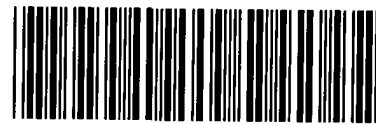


Company Registration No. 00489118 (England and Wales)

**OVERCOURT LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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# OVERCOURT LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mrs B Faherty Mr J Rochman Miss L J Faherty
<b>Secretary</b>	Mrs E M Hendle
<b>Company number</b>	00489118
<b>Registered office</b>	66 Prescott Street London E1 8NN
<b>Auditor</b>	Carter Backer Winter LLP 66 Prescott Street London E1 8NN
<b>Business address</b>	23 Highbury Crescent Highbury London N5 1RX

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# **OVERCOURT LIMITED**

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# OVERCOURT LIMITED

## STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

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

### Fair review of the business

Overcourt Limited's principal activity continued to be that of general construction, civil engineering, development and sales of real estate. All the activities are undertaken within the UK.

The company meets its day to day working capital requirements through its cash and reserves. The company's forecasts and projections, taking account of potential changes in trading performance, show that the company is able to operate within the level of its current facility.

### Principal risks and uncertainties

The management of the business and the execution of our strategy are subject to a number of risks. The following section comprises a summary of the main risks which we believe could potentially impact upon our operating and financial performance.

#### People

The resignation of key subcontractor and the inability to recruit talented people with the right skill sets could adversely affect our results.

#### Macroeconomic environment

The property market sector is affected by the general macroeconomic cycle, and specifically the business suffers from inflation, interest rate fluctuations and other factors.

#### Competition

The industry has continued to see significant consolidation within the market and as a consequence the level of competition has increased considerably.

#### Technology

Having devised and operated successful technological solutions required for our trading activities, we are constantly investigating improvements in these areas.

#### Legal

The company is subject to property regulations. The company takes its responsibilities seriously and ensures that its policies, systems and procedures are continually updated and comply with the legal requirements in all the sectors in which we operate.

### Key performance indicators

Turnover for the year has increased by approximately 37% to £15,303,781. This is due to the sale of property during the year. The rental income has remained consistent.

Gross profit has increased in the year by £1.90m due to reasons explained above, however the gross profit margin has decreased from 94% to 81%. Net assets have increased by £7.03m (8.87%).

On behalf of the board



Miss L J Faherty

Director

29.11.2019

# **OVERCOURT 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 continued to be that of General Construction, Civil Engineering, Development and Sale of Real Estate

#### **Directors**

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

Mrs B Faherty  
Mr J Rochman  
Miss L J Faherty

#### **Results and dividends**

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £353,332. The directors do not recommend payment of a final dividend.

#### **Future developments**

The directors aim to maintain the management policies which have resulted in the company's growth in recent years.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that Carter Backer Winter LLP be reappointed as auditor of the company will be put at a General Meeting.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **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 company's auditor 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 company's auditor is aware of that information.

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# **OVERCOURT LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2019**

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On behalf of the board



Miss L J Faherty  
**Director**

29 November 2019

# OVERCOURT LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF OVERCOURT LIMITED

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#### Opinion

We have audited the financial statements of Overcourt Limited (the 'company') for the year ended 31 March 2019 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the 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.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# OVERCOURT LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF OVERCOURT LIMITED

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#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Robin Davis (Senior Statutory Auditor)  
for and on behalf of Carter Backer Winter LLP

29.11.2019

Chartered Accountants  
Statutory Auditor

66 Prescott Street  
London  
E1 8NN



# OVERCOURT LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	15,303,781	11,190,189
Cost of sales		(2,888,853)	(672,310)
<b>Gross profit</b>		<b>12,414,928</b>	<b>10,517,879</b>
Distribution costs		(767,817)	(1,150,933)
Administrative expenses		(829,708)	(735,079)
Other operating income		196,833	195,684
<b>Operating profit</b>	4	<b>11,014,236</b>	<b>8,827,551</b>
Interest receivable and similar income	8	24,660	5,292
Interest payable and similar expenses	9	(65,103)	(55,831)
<b>Profit before taxation</b>		<b>10,973,793</b>	<b>8,777,012</b>
Tax on profit	10	(2,092,360)	(1,690,351)
<b>Profit for the financial year</b>		<b>8,881,433</b>	<b>7,086,661</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# OVERCOURT LIMITED

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

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	2019 £	2018 £
Profit for the year	8,881,433	7,086,661
Other comprehensive income	-	-
Total comprehensive income for the year	<u>8,881,433</u>	<u>7,086,661</u>

# OVERCOURT LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	12		14,175		18,778
<b>Current assets</b>					
Stocks	14	77,202,031		76,366,646	
Debtors	15	3,778,745		3,522,749	
Cash at bank and in hand		16,281,883		10,757,492	
		97,262,659		90,646,887	
<b>Creditors: amounts falling due within one year</b>	16	(9,545,419)		(9,961,297)	
<b>Net current assets</b>		87,717,240		80,685,590	
<b>Total assets less current liabilities</b>		87,731,415		80,704,368	
<b>Creditors: amounts falling due after more than one year</b>	17	-		(1,500,000)	
<b>Provisions for liabilities</b>	19	(2,125)		(3,179)	
<b>Net assets</b>		87,729,290		79,201,189	
<b>Capital and reserves</b>					
Called up share capital	22	250,000		250,000	
Profit and loss reserves		87,479,290		78,951,189	
<b>Total equity</b>		87,729,290		79,201,189	

The financial statements were approved by the board of directors and authorised for issue on 29.11.19 and are signed on its behalf by:



Miss L J Faherty  
Director

Company Registration No. 00489118

# **OVERCOURT LIMITED**

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

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2017</b>		250,000	72,217,860	72,467,860
<b>Year ended 31 March 2018:</b>				
Profit and total comprehensive income for the year		-	7,086,661	7,086,661
Dividends	11	-	(353,332)	(353,332)
<b>Balance at 31 March 2018</b>		250,000	78,951,189	79,201,189
<b>Year ended 31 March 2019:</b>				
Profit and total comprehensive income for the year		-	8,881,433	8,881,433
Dividends	11	-	(353,332)	(353,332)
<b>Balance at 31 March 2019</b>		250,000	87,479,290	87,729,290

**OVERCOURT LIMITED****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	10,186,276		4,056,250	
Interest paid		(65,103)		(55,831)	
Income taxes paid		(2,168,110)		(1,349,394)	
<b>Net cash inflow from operating activities</b>		7,953,063		2,651,025	
<b>Investing activities</b>					
Interest received		24,660		5,292	
<b>Net cash generated from investing activities</b>		24,660		5,292	
<b>Financing activities</b>					
Repayment of bank loans		(2,100,000)		(600,000)	
Dividends paid		(353,332)		(353,332)	
<b>Net cash used in financing activities</b>		(2,453,332)		(953,332)	
<b>Net increase in cash and cash equivalents</b>		5,524,391		1,702,985	
Cash and cash equivalents at beginning of year		10,757,492		9,054,507	
<b>Cash and cash equivalents at end of year</b>		16,281,883		10,757,492	

# OVERCOURT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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### 1 Accounting policies

#### Company information

Overcourt Limited is a private company limited by shares incorporated in England and Wales. The registered office is 66 Prescott Street, London, E1 8NN.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents rents receivable and income from the sale of properties in the year. The turnover and pre-tax profit are attributable to the company's activity as developers of real estate.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.4 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:

Plant and machinery	20% Reducing Balance
Fixtures, fittings and equipment	20% Reducing Balance
Motor vehicles	25% Reducing Balance

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 credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company 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.

# OVERCOURT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

---

### 1 Accounting policies

(Continued)

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.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises properties and, where applicable, direct labour costs and those overheads that have been incurred in bringing the properties to their present condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments.

#### 1.8 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

# OVERCOURT 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 company 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 company 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.



# OVERCOURT 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 company's contractual obligations expire or are discharged or cancelled.

#### **1.9 Equity instruments**

Equity instruments issued by the company 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 company.

#### **1.10 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### **1.11 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 company'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 taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

# OVERCOURT LIMITED

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

### 1 Accounting policies

(Continued)

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019 £	2018 £
<b>Turnover analysed by class of business</b>		
Rent receivable	9,668,294	10,255,189
Service charges refunded	559,487	935,000
Sale of real estate	5,076,000	-
	<u>15,303,781</u>	<u>11,190,189</u>
	2019 £	2018 £
<b>Other significant revenue</b>		
Interest income	24,660	5,292
Commissions received	<u>46,833</u>	<u>45,684</u>

# OVERCOURT LIMITED

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

### 4 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	4,603	6,104
Cost of stocks recognised as an expense	2,888,853	672,310

### 5 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	36,000	36,000

### 6 Employees

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

	2019 Number	2018 Number
Site workers	12	10
Managerial and office administration	7	7
	19	17

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	371,014	341,592
Social security costs	42,615	40,548
Pension costs	107,077	103,606
	520,706	485,746

### 7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	168,800	152,000
Company pension contributions to defined contribution schemes	21,100	19,000
	189,900	171,000

## OVERCOURT LIMITED

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

#### 8 Interest receivable and similar income

	2019 £	2018 £
<b>Interest income</b>		
Interest on bank deposits	24,343	5,292
Other interest income	317	-
	<u>24,660</u>	<u>5,292</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>24,343</u>	<u>5,292</u>
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#### 9 Interest payable and similar expenses

	2019 £	2018 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	44,378	55,225
<b>Other finance costs:</b>		
Interest on finance leases and hire purchase contracts	20,725	606
	<u>65,103</u>	<u>55,831</u>

#### 10 Taxation

	2019 £	2018 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	2,093,414	1,675,234
Adjustments in respect of prior periods	-	16,416
	<u>2,093,414</u>	<u>1,691,650</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,054)	(1,299)
	<u>(1,054)</u>	<u>(1,299)</u>
<b>Total tax charge</b>	<u>2,092,360</u>	<u>1,690,351</u>

# OVERCOURT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 10 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 £	2018 £
Profit before taxation	10,973,793	8,777,012
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	2,085,021	1,667,632
Tax effect of expenses that are not deductible in determining taxable profit	6,794	6,919
Adjustments in respect of prior years	-	16,416
Permanent capital allowances in excess of depreciation	(71)	(86)
Depreciation on assets not qualifying for tax allowances	875	1,160
Deferred tax adjustments in respect of prior years	(1,054)	(1,299)
Pensions	795	(391)
Taxation charge for the year	2,092,360	1,690,351

### 11 Dividends

	2019 Per share £	2018 Per share £	2019 Total £	2018 Total £
<b>Ordinary shares</b>				
Interim paid	0.71	0.71	353,332	353,332
<b>Total dividends</b>				
Interim paid			353,332	353,332

# **OVERCOURT LIMITED**

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

### **12 Tangible fixed assets**

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2018 and 31 March 2019	94,206	8,468	30,073	132,747
<b>Depreciation and impairment</b>				
At 1 April 2018	93,981	6,831	13,157	113,969
Depreciation charged in the year	45	329	4,229	4,603
At 31 March 2019	94,026	7,160	17,386	118,572
<b>Carrying amount</b>				
At 31 March 2019	180	1,308	12,687	14,175
At 31 March 2018	225	1,637	16,916	18,778

### **13 Financial instruments**

	2019 £	2018 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	3,762,965	3,375,721
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	8,805,895	10,398,563

### **14 Stocks**

	2019 £	2018 £
Work in progress	25,483,488	22,541,058
Finished goods and goods for resale	51,718,543	53,825,588
	77,202,031	76,366,646

The carrying amount of stocks includes £10,707,550 (2018 - £10,707,550) pledged as security for liabilities.

### **15 Debtors**

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	-	132,207
Prepayments and accrued income	3,778,745	3,390,542
	3,778,745	3,522,749

# OVERCOURT LIMITED

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

### 15 Debtors

(Continued)

Trade debtors represent provisions for rent free periods that are required under FRS 102 regulation rules.

### 16 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Bank loans	18	-	600,000
Trade creditors		343,935	184,554
Amounts owed to group undertakings		4,195,168	2,999,422
Corporation tax		498,701	705,604
Other taxation and social security		240,823	357,130
Other creditors		4,208,700	5,059,230
Accruals and deferred income		58,092	55,357
		<u>9,545,419</u>	<u>9,961,297</u>

Other creditors include £1,807,062 rent paid by tenants in advance at the quarter end date. A further total of £1,362,602 represents rental deposits and service charges held on deposit for tenants.

### 17 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank loans and overdrafts	18	-	1,500,000

### 18 Loans and overdrafts

	2019 £	2018 £
Bank loans	-	2,100,000
Payable within one year	-	600,000
Payable after one year	-	1,500,000

£24,000,000 loan facility with £Nil outstanding as at 31st March 2019. Loan for a term of 5 years, interest only for 2 years with interest covered quarterly, then quarterly capital payments of £150,000 in addition to the quarterly interest payments. The balance of the loan was fully repaid in February 2019.

# OVERCOURT LIMITED

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

### 19 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	20	2,125	3,179

### 20 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £
<b>Balances:</b>		
Accelerated capital allowances	2,125	3,179
<b>Movements in the year:</b>		2019 £
Liability at 1 April 2018		3,179
Credit to profit or loss		(1,054)
Liability at 31 March 2019		2,125

The deferred tax liability set out above is expected to reverse within [12 months] and relates to accelerated capital allowances that are expected to mature within the same period.

### 21 Retirement benefit schemes

	2019 £	2018 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	107,077	103,606

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 22 Share capital

	2019 £	2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
250,000 Ordinary shares of £1 each	250,000	250,000

Ordinary share Interim dividends totalling £353,332 was paid on 24 April 2018 and 20 September 2018 to the shareholders of the Company.



# OVERCOURT LIMITED

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

### 23 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	168,800	152,000

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

The company received £150,000 (2018: £150,000) in relation to administration charges from a company controlled by common directors.

At 31st March 2019 the company owed £4,195,168.15 (2018: 2,999,422) to a company with common directors. This balance is interest free and payable on demand.

### 24 Directors' transactions

Dividends totalling £229,667 (2018: £229,667) were paid in the year in respect of shares held by the company's directors.

During the year the company paid £30,000 (2018: £30,000) to a director as consultancy fees.

As at 31st March 2019 the company owed the directors £1,026,561 (2018: £1,088,210). This balance is interest free and payable on demand.

### 25 Cash generated from operations

	2019 £	2018 £
Profit for the year after tax	8,881,433	7,086,661
<b>Adjustments for:</b>		
Taxation charged	2,092,360	1,690,351
Finance costs	65,103	55,831
Investment income	(24,660)	(5,292)
Depreciation and impairment of tangible fixed assets	4,603	6,104
<b>Movements in working capital:</b>		
Increase in stocks	(835,385)	(2,439,003)
Increase in debtors	(388,203)	(1,605,356)
Increase/(decrease) in creditors	391,025	(733,046)
<b>Cash generated from operations</b>	<b>10,186,276</b>	<b>4,056,250</b>