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Company Registration No. 08840121 (England and Wales)

AXIS HOUSE HEATHROW LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017
PAGES FOR FILING WITH REGISTRAR

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AXIS HOUSE HEATHROW LIMITED

COMPANY INFORMATION

Directors	Kamal Pankhania Sunil Pankhania Vraj Pankhania
Company number	08840121
Registered office	Acre House 11-15 William Road London NW1 3ER United Kingdom
Accountants	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom
Business address	7 Churchill Court 58 Station Road Harrow Middlesex HA2 7SA United Kingdom
Bankers	Metro Bank One Southampton Row London WC1B 5HA United Kingdom Bank of India 714-716 Kenton Road Harrow Middlesex HA3 9QX United Kingdom

AXIS HOUSE HEATHROW LIMITED

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AXIS HOUSE HEATHROW LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		-	8,131,306	
Investment properties	4	9,660,000			-
		<u>9,660,000</u>		<u>8,131,306</u>	
Current assets					
Debtors	5	3,435,676		1,066,757	
Cash at bank and in hand		37,293		3,108	
		<u>3,472,969</u>		<u>1,069,865</u>	
Creditors: amounts falling due within one year	6	<u>(1,350,484)</u>		<u>(2,553,795)</u>	
Net current assets/(liabilities)			<u>2,122,485</u>		<u>(1,483,930)</u>
Total assets less current liabilities			<u>11,782,485</u>		<u>6,647,376</u>
Creditors: amounts falling due after more than one year	7		(6,841,094)		(6,769,171)
Provisions for liabilities			<u>(531,752)</u>		<u>-</u>
Net assets/(liabilities)			<u><u>4,409,639</u></u>		<u><u>(121,795)</u></u>
Capital and reserves					
Called up share capital	9		100		100
Investment property reserve			2,750,418		-
Profit and loss reserves			<u>1,659,121</u>		<u>(121,895)</u>
Total equity			<u><u>4,409,639</u></u>		<u><u>(121,795)</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

AXIS HOUSE HEATHROW LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2017

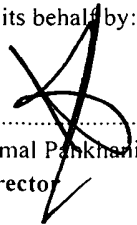
For the financial year ended 31 January 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 30/10/2017 and are signed on its behalf by:


.....
Kamal Pankhania
Director

Company Registration No. 08840121

AXIS HOUSE HEATHROW LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2017

	Share capital	Investment property reserves	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 February 2015	100	-	(26,924)	(26,824)
Year ended 31 January 2016:				
Loss and total comprehensive income for the year	-	-	(94,971)	(94,971)
Balance at 31 January 2016	100	-	(121,895)	(121,795)
Year ended 31 January 2017:				
Profit and total comprehensive income for the year	-	-	4,531,434	4,531,434
Transfers	-	2,750,418	(2,750,418)	-
Balance at 31 January 2017	100	2,750,418	1,659,121	4,409,639

AXIS HOUSE HEATHROW LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

Company information

Axis House Heathrow Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Acre House 11-15 William Road, London, United Kingdom, NW1 3ER.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 Tangible fixed assets

Tangible fixed assets included the property and development costs to convert the property into residential flats. On completion of the development, the company sold 19 flats and transferred the remaining units retained for earning rental income to investment property.

No depreciation was provided in respect of the assets as they were sold/reclassified as investment property.

1.3 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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.

AXIS HOUSE HEATHROW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

(Continued)

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.

1.5 Cash and cash equivalents

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

1.6 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 statement of financial position 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.

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 publically 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.

AXIS HOUSE HEATHROW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

(Continued)

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 and loans from companies under common control, 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 receipts 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.

Derecognition of financial liabilities

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

1.7 Equity instruments

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

1.8 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.

AXIS HOUSE HEATHROW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

1 Accounting policies

(Continued)

Deferred tax

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

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

1.9 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2016 - 3).

3 Tangible fixed assets

	Assets under construction
	£
Cost	
At 1 February 2016	8,131,306
Additions	309,234
Disposals	(2,062,710)
Transfers to investment property	(6,377,830)
At 31 January 2017	-
Depreciation and impairment	
At 1 February 2016 and 31 January 2017	-
Carrying amount	
At 31 January 2017	-
At 31 January 2016	8,131,306

AXIS HOUSE HEATHROW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

4 Investment property

	2017 £
Fair value	
At 1 February 2016	-
Transfers from fixed assets	6,377,830
Revaluations	3,282,170
	<u>9,660,000</u>
At 31 January 2017	<u>9,660,000</u>

Investment property comprises the freehold interest of the residential flats. The fair value of the investment property has been arrived at on the basis of valuation carried out by independent surveyors Copping Joyce Surveyors Limited. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

If the revalued investment property was stated on an historical cost basis rather than a fair value basis, the amount would have been £6,377,830.

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Amounts owed by companies under common control	3,273,723	1,057,135
Other debtors	159,386	8,067
Prepayments and accrued income	2,567	1,555
	<u>3,435,676</u>	<u>1,066,757</u>

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Notes		
Bank loans and overdrafts	175,942	-
Trade creditors	7,591	173,681
Amounts due to group undertakings	741,065	2,319,595
Corporation tax	354,431	-
Other taxation and social security	156	-
Other creditors	1,245	-
Accruals and deferred income	70,054	60,519
	<u>1,350,484</u>	<u>2,553,795</u>

AXIS HOUSE HEATHROW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

7 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Bank loans and overdrafts		6,329,148	5,379,604
Amounts owed to companies under common control		511,946	1,389,567
		<u>6,841,094</u>	<u>6,769,171</u>

The following securities are provided on the bank loan:

- A first legal charge over the company's property.
- A first debenture over the company's assets and undertakings.
- A personal guarantee from the directors Vraj Pankhania, Kamal Pankhania and Sunil Pankhania.

Amounts included above which fall due after five years are as follows:

Payable by instalments	5,690,146	-
	<u>5,690,146</u>	<u>-</u>

8 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	531,752	-
	<u>531,752</u>	<u>-</u>

Deferred tax arises on the gain of the revaluation of investment property at a rate of 17% (2016: 0%).

9 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

10 Investment property reserves

Gains and deferred tax arising on the revaluation of investment property are transferred from the profit and loss reserve to the investment property reserve.

AXIS HOUSE HEATHROW LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

11 Operating lease commitments

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2017 £	2016 £
Within one year	609,630	-
Between two and five years	30,400	-
In over five years	2,751,200	-
	<u>3,391,230</u>	<u>-</u>

12 Related party transactions

Included in other debtors are transactions with a partnership business in which the director Vraj Pankhania is a partner.

During the year, the company incurred expenses totalling £1,058,002 (2016: £461,155) on behalf of Westcombe Home Improvements and Property Co. In the same period, Westcombe Home Improvements and Property Co incurred expenses totalling £91,514 (2016: £85,053) on behalf of the company. At the year end date, the company was owed £376,566 by (2016: owed £589,922 to) Westcombe Home Improvements and Property Co. The sum was repaid in full on 25 October 2017.