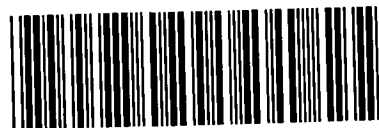


CH

Jeensbannet Investments Limited
Financial Statements
31 March 2018

SATURDAY



A7KTRT6G

A27

15/12/2018

#360

COMPANIES HOUSE

Jeensbannet Investments Limited

Financial Statements

Period from 1 January 2017 to 31 March 2018

Contents	Page
Officers and professional advisers	1
Director's report	2
Director's responsibilities statement	3
Independent auditor's report to the members	4
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10

Jeensbannet Investments Limited

Officers and Professional Advisers

Director	K R Spencer
Company secretary	C J Payne
Registered office	45 Westerham Road Bessels Green Sevenoaks Kent TN13 2QB
Auditor	RSM UK Audit LLP Chartered Accountants & statutory auditor Hanover House 18 Mount Ephraim Road Tunbridge Wells Kent TN1 1ED

Jeensbannet Investments Limited

Director's Report

Period from 1 January 2017 to 31 March 2018

The director presents his report and the financial statements of the company for the period ended 31 March 2018.

Principal activities

The principal activity of the company during the period was that of property investment.

Director

The director who served the company during the period was as follows:

K R Spencer

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be reappointed as auditors in the absence of an Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the director on 13 December 2018



K R Spencer
Director

Registered office:
45 Westerham Road
Bessels Green
Sevenoaks
Kent
TN13 2QB

Jeensbannet Investments Limited

Director's Responsibilities Statement

Period from 1 January 2017 to 31 March 2018

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial period. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the director is 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 director is 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. He is 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.

Jeensbannet Investments Limited

Independent Auditor's Report to the Members of Jeensbannet Investments Limited

Period from 1 January 2017 to 31 March 2018

Opinion

We have audited the financial statements of Jeensbannet Investments Limited (the 'company') for the year ended 31 March 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, 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 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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.

Jeensbannet Investments Limited

Independent Auditor's Report to the Members of Jeensbannet Investments Limited (continued)

Period from 1 January 2017 to 31 March 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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 the audit:

- the information given in the director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the director's report and from the requirement to prepare a strategic report.

Jeensbannet Investments Limited

Independent Auditor's Report to the Members of Jeensbannet Investments Limited (continued)

Period from 1 January 2017 to 31 March 2018

Responsibilities of the director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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.

RSM UK Audit LLP

Gary Purdy (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN11 1ED

13 December 2018

Jeensbannet Investments Limited

Statement of Comprehensive Income

Period from 1 January 2017 to 31 March 2018

	Note	Period from 1 Jan 17 to 31 Mar 18 £	Year to 31 Dec 16 £
Administrative expenses		(174,080)	(143,735)
Operating loss		(174,080)	(143,735)
Loss before taxation		(174,080)	(143,735)
Tax on loss	6	102,102	66,865
Loss for the financial period and total comprehensive income		<u>(71,978)</u>	<u>(76,870)</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

Jeensbannet Investments Limited

Statement of Financial Position

31 March 2018

	Note	31 Mar 18 £	31 Dec 16 £
Fixed assets			
Investment property	7	27,257,903	25,048,642
Creditors: amounts falling due within one year	8	<u>(4,838,437)</u>	<u>(2,455,096)</u>
Net current liabilities		<u>(4,838,437)</u>	<u>(2,455,096)</u>
Total assets less current liabilities		22,419,466	22,593,546
Provisions			
Taxation including deferred tax	9	<u>(4,082,562)</u>	<u>(4,184,664)</u>
Net assets		<u>18,336,904</u>	<u>18,408,882</u>
Capital and reserves			
Called up share capital	11	300	300
Revaluation reserve	12	19,325,254	19,223,152
Profit and loss account	12	<u>(988,650)</u>	<u>(814,570)</u>
Shareholders funds		<u>18,336,904</u>	<u>18,408,882</u>

These financial statements were approved by the director and authorised for issue on
13 December 2018



K R Spencer
Director

Company registration number: 00802189

The notes on pages 10 to 15 form part of these financial statements.

Jeensbannet Investments Limited

Statement of Changes in Equity

Period from 1 January 2017 to 31 March 2018

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2016	300	19,156,287	(670,835)	18,485,752
Loss for the year	–	–	(76,870)	(76,870)
Other comprehensive income for the period:				
Reclassification from profit and loss account to revaluation reserve	–	66,865	(66,865)	–
Total comprehensive income for the period	–	66,865	(143,735)	(76,870)
At 31 December 2016	300	19,223,152	(814,570)	18,408,882
Loss for the period	–	–	(71,978)	(71,978)
Reclassification from profit and loss account to revaluation reserve	–	102,102	(102,102)	–
Total comprehensive income for the period	–	102,102	(174,080)	(71,978)
At 31 March 2018	<u>300</u>	<u>19,325,254</u>	<u>(988,650)</u>	<u>18,336,904</u>

The notes on pages 10 to 15 form part of these financial statements.

Jeensbannet Investments Limited

Notes to the Financial Statements

Period from 1 January 2017 to 31 March 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 45 Westerham Road, Bessels Green, Sevenoaks, Kent, TN13 2QB.

The company's principal activity was that of property investment.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the inclusion of investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

At 31 March 2018, the company had net current liabilities of £4,838,437 (31 December 2016: £2,455,096). Whilst the company has net assets of £18.3m, it has no cash to be able to fund the ongoing planned development of the property held on the balance sheet. The expected remaining expenditure on the property as at 31 March 2018 is circa £5m. The director anticipates the expenditure commitments to be met by financing raised against this property.

In addition, the company has the continued financial support of its shareholders, who have confirmed that they will provide continuing support for at least 18 months from the date of approval of these financial statements. Based on this support, the company will have sufficient resources to meet its financial liabilities as they fall due and the directors have therefore prepared the financial statements on the going concern basis.

Should the company be unable to meet its liabilities as they fall due, adjustments would have to be made to the financial statements to reduce the value of assets to their recoverable amount and to provide for any further liabilities which may arise.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the group financial statements of Armatire Limited. Details on how to obtain these financial statements can be found in note 15 to the financial statements. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.

(b) Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

(c) Section 33 'Related Party Disclosures' - Compensation for key management personnel.

Jeensbannet Investments Limited

Notes to the Financial Statements *(continued)*

Period from 1 January 2017 to 31 March 2018

3. Accounting policies *(continued)*

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Investment property

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments', in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments 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.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Group and other creditors

Group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Jeensbannet Investments Limited

Notes to the Financial Statements *(continued)*

Period from 1 January 2017 to 31 March 2018

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Valuation of investment properties

The key accounting estimate in preparing these financial statements relates to the carrying value of the investment properties which are stated at fair value. The company uses lease terms, market conditions and sales prices based upon known market transactions for similar properties as a basis for determining the director's estimation of the fair value of the investment properties. However, the valuation of the company's investment properties is inherently subjective, as it is made on the basis of valuation assumptions which may in future not prove to be accurate. In addition, the deferred tax liabilities recognised in respect of the fair value gains and losses on these investment properties are assessed on the basis of assumptions regarding the future, the likelihood that assets will be realised and liabilities will be settled, and estimates as to the timing of those future events and as to the future tax rates that will be applicable.

4. Staff costs

The average number of persons employed by the company during the period, excluding the director, amounted to Nil (2016: Nil).

The director received no remuneration in respect of qualifying services in either the current or prior periods.

5. Auditor's remuneration

	Period from 1 Jan 17 to 31 Mar 18 £	Year to 31 Dec 16 £
Fees payable for the audit of the financial statements	10,000	10,200
Other services:		
Taxation compliance services	1,200	1,200
Taxation advisory services	1,750	–
	<u>12,950</u>	<u>11,400</u>

Jeensbannet Investments Limited

Notes to the Financial Statements *(continued)*

Period from 1 January 2017 to 31 March 2018

6. Tax on loss

Major components of tax income

	Period from 1 Jan 17 to 31 Mar 18 £	Year to 31 Dec 16 £
Deferred tax:		
Origination and reversal of timing differences	(102,102)	(66,865)
Tax on loss	<u>(102,102)</u>	<u>(66,865)</u>

There is no corporation tax liability arising in the current or previous year.

The company has property losses of £16,442 (2016: £16,442) and excess management expenses of £22,873 (2016: £28,725) available to carry forward and offset against future profits. No deferred tax assets have been recognised in respect of these amounts due to uncertainty over future profits.

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the period is the same as (2016: lower than) the standard rate of corporation tax in the UK of 19.2% (2016: 20%).

	Period from 1 Jan 17 to 31 Mar 18 £	Year to 31 Dec 16 £
Loss on ordinary activities before taxation	(174,080)	(143,735)
Loss on ordinary activities by rate of tax	(33,420)	(28,747)
Effect of expenses not deductible for tax purposes	24,778	26,557
Effect of tax rates changes	13,552	(265,425)
Deferred tax assets not recognised	2,716	1,537
Group relief surrendered	5,574	-
Fixed asset differences	(115,302)	199,213
Tax on loss	<u>(102,102)</u>	<u>(66,865)</u>

During the period, the UK main rate of corporation tax was 19% effective from 1 April 2017.

A further reduction in the UK main rate of corporation tax to 17%, will be effective from 1 April 2020. As the change has been substantively enacted at the balance sheet date, the 17% rate has been utilised in the calculation of deferred taxation as the liability is not expected to be reversed prior to 1 April 2020.

Jeensbannet Investments Limited

Notes to the Financial Statements *(continued)*

Period from 1 January 2017 to 31 March 2018

7. Investment property

	£
Cost or valuation	
At 1 January 2017	25,048,642
Additions	2,209,261
At 31 March 2018	27,257,903
Carrying amount	
At 31 March 2018	27,257,903
At 31 December 2016	25,048,642

The company's assets are the properties known as 25 Cadogan Place and 4 Cadogan Lane, London SW1. The properties were formally valued on 11 November 2015 at £24,470,000 by Copping Joyce Surveyors Limited. Further improvements costing £578,642 and £2,209,261 were incurred during the year ended 31 December 2016 and period ended 31 March 2018. The director considers that the carrying value of £27,257,903 is appropriate as at 31 March 2018.

If investment properties were stated on a historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	31 Mar 18 £	31 Dec 16 £
At 1 January 2017	1,544,933	966,291
Additions	2,209,261	578,642
At 31 March 2018	3,754,194	1,544,933

8. Creditors: amounts falling due within one year

	31 Mar 18 £	31 Dec 16 £
Amounts owed to group undertakings	4,414,362	2,302,311
Accruals and deferred income	36,197	30,800
Other creditors	387,878	121,985
	4,838,437	2,455,096

9. Provisions

	Deferred tax (note 10) £
At 1 January 2017	4,184,664
Credited to profit and loss account	(102,102)
At 31 March 2018	4,082,562

10. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	31 Mar 18 £	31 Dec 16 £
Capital gains	4,082,562	4,184,664

Jeensbannet Investments Limited

Notes to the Financial Statements *(continued)*

Period from 1 January 2017 to 31 March 2018

11. Called up share capital

Issued, called up and fully paid

	31 Mar 18		31 Dec 16	
	No.	£	No.	£
Ordinary shares of £1 each	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>

The company's ordinary shares, which do not carry the right to fixed income, each carry the right to one vote at general meetings of the company.

12. Reserves

Revaluation reserve - This reserve records the value of investment property revaluations net of deferred tax.

Profit and loss account - This reserve records retained earnings and accumulated losses.

13. Related party transactions

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

	Administrative expenses paid.	
	31 Mar 2018	31 Dec 2016
	£	£
Other related parties	121,110	—

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties.	
	31 Mar 2018	31 Dec 2016
	£	£
Other related parties	387,878	—

Other related parties comprise companies under common control.

No guarantees have been given or received.

The amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No expense has been recognised in the period (2016: £nil) in respect of bad debts from related parties.

14. Financial commitments, guarantees and contingencies

During the period, the company's ultimate parent company, Armature Limited, entered into a financing agreement with Credit Suisse (UK) Limited. As part of this arrangement a charge was placed over the company's property and shares.

15. Controlling party

The immediate parent company is Cadogan Holdings Limited, a company incorporated in Gibraltar and the ultimate parent company is Armature Limited, a company incorporated in England and Wales and represents the smallest and largest group for which consolidated accounts that include this company are prepared. Copies of the ultimate parent company's consolidated financial statements may be obtained from 45 Westerham Road, Bessels Green, Sevenoaks, Kent TN13 2QB. Armature Limited is 50% controlled by K R Spencer and 50% A Spencer.