

**REGISTRAR'S
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Company Registration No. 03360708 (England and Wales)

**PIXIEACRE LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

TUESDAY



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COMPANIES HOUSE

COMPANY INFORMATION

Director	G T Mascolo
Secretary	R W L Berrow
Company number	03360708
Registered office	58-60 Stamford Street London SE1 9LX
Auditors	Haines Watts 30 Camp Road Farnborough Hampshire GU14 6EW
Bankers	Allied Irish Bank (GB) 10 Berkeley Square London W1J 6AA

CONTENTS

	Page
Director's report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 11

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The director presents his report and financial statements for the year ended 31 August 2015.

Principal activities

The principal activity of the company continued to be that of a property investment company.

Results and dividends

The results for the year are set out on page 5.

The director does not recommend payment of an ordinary dividend.

Director

The following director has held office since 1 September 2014:

R J Staal

(Resigned 7 May 2015)

G T Mascolo

Statement of director's responsibilities

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 year. 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 of 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; '
- 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 him 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.

PIXIEACRE LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

Statement of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



G T Mascolo
Director

Dated: 27.5.16

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PIXIEACRE LIMITED

We have audited the financial statements of Pixieacre Limited for the year ended 31 August 2015 set out on page 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 director and auditors

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual 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 31 August 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF PIXIEACRE LIMITED

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.
- the director was not entitled to take advantage of the small companies' exemption in preparing the director's report and from preparing a strategic report.



Andrew Parsons (Senior Statutory Auditor)
for and on behalf of Haines Watts

31 May 2016

Chartered Accountants
Statutory Auditor

30 Camp Road
Farnborough
Hampshire
GU14 6EW

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Turnover		394,801	398,338
Cost of sales		(16,836)	(27,830)
Gross profit		377,965	370,508
Administrative expenses		(10,182)	(8,756)
Operating profit	2	367,783	361,752
Other interest receivable and similar income	3	3,686	-
Interest payable and similar charges	4	-	(395)
Profit on ordinary activities before taxation		371,469	361,357
Tax on profit on ordinary activities	5	(77,364)	7,709
Profit for the year	11	294,105	369,066

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

There are no recognised gains and losses other than those passing through the profit and loss account.

PIXIEACRE LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	6	6,807,941		6,445,790	
Current assets					
Debtors	7	-		85,827	
Cash at bank and in hand		7,227		35,878	
		<u>7,227</u>		<u>121,705</u>	
Creditors: amounts falling due within one year	8	<u>(742,804)</u>		<u>(789,236)</u>	
Net current liabilities		<u>(735,577)</u>		<u>(667,531)</u>	
Total assets less current liabilities		6,072,364		5,778,259	
Creditors: amounts falling due after more than one year	9	<u>(2,822,350)</u>		<u>(2,822,350)</u>	
		<u>3,250,014</u>		<u>2,955,909</u>	
Capital and reserves					
Called up share capital	10	31		31	
Revaluation reserve	11	644,813		644,813	
Profit and loss account	11	<u>2,605,170</u>		<u>2,311,065</u>	
Shareholders' funds	12	<u>3,250,014</u>		<u>2,955,909</u>	

Approved by the Board and authorised for issue on 27.5.16


G. J. Mascolo
Director

Company Registration No. 03360708

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents rents receivable in the United Kingdom, net of value added tax.

1.4 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the director compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.5 Deferred taxation

Deferred tax 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.

No provision has been made for deferred tax on potential net capital gains as the company has no immediately foreseeable intention to sell the investment properties.

2	Operating profit	2015	2014
		£	£
	Operating profit is stated after charging:		
	Auditors' remuneration (including expenses and benefits in kind)	3,575	2,675
		<u> </u>	<u> </u>
3	Investment income	2015	2014
		£	£
	Other interest	3,686	-
		<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

4	Interest payable	2015	2014
		£	£
	On overdue tax	-	395
		<u>-</u>	<u>395</u>
		<u><u>-</u></u>	<u><u>395</u></u>
5	Taxation	2015	2014
		£	£
	Domestic current year tax		
	U.K. corporation tax	77,364	80,396
	Adjustment for prior years	-	(88,105)
		<u>-</u>	<u>(88,105)</u>
	Total current tax	<u><u>77,364</u></u>	<u><u>(7,709)</u></u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>371,469</u>	<u>361,357</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 21.00%)	<u>74,294</u>	<u>75,885</u>
	Effects of:		
	Capital allowances	(95)	-
	Tax losses utilised	-	(88,105)
	Other tax adjustments	3,165	4,511
		<u>3,070</u>	<u>(83,594)</u>
	Current tax charge for the year	<u><u>77,364</u></u>	<u><u>(7,709)</u></u>

The adjustment in the year ended 31 August 2014 is in respect of the availability of group relief against profits for the year end 31 August 2013.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

6 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 September 2014	6,445,790
Additions	362,151
At 31 August 2015	6,807,941
Net book value	
At 31 August 2015	6,807,941
At 31 August 2014	6,445,790

Properties acquired and enhancements since the valuation are at an original cost of £3,285,941 (2014: £2,923,790). Whilst the directors consider the valuations of the investment properties to be a reasonable reflection of market value they are mindful of the difficult market conditions at the present time and their impact on property A a legal charge is registered on the properties, as detailed in note 15. There is no material estimated deferred tax liability at the year end, due to the availability of indexation.

7 Debtors	2015 £	2014 £
Trade debtors	-	2,891
Corporation tax	-	31,495
Other debtors	-	51,441
	-	85,827

8 Creditors: amounts falling due within one year	2015 £	2014 £
Trade creditors	1,534	2,514
Amounts owed to group undertakings and undertakings in which the company has a participating interest	281,565	357,031
Taxation and social security	54,728	-
Other creditors	404,977	429,691
	742,804	789,236

The director, G T Mascolo and former director P P Mascolo, have provided the company with advances of £350,999 (2014: £350,999) and £25,413 (2014: £49,468) respectively. These advances are interest free, and in the absence of any formal repayment terms deemed repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

9	Creditors: amounts falling due after more than one year	2015	2014
		£	£
	Other creditors	2,822,350	2,822,350
		<u>2,822,350</u>	<u>2,822,350</u>
	Analysis of loans		
	Wholly repayable within five years	2,822,350	2,822,350
		<u>2,822,350</u>	<u>2,822,350</u>
	Loan maturity analysis		
	In more than two years but not more than five years	2,822,350	2,822,350
		<u>2,822,350</u>	<u>2,822,350</u>
	Other loans are from group companies, as detailed in note 15. There are no formal repayment terms in place, however the funds will not be called on within twenty-four months.		
10	Share capital	2015	2014
		£	£
	Allotted, called up and fully paid		
	311,239 Ordinary shares of 0.01p each	31	31
		<u>31</u>	<u>31</u>
11	Statement of movements on reserves	Revaluation reserve	Profit and loss account
		£	£
	Balance at 1 September 2014	644,813	2,311,065
	Profit for the year	-	294,105
		<u>644,813</u>	<u>2,605,170</u>
	Balance at 31 August 2015	644,813	2,605,170
		<u>644,813</u>	<u>2,605,170</u>
12	Reconciliation of movements in Shareholders' funds	2015	2014
		£	£
	Profit for the financial year	294,105	369,066
	Opening Shareholders' funds	2,955,909	2,586,843
		<u>2,955,909</u>	<u>2,586,843</u>
	Closing Shareholders' funds	3,250,014	2,955,909
		<u>3,250,014</u>	<u>2,955,909</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

13 Employees

Number of employees

There were no employees during the year apart from the directors.

14 Control

The immediate and ultimate controlling company is Toni & Guy International Limited, a company incorporated in England and Wales. The ultimate controlling party is G T Mascolo.

15 Related party relationships and transactions

Mascolo Limited and Toni & Guy Holdings Limited are related parties due to being members of the same group. A group bank cross guarantee, in the form of a legal mortgage charge, exists on the investment properties.

Included in other creditors due after more than one year, note 9, is a loan of £2,761,350 (2014: £2,761,350) from Mascolo Limited. Also included in other creditors due after more than one year, note 9, is a loan of £61,000 (2014: £61,000) from Toni & Guy Holdings Limited.

During the year rents receivable from Mascolo Limited amounted to £386,837 (2014: £398,200). Included in creditors due within one year are amounts owed to Mascolo Limited of £261,565 (2014: £357,031). The movement in the year is attributable to the net repayments made.

Also included in creditors due within one year are advances of £376,412 (2014: £400,467), from the directors, as detailed in note 8. The movement in the year on the advance from P P Mascolo is in respect of repayments made by the company. This is detailed in note 8.