

Company No: 7696904

OLIM PROPERTY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

OLIM PROPERTY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

CONTENTS

	Pages
Officers and professional advisers	1
Directors' report	2 – 3
Strategic report	4
Statement of directors' responsibilities	5
Independent auditor's report	6 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 20

OLIM PROPERTY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

M A Oakeshott (Chairman)
L A Cleary
J F Daly

Secretary

J C A Bassnett

Registered office

5th Floor
2 Queen Anne's Gate Buildings
Dartmouth Street
London
SW1H 9BP

Accountants

RSM UK Audit LLP
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

OLIM PROPERTY LIMITED

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year ended 30 June 2018.

Principal activity

The Company's sole activity is investment management of commercial property portfolios for pension funds, charities and investment trusts.

Dividends

The Company has paid interim dividends as follows:

Payment date	2018		2017	
	Dividend per share £	Total Dividend £	Dividend per share £	Total Dividend £
July	-	-	0.90	270,000
January	3.25	477,750	2.00	294,000
March	-	-	1.72	516,000
April	-	-	0.45	135,000
May	3.00	900,000	-	-
	<u>£6.25</u>	<u>£1,377,750</u>	<u>£5.07</u>	<u>£1,215,000</u>

Dividends totalling £497,250 (2017: £306,000) were waived by shareholders during the year.

Directors

The directors who held office during the year were:

M A Oakeshott (Chairman)
L A Cleary
J F Daly

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

Auditor

RSM UK Audit LLP has expressed its willingness to continue in office as auditor.

OLIM PROPERTY LIMITED

DIRECTORS' REPORT (continued)

Statement of disclosure to Auditors

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

- So far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

By order of the Board

JCA Bassnett

Mrs J C A Bassnett

Secretary

Registered Office: 5th Floor
2 Queen Anne's Gate Buildings
Dartmouth Street
London SW1H 9BP

20 September 2018

OLIM PROPERTY LIMITED

STRATEGIC REPORT

The directors submit their strategic report for the year ended 30 June 2018.

Business review and future developments

The Company has had another busy and successful year. Funds under management were £789 million at 30 June 2018 (£687 million at 30 June 2017).

Most of the portfolios we manage have funds available to purchase further properties to take advantage of the relatively high yields available from commercial property while bond yields and interest rates are so low. The management team invested £106 million in 18 new properties for clients over the year (2017: £121 million in 42 new properties) and sold 30 properties for £37 million (2017: sold 12 properties for £19 million), while continuing actively to manage and add value to existing properties through rent reviews, lease extensions and renewals. All 186 properties under our management were fully let and income producing at the year end.

We are remunerated solely by quarterly management fees based on the value of the portfolios under our management, with no transaction based income. We have no borrowings and our net assets are cash on the balance sheet. Our costs, mainly salaries and rent, are relatively predictable and were 2.5 times covered by fee income over the year.

Long term client relationships with all the pension fund, charity and investment trust portfolios under our management remain key to our success, with continuity of management, staff and professional advisers over the past 32 years, initially at OLIM Limited and then at OLIM Property Limited.

Delivering continued good performance for existing portfolios remains our top priority; we may also offer our services to new institutional clients. 2018-19 has started well, and we expect to continue to grow, whatever Brexit brings.

In May 2018 the Company entered into a new 15 year lease for offices at 15 Queen Anne's Gate, London, SW1. Those offices are currently being refurbished and adapted for our use; the Company expects to move into them in October.

Key performance indicators

The Company operates a simple business model with its only revenue being the fees from assets managed on behalf of clients. The key performance indicators are therefore:

- valuation changes for property under management
- fund inflows from client property purchases
- fund outflows from client property sales
- fees received from clients
- profit after tax (typically almost identical to net cash flow)

Risks and uncertainties

The directors consider that the Company's key risks and uncertainties are as follows:

- sharp downward movements in commercial property prices
- poor property selection and tenant failure
- failure of external service providers
- loss of key staff
- concentration of clients
- concentration of cash balances

M A Oakeshott

Chairman

20 September 2018

OLIM PROPERTY LIMITED

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires 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 year.

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; and
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLIM PROPERTY LIMITED

Opinion

We have audited the financial statements of OLIM Property Limited (the 'Company') for the year ended 30 June 2018, which comprise the statement of comprehensive income, the statement of financial position, 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 30 June 2018 and of its profit for the year 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are 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 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.

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 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

RSM UK Audit LLP

DAVID HOUGH (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

Date: 21 September 2018

OLIM PROPERTY LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 30 JUNE 2018**

	<i>Notes</i>	2018 £	2017 £
Turnover	3	2,810,869	2,415,492
Administrative expenses		(1,106,120)	(866,085)
Operating profit		1,704,749	1,549,407
Interest receivable and similar income		2,860	2,791
Profit before taxation	4	1,707,609	1,552,198
Tax on profit	6	(330,000)	(308,038)
Profit after taxation and profit for the financial year		£1,377,609	£1,244,160

The Company has no comprehensive income other than the amounts recognised in the Statement of Comprehensive Income above.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	Notes	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	7		9,193		10,879
Current assets					
Debtors	8	694,567		518,802	
Cash at bank and in hand		801,901		804,593	
		<u>1,496,468</u>		<u>1,323,395</u>	
Creditors: Amounts falling due within one year	9	(647,331)		(716,047)	
Net current assets			<u>849,137</u>	<u>607,348</u>	
Total assets less current liabilities			<u>858,330</u>	<u>618,227</u>	
Creditors: Amounts falling due after more than one year	10		(240,244)		-
Net assets			<u>£618,086</u>	<u>£618,227</u>	
Capital and reserves					
Called up share capital	12		300,000		300,000
Profit and loss account	13		318,086		318,227
Total equity			<u>£618,086</u>	<u>£618,227</u>	

The financial statements on pages 8 to 20 were approved by the board of directors and authorised for issue on 20 September 2018 and are signed on its behalf by:

M A Oakeshott

M A Oakeshott
Director

OLIM PROPERTY LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2016		300,000	289,067	589,067
Year ended 30 June 2017:				
Profit and total comprehensive income for the year		-	1,244,160	1,244,160
Dividends	14	-	(1,215,000)	(1,215,000)
Balance at 30 June 2017		<u>£300,000</u>	<u>£318,227</u>	<u>£618,227</u>
Year ended 30 June 2018:				
Profit and total comprehensive income for the year		-	1,377,609	1,377,609
Dividends	14	-	(1,377,750)	(1,377,750)
Balance at 30 June 2018		<u><u>£300,000</u></u>	<u><u>£318,086</u></u>	<u><u>£618,086</u></u>

OLIM PROPERTY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	<i>Notes</i>	2018 £	2017 £
Operating activities			
Cash generated from operations	16	1,840,548	1,709,147
Income taxes paid		(465,145)	(130,038)
Net cash from operating activities		<u>1,375,403</u>	<u>1,579,109</u>
Investing activities			
Interest received		2,860	2,791
Payments to acquire tangible fixed assets		(3,205)	(13,718)
Net cash used in investing activities		<u>(345)</u>	<u>(10,927)</u>
Financing activities			
Dividends paid		(1,377,750)	(1,215,000)
Net cash used in financing activities		<u>(1,377,750)</u>	<u>(1,215,000)</u>
Net increase / (decrease) in cash and cash equivalents		<u>(2,692)</u>	<u>353,182</u>
Cash and cash equivalents at beginning of the year		804,593	451,411
Cash and cash equivalents at end of the year		<u>£801,901</u>	<u>£804,593</u>

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1. Accounting policies

General information

OLIM Property Limited (“the Company”) is a private company limited by shares and domiciled and incorporated in the United Kingdom and registered in England and Wales.

The address of the Company’s registered office and principal place of business is 5th Floor, 2 Queen Anne’s Gate Buildings, Dartmouth Street, London, SW1H 9BP.

The Company’s principal activities and nature of the Company’s operations are disclosed in the Directors’ Report on page 2.

Basis of accounting

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 and under the historical cost convention.

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 £.

Going concern

After making enquiries and given the current economic outlook, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The entity will continue to derive income and incur costs from trading activity. Accordingly they continue to adopt the going concern basis of preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services rendered to external customers and is stated net of Value Added Tax. Amounts are invoiced as the right to consideration accrues for the performance of services to clients.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided on the cost of the tangible fixed assets so as to write off their cost on a straight line basis over the economic useful lives of the assets. The annual rates of depreciation are as follows:

Computer equipment	-	33% per annum
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OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2018

1. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in years different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset if, and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease, except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Employment benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Pension costs

Contributions within defined contribution schemes are charged to the profit and loss account as they become payable, in accordance with the rules of the schemes. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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, 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.

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2018

1. Accounting policies (continued)

Financial assets

Trade and other debtors (including accrued income) which are receivable within one year and which 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 and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in profit or loss.

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.

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.

Trade 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.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

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, 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. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Dividends

Dividends are recognised as liabilities once they are no longer at the discretion of the Company.

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2018

2. Critical accounting estimates and areas of judgement

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

Critical judgements

The financial statements have been prepared based on the accounting policies described. The directors have not been required to make any critical judgements.

3. Turnover

The turnover of the Company during the year was made in the United Kingdom.

The turnover of the Company for the year derives from the same class of business as noted in the Directors' report.

4. Profit before taxation

	2018	2017
	£	£
Profit before taxation is stated after charging:		
Auditor's remuneration - audit services	10,800	11,500
- non-audit services	4,450	8,080
Depreciation	4,891	2,839
Operating lease rentals	36,044	-
	<u>50,185</u>	<u>22,419</u>

Non-audit services provided by associated businesses of the Company's auditor relate to FRS 102 services £nil (year ended 30 June 2017: £4,500), tax compliance services £3,200 (year ended 30 June 2017: £2,500) and payroll services £1,250 (year ended 30 June 2017: £1,080).

5. Employees and directors

	2018	2017
	£	£
Staff costs including executive directors during the year amounted to:-		
Wages and salaries	723,480	589,872
Social security costs	90,080	68,489
Pension contributions	28,872	20,487
	<u>£842,432</u>	<u>£678,848</u>
	<u>6</u>	<u>5</u>
The average monthly number of employees during the year including directors was:-	No.	No.
Office and management	6	5

OLIM PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 JUNE 2018****5. Employees and directors (continued)**

	2018	2017
	£	£
Directors' emoluments		
Remuneration (including fees)	515,000	440,000
Pension contributions	10,000	10,000
Total emoluments	<u>£525,000</u>	<u>£450,000</u>

	2018	2017
	No.	No.
The number of directors to whom retirement benefits were accruing during the year in respect of qualifying services to the Company was as follows:		

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

	2018	2017
	£	£
The remuneration of the highest paid director was:		
Remuneration	305,000	250,000
Pension contributions	10,000	10,000
	<u>£315,000</u>	<u>£260,000</u>

Remuneration of key management personnel

The total remuneration of the directors and employees who are considered to be the key management personnel of the Company was £589,663 (2017: £507,357), including employer's national insurance of £64,663 (2017: £57,357).

6. Taxation on profit

	2018	2017
	£	£
UK corporation tax on profits of current year	333,770	308,500
Over provision in previous year	(3,770)	(462)
Tax on profit	<u>£330,000</u>	<u>£308,038</u>

OLIM PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 JUNE 2018****6. Taxation on profit (continued)**

The tax charge for the year differs from a charge based on the standard rate of corporation tax in the UK. The differences are explained below:

	2018	2017
	£	£
Profit before tax	£1,707,609	£1,552,198
Profit multiplied by the standard rate of corporation tax in the UK applying to the year of 19% (2017: 19.75%)	324,446	306,559
Effects of:		
Expenses not deductible for tax purposes	9,038	3,790
Timing differences not recognised as a deferred tax liability	286	(1,849)
Over provision in previous year	(3,770)	(462)
Tax charge for the year	£330,000	£308,038

At 30 June 2018 the Company had a deferred tax liability of £1,563 (2017: £1,849). The deferred tax liability is not included in the financial statements as it is immaterial. This is analysed as follows, at a corporation tax rate of 17% (2017: 17%):

	2018	2017
	£	£
Fixed asset timing differences	£1,563	£1,849

The rate of corporation tax reduced from 20% to 19% with effect from 1 April 2017. A further reduction from 19% to 17% has been substantively enacted and is expected to take effect from 1 April 2020.

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2018

7.	Tangible fixed assets		Computer equipment £
	Cost		
	At 1 July 2017		19,834
	Additions in the year		3,205
	Disposals in the year		(6,116)
	At 30 June 2018		£16,923
	Depreciation		
	At 1 July 2017		8,955
	Charge for the year		4,891
	Disposals in the year		(6,116)
	At 30 June 2018		£7,730
	Net book value		
	At 30 June 2018		£9,193
	At 30 June 2017		£10,879
8.	Debtors	2018	2017
		£	£
	Amounts falling due within one year:		
	Prepayments and accrued income	694,567	518,802
		<u>£694,567</u>	<u>£518,802</u>
9.	Creditors: Amounts falling due within one year	2018	2017
		£	£
	Corporation tax	173,355	308,500
	Other taxation and social security costs	106,674	107,582
	Accruals and deferred income	367,302	299,965
		<u>£647,331</u>	<u>£716,047</u>
10.	Creditors: Amounts falling due after more than one year	2018	2017
		£	£
	Accruals and deferred income	240,244	-
		<u>£240,244</u>	<u>£-</u>

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2018

11.	Financial instruments	2018	2017
		£	£
	Financial assets:		
	Debt instruments measured at amortised cost	562,697	491,733
	Total	<u>£562,697</u>	<u>£491,733</u>
	Financial liabilities:		
	Measured at amortised cost	349,560	299,965
	Total	<u>£349,560</u>	<u>£299,965</u>

12.	Share capital	Ordinary shares of £1 each
	Allotted, called up and fully paid: As at 1 July 2017 and 30 June 2018	<u><u>300,000</u></u>

The Company's ordinary shares have full voting, dividend and capital distribution rights attached to them. They do not confer any rights of redemption and carry no right to fixed income.

13. **Reserves**

Reserves of the Company represent the following:

Profit and loss account

Cumulative profit and loss, net of distributions to owners.

14.	Dividends	2018	2017
		£	£
	Paid:		
	Interim ordinary dividends of £6.25 (year ended 30 June 2017: £5.07) per share	£1,377,750	£1,215,000
		<u>£1,377,750</u>	<u>£1,215,000</u>

Dividends totaling £497,250 (2017: £306,000) were waived by shareholders during the year.

15. **Operating lease commitments**

At 30 June the Company had commitments for future minimum lease payments under a non-cancellable operating lease as follows:

	2018	2017
	£	£
Amounts due:		
Less than one year	260,000	-
Between one and five years	1,040,000	-
After more than five years	2,561,534	-
	<u>£3,861,534</u>	<u>£-</u>

OLIM PROPERTY LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 JUNE 2018**

16. Reconciliation of profit after tax to net cash generated from operations	2018	2017
	£	£
Profit after tax	1,377,609	1,244,160
Depreciation of tangible assets	4,891	2,839
Interest receivable	(2,860)	(2,791)
Taxation	330,000	308,038
	<hr/>	<hr/>
Operating cash flows before movements in working capital	1,709,640	1,552,246
Increase in trade and other debtors	(175,765)	(68,366)
Increase in creditors	306,673	225,267
	<hr/>	<hr/>
Cash generated from operations	£1,840,548	£1,709,147

17. Control

OLIM Property Limited is under the ultimate control of Mr MA Oakeshott.

18. Related party transactions

The Company acts as property investment manager to Value and Income Trust plc. The terms of the investment management agreement require Mr MA Oakeshott, a director of the Company, to sit on the Board of Value and Income Trust plc, as investment director. Fees received from Value and Income Trust plc for the provision of investment management services were £411,578 (2017: £426,676). At 30 June 2018 the amount owing to the Company by Value and Income Trust plc was £28,987 (2017: £38,941).

During the year the Company was charged £82,431 (2017: £73,777) by Aubrey Investments Limited, a company controlled by Mr MA Oakeshott, for administrative services, including use of property. At 30 June 2018 the Company had paid £19,500 (2017: £nil) in advance to Aubrey Investments Limited in respect of the period after 30 June 2018 and was also owed £21,797 by Aubrey Investments Limited (2017: £4,223). Both of these amounts are included in prepayments and accrued income.

In May 2018 the Company entered into a 15 year lease of offices owned by Aubrey Investments Limited. The lease is at an annual rent of £260,000 and at the time of signing the lease the Company received a cash incentive sum from Aubrey Investments Limited equal to one year's rent. The cash incentive is being amortised in a straight line over the 15 year life of the lease. The unamortised balance of this incentive payment is included in accruals and deferred income, with £17,333 within Creditors: amounts falling due within one year, and £240,244 within Creditors: amounts falling due after more than one year. Rent paid in respect of the property and included in the statement of comprehensive income for the year totals £32,055 (2017: £nil). At 30 June 2018 the company had prepaid rent of £65,000 (2017: £nil), which is included in prepayments and accrued income.

During the year ended 30 June 2018, the Company paid dividends to Mr MA Oakeshott, a director of the Company, totalling £459,000 (2017: £469,710). Dividends were also paid to AIL Pension Scheme, of which Mr MA Oakeshott is a beneficiary, totalling £918,750 (2017: £745,290).

The amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the year (2017: £nil) in respect of bad debts from related parties. There are no provisions for uncollectible receivables related to the amounts outstanding.