equivalents at beginning of year		46,912		5,083
		<hr/>		<hr/>
Cash and cash equivalents at end of year		10,120		46,912
		<hr/> <hr/>		<hr/> <hr/>

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Soho Estates Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 58 Wardour Street, London, W1D 4JQ.

1.1 Accounting convention

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included a second time;
- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included a second time.
- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

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

The financial statements have been prepared under the historical cost convention except investment property that is held at fair value.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Soho Estates Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

A joint venture is a contractual arrangement undertaking in which the Group exercises joint control over the operating and financial policies of the entity. Where the joint venture is carried out through an entity, it is treated as a jointly controlled entity. The Group's share of the profits less losses of associates and of jointly controlled entities is included in the consolidated profit and loss account and its interest in their net assets is recorded on the balance sheet using the equity method.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.3 Going concern

Notwithstanding net current liabilities of £14,569,000 as at 31 March 2019 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through its rolling credit facility, to meet its liabilities as they fall due for that period.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.4 Turnover

Turnover represents the amount of property income receivable in the period. Rental income received in advance are treated as deferred income until the period to which it relates is completed. Lease incentives are recognised over the duration of the lease term.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the life of the leasehold
Fixtures and fittings	Straight line over 5-10 years
Computers	Straight line over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Subsequent to initial recognition;

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise;
- ii. investment properties under construction are measured at cost until the fair value becomes reliably measurable, or until construction is complete; and
- iii. no depreciation is provided in respect of investment properties applying the fair value model.

1.7 Fixed asset investments

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 a 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

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

1.12 Taxation

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

Current tax

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

Deferred tax

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

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

1.13 Employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Turnover and other revenue

Turnover represents the amount of property income receivable in the period, derived wholly in the United Kingdom.

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

	2019 £'000	2018 £'000
Less than one year	28,733	26,947
Between one and five years	90,342	86,846
More than five years	156,665	162,512
	<u> </u>	<u> </u>

3 Auditor's remuneration

	2019 £'000	2018 £'000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of these financial statements	40	40
Audit of subsidiaries	20	20
	<u> </u>	<u> </u>
	60	60
	<u> </u>	<u> </u>

4 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	2019	2018
Number of employees	22	22
	<u> </u>	<u> </u>

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

4 Employees (Continued)

Their aggregate remuneration comprised:

	2019 £'000	2018 £'000
Wages and salaries	2,738	2,673
Social security costs	349	345
Pension costs	82	97
	<u>3,169</u>	<u>3,115</u>

The group operates a defined contribution pension scheme.

The pension charge for the year represent contributions payable by the group. There are no outstanding or prepaid contributions at either beginning or end of the financial year.

5 Directors' remuneration

	2019 £'000	2018 £'000
Directors' remuneration	2,033	1,992
Social security costs	272	267
Company pension contributions to defined contribution schemes	54	55
	<u>2,359</u>	<u>2,314</u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 5 (2018 - 5).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2019 £'000	2018 £'000
Remuneration for qualifying services	766	726
Company pension contributions to defined contribution schemes	10	10
	<u>776</u>	<u>736</u>

6 Other Operating Income

Fair value movement on investment property during the year was £14,151,000 (2018: £28,032,000)

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Interest receivable and similar income

	2019 £'000	2018 £'000
Bank Interest	59	6
Other interest	121	131
Total interest receivable	<u>180</u>	<u>137</u>

8 Interest payable and similar expenses

	2019 £'000	2018 £'000
Loan interest at amortised cost	8,491	6,189
Other bank charges and fees	458	698
Total other interest payable and similar expenses	<u>8,949</u>	<u>6,887</u>

9 Taxation

	2019 £'000	2018 £'000
Current tax		
UK corporation tax on profits for the current period	3,205	3,650
Adjustments in respect of prior periods	(510)	(84)
Total current tax	<u>2,695</u>	<u>3,566</u>
Deferred tax		
Origination and reversal of timing differences	<u>1,946</u>	<u>3,300</u>
Total tax charge	<u>4,641</u>	<u>6,866</u>

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £'000	2018 £'000
Profit before taxation	31,314	43,855
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	5,950	8,319
Expenses not allowable for taxation	162	26
Income not subject to taxation	-	(29)
Adjustments in respect of prior years	(510)	(84)
Group relief	-	(40)
Capital allowances in excess of depreciation	(182)	(146)
Other non-reversing timing differences	11	
Origination and reversal of timing differences	1,946	3,212
Capital gains	-	956
Other timing differences	(2,736)	(5,348)
Taxation charge	4,641	6,866

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 March 2019 has been calculated based on these rates.

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Tangible fixed assets

Group	Leasehold land and buildings £'000	Fixtures and fittings £'000	Computers £'000	Total £'000
Cost or valuation				
At 1 April 2018	1,397	24	43	1,464
Additions	-	16	27	43
Disposals	-	-	(20)	(20)
At 31 March 2019	1,397	40	50	1,487
Depreciation and impairment				
At 1 April 2018	646	8	29	683
Depreciation charged in the year	184	5	13	202
Eliminated in respect of disposals	-	-	(13)	(13)
At 31 March 2019	829	13	29	871
Carrying amount				
At 31 March 2019	568	27	21	616
At 31 March 2018	752	16	14	782
Company				
		Fixtures and fittings £'000	Computers £'000	Total £'000
Cost				
At 1 April 2018		24	43	67
Additions		12	27	39
Disposals		-	(20)	(20)
At 31 March 2019		36	50	86
Depreciation and impairment				
At 1 April 2018		8	29	37
Depreciation charged in the year		5	13	18
Eliminated in respect of disposals		-	(13)	(13)
At 31 March 2019		13	29	42
Carrying amount				
At 31 March 2019		23	21	44
At 31 March 2018		16	14	30

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Tangible fixed assets (Continued)

The historical cost of the leasehold properties is £6,242,000 (2018: £407,000). The aggregate depreciation charged under historical cost accounting for properties held at 31 March 2019 is £830,000 (2018: £646,000).

11 Investment property

	Group 2019 £'000	Company 2019 £'000
At 1 April 2018	943,537	799,845
Additions	38,078	17,062
Disposals	-	(5,835)
Revaluations	14,151	13,547
	<u>995,766</u>	<u>824,619</u>
At 31 March 2019	<u>995,766</u>	<u>824,619</u>

Investment properties totalling £276,440,000 (2018: £261,978,000) were independently valued, on a Market Value basis in March 2019, by an external, independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The valuation was made in accordance with the RICS Valuation Standards.

The remainder of the Investment Property portfolio is valued by the Directors of the company using ERV and yields appropriate to the region in which the property is situated and has been independently valued in the last two years. Benchmarking is undertaken to determine appropriate parameters for the yields used.

Any gain or loss arising from a change in fair value is recognised in the profit or loss account - rental income from investment property is accounted for as described in the turnover accounting policy.

The group and company have entered into certain capital commitments at the year end in relation to investment properties

12 Fixed asset investments

	Notes	Group 2019 £'000	2018 £'000	Company 2019 £'000	2018 £'000
Shares in group undertakings	13	-	-	3,656	3,656
Interests in joint ventures		-	100	-	-
		<u>-</u>	<u>100</u>	<u>3,656</u>	<u>3,656</u>
		<u>-</u>	<u>100</u>	<u>3,656</u>	<u>3,656</u>

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

12 Fixed asset investments	(Continued)
Movements in fixed asset investments Group	Interests in joint ventures £'000
Cost or valuation	
At 1 April 2018	100
Disposals	(100)

At 31 March 2019	-

Carrying amount	
At 31 March 2019	-

At 31 March 2018	100
	=====
Movements in fixed asset investments Company	Shares in group undertakings £'000
Cost or valuation	
At 1 April 2018 and 31 March 2019	3,656

Carrying amount	
At 31 March 2019	3,656

At 31 March 2018	3,656
	=====

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

13 Subsidiaries

All the shareholdings are of £1 ordinary shares except Gulf Investor 101 Limited where the shareholdings are AED 1,000 ordinary shares.

Name of undertaking	Registered office	Nature of business	Class of		% Held
			shares held	DirectIndirect	
Soho Estates Development Limited	58 Wardour Street, London, W1D 4JQ	Property	Ordinary		100
Soho Estates Portfolio	58 Wardour Street, London, W1D 4JQ	Property	Ordinary		100
Victor Green Properties Limited	58 Wardour Street, London, W1D 4JQ	Property	Ordinary		100
Gulf Investor Limited	58 Wardour Street, London, W1D 4JQ	Property	Ordinary		100
Gulf Investor 101 Limited	Rolex Tower, Level 15, Sheikh Zayed Road, Dubai, UAE, PO Box 112967	Property	Ordinary		100

14 Debtors

	Group		Company	
	2019	2018	2019	2018
Amounts falling due within one year:	£'000	£'000	£'000	£'000
Trade debtors	3,460	2,830	3,385	2,745
Amounts owed by group undertakings	2,834	1,184	127,930	100,625
Amounts owed by joint ventures	-	100	-	-
Other debtors	6,125	4,950	6,045	4,729
Prepayments and accrued income	3,036	3,504	2,961	3,477
	<u>15,455</u>	<u>12,568</u>	<u>140,321</u>	<u>111,576</u>

Amounts owed by other group companies are repayable on demand.

15 Creditors: amounts falling due within one year

Notes	Group		Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Trade creditors	2,404	1,376	2,122	1,187
Amounts owed to group undertakings	18,897	35,806	19,079	36,067
Corporation tax	223	1,487	240	1,336
Taxation and social security	1,199	969	1,504	1,169
Other creditors	6,625	4,882	6,432	4,715
Accruals and deferred income	10,796	11,184	10,117	10,836
	<u>40,144</u>	<u>55,704</u>	<u>39,494</u>	<u>55,310</u>

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

15 Creditors: amounts falling due within one year (Continued)

Amounts owed to parent undertakings are repayable on demand.

16 Creditors: amounts falling due after more than one year

	Notes	Group 2019 £'000	2018 £'000	Company 2019 £'000	2018 £'000
Bank loans	17	223,834	218,834	223,834	218,834

17 Interest-bearing loans and borrowings

	Group 2019 £'000	2018 £'000	Company 2019 £'000	2018 £'000
Secured bank loans	223,834	121,334	223,834	121,334
Senior secured notes	-	97,500	-	97,500
	<u>223,834</u>	<u>218,834</u>	<u>223,834</u>	<u>218,834</u>

Terms and debt repayment schedule

	Rate	Maturity	Schedule	2019	2018
HSBC Bank Plc loan	1.75%	2022	On maturity	126,334	121,334
Series A Senior secured notes	3.79%	2032	On maturity	15,000	15,000
Series B Senior secured notes	3.90%	2035	On maturity	20,000	20,000
Series C Senior secured notes	3.97%	2037	On maturity	62,500	62,500
				<u>223,834</u>	<u>218,834</u>

The loans and notes are secured over the balance sheet of the group.

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2019 £'000	Liabilities 2018 £'000
Group		
Origination and reversal of timing differences	63,361	61,415

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

18 Deferred taxation	(Continued)	
Company	Liabilities 2019 £'000	Liabilities 2018 £'000
Origination and reversal of timing differences	57,785	55,960
	<u>57,785</u>	<u>55,960</u>
	Group 2019 £'000	Company 2019 £'000
Movements in the year:		
Liability at 1 April 2018	61,415	55,960
Charge to profit or loss	1,946	1,825
	<u>63,361</u>	<u>57,785</u>
Liability at 31 March 2019	<u>63,361</u>	<u>57,785</u>

We anticipate an immaterial amount of deferred tax to unwind in the next twelve months and the majority to remain until which point the asset to which it attaches is sold.

19 Share capital	Group and company	
Issued and fully paid	2019 £'000	2018 £'000
100,000 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

Share premium account

The balance classified as share premium relates to the aggregate net proceeds less nominal value of share issue of the Company's equity share capital.

Revaluation Reserve

Where investment properties have previously been revalued, the net revaluation increase is included in the revaluation reserve.

Dividends

No dividends were proposed in the year.

20 Capital commitments

Contractual commitments at the year-end were £86,119,508 (2018: £20,000,000), Company £4,686,000 (2018: £7,000,000).

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

21 Retirement benefit schemes	2019	2018
	£'000	£'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	82	97
	<u> </u>	<u> </u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel (the directors) in the year amounted to:

	2019	2018
	£'000	£'000
Aggregate compensation	2,359	2,314
	<u> </u>	<u> </u>

Identity of related parties with which the Group has transacted

As the Company was a wholly owned subsidiary of Soho Estates Holdings Limited at 31 March 2019, the Company has taken advantage of the exemption contained in FRS102.33.1A and has therefore not disclosed transactions or balances with wholly owned entities which form part of the Group headed by Soho Estates Holdings Limited.

As at the balance sheet date the group holds a debit balance relating to a loan of £nil (2018: £100,000) with Westlegate Developments Limited, a joint venture company. The interest charge on the loan for the year was £nil (2018: £nil) and as at 31 March 2019 the interest debtor is £nil (2018: £100,000), which is included in the total loan above. An amount of £100,000 (2018: £51,000) was written off and included in administrative expenses during the year.

As at the balance sheet date the group owes a balance of £18,899,000 (2018: £35,806,000) to Ilona Rose Investment Limited, a trust which has an interest in the company and group.

Identity of related parties with which the Company has transacted

The Company has taken advantage of the exemption contained in FRS102.33.1A and has therefore not disclosed transactions or balances with wholly owned entities which form part of the Group headed by the Company.

As at the balance sheet date the company owes a balance of £18,899,000 (2018: £35,806,000) to Ilona Rose Investment Limited, a trust which has an interest in the company and group.

SOHO ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

23 Controlling party

The Company is a subsidiary undertaking of Soho Estates Holdings Limited, 58 Wardour Street, London, UK, W1D 4JQ who are the ultimate parent company. The ultimate controlling party is the Paul Raymond family trusts, 58 Wardour Street, London, UK, W1D 4JQ.

The largest Company in which the results of the Company are consolidated is that headed by Soho Estates Holdings Limited, 58 Wardour Street, London, UK, W1D 4JQ, incorporated in the UK. The smallest Company in which they are consolidated is that headed by Soho Estates Limited, incorporated in the UK. The consolidated financial statements of these Companies are available to the public and may be obtained from the address shown in note 1.

24 Judgements and key sources of estimation uncertainty

The directors consider the only areas of estimation uncertainty in the financial statements is the valuation of investment property. Investment properties totalling £276,440,000 (2018: £261,978,000) were independently valued, on a Market Value basis in March 2019, by an external, independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The valuation was made in accordance with the RICS Valuation Standards. The remainder of the Investment Property portfolio is valued by the Directors. This is calculated with reference to market rental yields for the area which reduces the subjectivity around investments.

The directors consider that there are no critical accounting judgements (except for those involving estimates included above).