

**PRINCESGATE VENTURES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**for the year ended 30 September 2014**

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**PRINCESGATE VENTURES LIMITED**

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**COMPANY INFORMATION**

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<b>DIRECTORS</b>	T Shasha R Shasha
<b>COMPANY SECRETARY</b>	D A Glinert
<b>REGISTERED NUMBER</b>	03748891
<b>REGISTERED OFFICE</b>	1 Princes Gate London SW7 1QJ
<b>INDEPENDENT AUDITOR</b>	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH

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## **PRINCESGATE VENTURES LIMITED**

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### **DIRECTORS' REPORT for the year ended 30 September 2014**

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The directors present their report and the financial statements for the year ended 30 September 2014.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing 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 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 judgments 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.

#### **PRINCIPAL ACTIVITIES**

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

#### **DIRECTORS**

The directors who served during the year were:

T Shasha  
R Shasha

#### **PROVISION OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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**PRINCESGATE VENTURES LIMITED**

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**DIRECTORS' REPORT**  
**for the year ended 30 September 2014**

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**AUDITOR**

The auditor, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

**07 MAY 2015**

and signed on its behalf.



**T Shasha**  
Director

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## PRINCESGATE VENTURES LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRINCESGATE VENTURES LIMITED

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We have audited the financial statements of Princesgate Ventures Limited for the year ended 30 September 2014, set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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**PRINCESGATE VENTURES LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRINCESGATE VENTURES LIMITED**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Martin Israel (senior statutory auditor)

for and on behalf of

**Crowe Clark Whitehill LLP**



Statutory Auditor

St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH  
Date:

7 May 2015

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**PRINCESGATE VENTURES LIMITED**

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**PROFIT AND LOSS ACCOUNT**  
for the year ended 30 September 2014

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	Note	2014 £	2013 £
<b>TURNOVER</b>	1,2	<b>696,633</b>	<b>643,451</b>
Administrative expenses		<b>(44,866)</b>	<b>(24,563)</b>
Other operating income	3	<b>1,000</b>	<b>-</b>
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	4	<b>652,767</b>	<b>618,888</b>
Interest receivable and similar income		<b>3,936</b>	<b>1,217</b>
Interest payable and similar charges		<b>(449,047)</b>	<b>(448,005)</b>
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>207,656</b>	<b>172,100</b>
Tax on profit on ordinary activities	5	<b>(44,209)</b>	<b>(9,476)</b>
		<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	13	<b>163,447</b>	<b>162,624</b>
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The notes on pages 8 to 14 form part of these financial statements.

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**PRINCESGATE VENTURES LIMITED**

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**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**for the year ended 30 September 2014**

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	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>163,447</b>	<b>162,624</b>
Unrealised surplus on revaluation of investment properties	<b>782,759</b>	-
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b>946,206</b>	<b>162,624</b>

The notes on pages 8 to 14 form part of these financial statements.



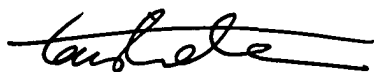
**PRINCESGATE VENTURES LIMITED**  
Registered number: 03748891

**BALANCE SHEET**  
as at 30 September 2014

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Investment property	6		15,777,970		11,427,241
Investments	7		100		100
			<u>15,778,070</u>		<u>11,427,341</u>
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due after more than one year	8	-		1,820,050	
Debtors: amounts falling due within one year	8	100		100	
Cash at bank		723,217		558,696	
		<u>723,317</u>		<u>2,378,846</u>	
<b>CREDITORS: amounts falling due within one year</b>	9	<b>(682,765)</b>		<b>(513,268)</b>	
<b>NET CURRENT ASSETS</b>			<u>40,552</u>		<u>1,865,578</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>15,818,622</u>		<u>13,292,919</u>
<b>CREDITORS: amounts falling due after more than one year</b>	10		<b>(11,218,596)</b>		<b>(8,340,062)</b>
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	11		<u>(12,763)</u>		<u>(11,800)</u>
<b>NET ASSETS</b>			<u>4,587,263</u>		<u>4,941,057</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		100		100
Revaluation reserve	13		4,003,468		3,220,709
Profit and loss account	13		<u>583,695</u>		<u>1,720,248</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>4,587,263</u>		<u>4,941,057</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



07 MAY 2015

**T Shasha**  
Director

The notes on pages 8 to 14 form part of these financial statements.

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## **PRINCESGATE VENTURES LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2014**

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#### **1. ACCOUNTING POLICIES**

##### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of Freehold investment property and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

##### **1.2 CASH FLOW**

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

##### **1.3 TURNOVER**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

##### **1.4 FIXED ASSET INVESTMENTS**

Investments held as fixed assets are shown at cost less provision for impairment.

##### **1.5 INVESTMENT PROPERTIES**

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

Any surplus or deficit arising on valuation is transferred to the revaluation reserve. Where a deficit is expected to be permanent, it is charged to the profit and loss account. A permanent deficit is defined as any deficit which is expected to exist for a period greater than 12 months.

Profit recognised on the sale of investment properties is disclosed on the face of the profit and loss account. Any previously recognised surplus on valuation of investment properties is included in that profit.

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**PRINCESGATE VENTURES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2014**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 DEFERRED TAXATION**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**2. TURNOVER**

None of the company's turnover (2013 - £NIL) is attributable to geographical markets outside the United Kingdom.

**3. OTHER OPERATING INCOME**

	2014 £	2013 £
Licence fee to assign lease	1,000	-

**4. OPERATING PROFIT**

The operating profit is stated after charging:

	2014 £	2013 £
Auditor's remuneration	9,800	9,500

During the year, no director received any emoluments (2013 - £NIL).

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**PRINCESGATE VENTURES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2014**

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**5. TAXATION**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
<b>ANALYSIS OF TAX CHARGE IN THE YEAR</b>		
<b>CURRENT TAX</b>		
UK corporation tax charge on profit for the year	<b>43,246</b>	<b>8,511</b>
<b>DEFERRED TAX</b> (see note 11)		
Origination and reversal of timing differences	<b>963</b>	<b>965</b>
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>44,209</b>	<b>9,476</b>

There were no factors that may affect future tax charges.

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**PRINCESGATE VENTURES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2014

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**6. INVESTMENT PROPERTY**

	Freehold investment property £
<b>COST OR VALUATION</b>	
At 1 October 2013	11,427,241
Additions at cost	3,567,970
Surplus on revaluation	782,759
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At 30 September 2014	15,777,970
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**COMPRISING**

	£
Cost	11,774,501
Annual revaluation surplus/(deficit):	-
2004	1,676,967
2007	1,283,743
2008	(330,000)
2009	(200,000)
2010	530,000
2012	260,000
2014	782,759
	<hr/>
Total	15,777,970
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Freehold properties held by the company have been valued as at 30 September 2014 by the directors on the basis of open market value, with reference to external valuations performed by Cushman & Wakefield LLP, Chartered Surveyors. The directors consider this to be the best estimate of its open market value.

No provision has been made for the potential tax liability of approximately £370,000 (2013: £350,000) arising on the difference between the revalued amounts as at 30 September 2014 and the original costs after allowing for the indexation allowances of the investment properties.

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**PRINCESGATE VENTURES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2014

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**7. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>COST OR VALUATION</b>	
At 1 October 2013 and 30 September 2014	100
<b>NET BOOK VALUE</b>	
At 30 September 2014	100
At 30 September 2013	100

**SUBSIDIARY UNDERTAKINGS**

The following was the subsidiary undertaking of the company:

Name	Class of shares	Holding
Princesgate (Fulham) Limited	Ordinary	100%

The aggregate of the share capital and reserves as at 30 September 2014 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Princesgate (Fulham) Limited	2,188,191	226,352

**8. DEBTORS**

	2014 £	2013 £
<b>DUE AFTER MORE THAN ONE YEAR</b>		
Amounts owed by group undertakings	-	1,820,050
<b>DUE WITHIN ONE YEAR</b>		
Other debtors	100	100

**PRINCESGATE VENTURES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2014

**9. CREDITORS:**  
**AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Other loans (secured)	244,001	186,795
Corporation tax	43,246	8,511
Other taxation and social security	34,547	18,038
Other creditors	360,971	299,924
	<u>682,765</u>	<u>513,268</u>

**10. CREDITORS:**  
**AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2014 £	2013 £
Other loans (secured)	8,341,061	6,685,062
Amounts owed to group undertakings	1,352,535	-
Other creditors	1,525,000	1,655,000
	<u>11,218,596</u>	<u>8,340,062</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2014 £	2013 £
Repayable by instalments	<u>3,584,542</u>	<u>2,049,387</u>

**11. DEFERRED TAXATION**

	2014 £	2013 £
At beginning of year	11,800	10,835
Charge for year	963	965
At end of year	<u>12,763</u>	<u>11,800</u>

The provision for deferred taxation is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	13,021	12,951
Sundry timing differences	(258)	(1,151)
	<u>12,763</u>	<u>11,800</u>

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**PRINCESGATE VENTURES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2014

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**12. SHARE CAPITAL**

	2014 £	2013 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**13. RESERVES**

	Revaluation reserve £	Profit and loss account £
At 1 October 2013	3,220,709	1,720,248
Profit for the financial year	-	163,447
Dividends	-	(1,300,000)
Surplus on revaluation of investment property	782,759	-
	<u>4,003,468</u>	<u>583,695</u>
At 30 September 2014		

**14. DIVIDENDS**

	2014 £	2013 £
Dividends paid on equity capital	<u>1,300,000</u>	<u>80,000</u>

**15. RELATED PARTY TRANSACTIONS**

Included within debtors due greater than one year is an amount of £Nil (2013: £1,820,050) due from Princesgate (Fulham) Limited, a subsidiary undertaking.

Included within other creditors falling due after more than one year are amounts of £1,525,000 (2013: £1,525,000) due to A Howard, a shareholder of the company. This amount does not bear interest.

Also included within other creditors falling due after more than one year are amounts of £Nil (2013: £130,000) due to Princesgate Investments Limited, a joint shareholder of the Company.

Included within creditors due greater than one year is an amount of £1,352,535 (2013: £Nil) due to Princesgate (Fulham) Limited, a subsidiary undertaking. This amount does not bear interest.

**16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company is a joint venture between Princesgate Investments Limited and A Howard who each own 50% of the company's issued share capital. There is no ultimate controlling party of the company.