THE LONDON CENTRAL PORTFOLIO PROPERTY FUND LIMITED
CONSOLIDATED UNAUDITED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2019

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CONTENTS

THE LONDON CENTRAL PORTFOLIO PROPERTY FUND LIMITED

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INTERIM REPORT OF THE DIRECTORS
SIX MONTHS ENDED 30 SEPTEMBER 2019

The Directors present their unaudited report and consolidated financial statements of the group for the period ended 30 September 2019.

Statement of Directors' responsibilities

The Directors are responsible for preparing consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the profit and loss of the Group for that period and are in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102 ("FRS 102") 'The Financial Reporting Standard applicable in the United Kingdom and the Rupublic of Ireland' and with applicable laws. In preparing those financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Group will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the consolidated financial statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the consolidated financial statements have been properly prepared in accordance with The Companies (Guernsey) Law, 2008 and the Protection of Investors (Bailiwick of Guernsey) Law, 1987. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Status and activities

The London Central Portfolio Property Fund Limited is a closed ended investment company established under the provisions of The Companies(Guernsey) Law, 2008. The Company is trading as London Central Apartments III and is listed on The International Stock Exchange.

The Company is an authorised closed-ended investment fund as defined in the guidance document issued by the Guernsey Financial Services Commission dated February 2007.

The Company was incorporated on 25 October 2005 in Guernsey and commenced trading in August 2007. The Company has acquired a diversified portfolio of residential properties in the area known as Prime Central London in order to benefit from attractive rental yields as well as capital value growth.

In accordance with the Investment Memorandum, dated 29 July 2015, for the London Central Portfolio Property Fund, the Investment Period of the fund was extended for a term of 5 years from that date and may be subject to up to 2 annual extensions with the approval of the majority of the shareholders. At the Annual General Meeting of shareholders held on 4 December 2019 a resolution was passed to extend the Investment Period by the first of the two one-year extentions.

Results and dividends

The results for the period are shown in the Consolidated Statement of Comprehensive Income on page 8.
The Directors did not pay a dividend and do not recommend a dividend for the period.

INTERIM REPORT OF THE DIRECTORS (continued)
SIX MONTHS ENDED 30 SEPTEMBER 2019

Directors and their interests

The Directors of the Company who served during the period ended 30 September 2019 and to date are:

Peter Francis Griffin (Chairman)
Naomi Claire Helen Heaton
Richard John Crowder

The Directors' interest in the Ordinary Shares of the Company were as follows:

	30 September 2019 Ordinary shares	31 March 2019 Ordinary shares	30 September 2018 Ordinary shares
Peter Francis Griffin	nil	nil	nil
Naomi Claire Helen Heaton	342,986	342,986	342,986

Directors' remuneration

The emoluments of the individual Directors for the period were as follows:

	Period ended 30 September 2019	Year ended 31 March 2019	Period ended 30 September 2018
Peter Francis Griffin	6,250	12,500	6,250
Naomi Claire Helen Heaton	nil	nil	nil
Richard John Crowder	6,250	12,500	6,250

Intertrust Fund Services (Guernsey) Limited are engaged as Administrator to the Group pursuant to the terms of an Administration Agreement and are part of the Intertrust Group.

Naomi Heaton is the Chief Executive Officer of London Central Portfolio Limited and LCP Capital Investments Limited. London Central Portfolio Limited are engaged by the Group as Property Managers pursuant to the terms of the Search & Purchase Management Agreement, Letting & Rental Management Agreement and Refurbishment & Furnishing Agreement. LCP Capital Investments Limited are engaged by the Group as Investment Advisors pursuant to an agreement concerning provision of investment advice.

Auditors

A resolution to re-appoint Grant Thornton Limited as auditors will be proposed at the next Annual General Meeting.

APPROVED BY THE BOARD OF DIRECTORS

PETER GRIFFIN
Director

Date: 24 January 2020

THE LONDON CENTRAL PORTFOLIO PROPERTY FUND LIMITED

INTERIM INVESTMENT MANAGERS REPORT
SIX MONTHS ENDED 30 SEPTEMBER 2019

Market Update

At the balance sheet date, there had been very little positive news spinning out of the Palace of Westminster to offset the uncertainty caused by the political stagnation that has characterised 2019 politics in the UK. Indeed, the threat of a Tory party implosion leaving a far-left Labour Government in power meant that investor appetite deteriorated further.

As a result, it is perhaps unsurprising that the number of transactions continue at an all-time low. Throughout the year ending September 2019, Prime Central London ("PCL") experienced a total of just 3,221[1] transactions. This figure represents:

• A reduction in transactions of 13.1%[2], into the lowest level seen during the Global Financial Crisis ("GFC")
• A 60.1%[3] reduction on the pre-EU Referendum average
• The 33rd consecutive month whereby transaction volumes remained below 4,500 per annum (during the GFC, the trend ran for just 10 months)[4]

Transactional activity is a barometer for the market and it is clear that the current scenario represents an unprecedented and extended period of malaise.

Despite this, Knight Frank have reported that they have seen a widening imbalance between supply and demand over the course of 2019, stating that "downwards pressure on supply has resulted in the moderation of price declines"[5]. Coinciding with reduced stock availability came "the weakness of Sterling" and "the release of pent-up demand among needs-based buyers and ultra-low mortgage rates" which has started to tip demand levels.

However, it is unlikely to have escaped the collective attention that there has been a significant post-balance sheet date event. The General Election on the 12th December resulted in a clear Conservative majority, seeing off any threat of a Corbyn government and bringing with it a potential uptick in business confidence. Since the result, the markets have almost immediately reacted, with sterling briefly soaring above \$1.35 before settling at \$1.31[4], up 9% on the 2019 low-point.[6]

London Central Portfolio Limited's recent trip to SE Asia showed that there remains significant appetite for investment in PCL residential properties and this continues to grow. The sense that Hong Kong is on a steady and inevitable slide is palpable – whole floors of hotels are being moth-balled, with tourist and business travel decimated by the ongoing disturbances. Retail and restaurant vacancies are notable in even the most prominent of the central streets. Brexit pales in comparison and, with a resolution at least to stage one of the divorce process now seemingly a formality as a result of the General election result, it is felt that this issue has receded.

There is also a feeling that many real estate markets are late cycle, making yield hard to attain without significant risk. With \$17tn of negative yielding bonds in issue globally, it is clear that capital is looking for somewhere to park.

There is anecdotal support for the market already hardening, with competitive bidding situations and gazumping returning to the PCL. However, this is likely exacerbated by the shortage of stock – sellers remain reluctant to divest until the market has hardened.

It has always been LCP and LCPCI's view that there will be a point of inflexion in the market, where the supply:demand imbalance noted by Knight Frank tips in favour of price appreciation and the market normalises. Discounts for the dollar denominated investor remain in the 40+% realm in real terms, currency adjusted. The notoriously low yields PCL has offered have also pushed out over recent years and the combination of these factors makes it a compelling proposition again.

Whilst there remain many hurdles that could derail any nascent recovery, in the main, investors seem ready to take a move back into the market which could result in heightened levels of activity as 2020 progresses.

Update on Net Asset Value and Loan Facility

As the shareholders are aware, on 4th December 2019 the Annual General Meeting of the company saw the take-up of the first annual option to extend, pushing the life of the fund out from 31st July 2020 to 31st July 2021. The resolutions required to implement this received 97.75% support from the Shares that voted.

As a consequence of the extension being taken-up, the fund needs to secure an extension or renewal of the finance facility that currently sits with Al Rayan Bank PLC. Ordinary resolutions providing flexibility for the Directors to consider convention debt facilities alongside Sharia compliant finance also received wide support (96.63% of voted shares); whilst the Shareholders also approved the increase in finance to value from 50% to "up to 65%" (96.49% of voted shares supported this Ordinary Resolution).

The Directors have therefore been exploring the best commercial terms that can be implemented for financing the fund going forward and anticipate adopting new terms during the course of Q1 2020.

From a Net Asset Value perspective, the valuation as at 30th September 2019 saw average prices across the proportion of the portfolio valued fall by just 1.1% versus the last valuation and this figure was used to produce the Valuation index by which the other properties' values were adjusted. This means that the gross value of the portfolio fell from £31.545m to £31.233m over the period, reflecting the "moderation of price declines" detailed by Knight Frank.

NAV has therefore fallen moderately from £1.14 per share to £1.10. Clearly any reduction is undesirable but, as detailed above, it is hoped that this will represent the nadir in the current cycle and that there will be more positive news to report next time.

Summary

LCP and LCPCI are cautiously optimistic about market conditions and investor sentiment. It is clear that there is a wall of capital wanting to come into PCL but there are some unknowns. Will Boris Johnson impose the 3% additional SDLT for non-resident buyers of UK residential property that was detailed in the election campaign, or was this a populist measure to garner votes and regain the keys to Number 10? If it is implemented, will the market react, or see it as London coming into line with most other major global cities in terms of its tax regime? Will the additional transaction costs that have mounted in recent years serve to moderate capital appreciation prospects going forward?

Fundamentally, the fund is very well positioned to capitalise on any potential upswing in values, whilst also having taken prudent steps to ensure it has liquidity to ride-out any extension of the downturn. Hopefully the sun is starting to emerge from behind the political and tax cloud.

[1] LCPAca Residential Index – HM Land Registry all sales year to Sep 2019 9
[2] LCPAca Residential Index – HM Land Registry all sales year to Sep 2019 vs Jun 2009
[3] LCPAca Residential Index – HM Land Registry all sales year to Sep 2019 vs Avg Annual Sales Jan 1995-Jun 2009
[4] LCPAca Residential Index – HM Land Registry all sales
[5] Knight Frank Residential Research Prime London Sales Index October 2019
6Reuters

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
SIX MONTHS ENDED 30 SEPTEMBER 2019

	Note	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
REVENUE				
Rental income	6 (e)	540,260	1,113,502	543,574
Sundry income		3,274	9,025	-
Gross profit		543,534	1,122,527	543,574
EXPENSES				
Property expenses	9	227,548	575,263	260,847
Administrative expenses	10	253,102	541,198	266,164
		480,650	1,116,461	527,011
OPERATING PROFIT		62,884	6,066	16,563
Loss on disposal of investment property	11	-	(326,905)	-
Fair value loss on investment properties	11	(311,753)	(4,319,064)	(3,756,772)
Cost of finance	15	(363,119)	(703,670)	(340,593)
LOSS FOR THE PERIOD/YEAR		(611,988)	(5,343,573)	(4,080,802)
LOSS FOR THE PERIOD/YEAR ATTRIBUTABLE TO:				
Owners of the parent		(611,988)	(5,343,573)	(4,080,802)
Loss per share (pounds per share)	19	(0.045)	(0.391)	(0.298)

The Company has no other comprehensive income or losses other than those shown above and therefore no additional disclosure has been made in respect of other comprehensive income.

The results are all derived from continuing operations.

The notes on pages 11 to 28 form an integral part of these financial statements.

THE LONDON CENTRAL PORTFOLIO PROPERTY FUND LIMITED

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	Note	(Unaudited) 30 September 2019		(Audited) 31 March 2019		(Unaudited) 30 September 2018	
		£	£	£	£	£	£
FIXED ASSETS							
Investment properties	11		31,233,460		31,545,000		34,500,677
Furniture and fittings	12		29,561		51,596		77,797
			31,263,021		31,596,596		34,578,474
CURRENT ASSETS							
Other short term investment	13	400,000		400,000		400,000	
Debtors	14	200,747		146,464		172,037	
Cash and cash equivalents		1,638,253		1,737,569		202,490	
		2,239,000		2,284,033		774,527	
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR							
Other creditors and accruals	16	574,484		389,189		646,875	
Finance payable	15	17,919,858		-		-	
		18,494,342		389,189		646,875	
NET CURRENT (LIABILITIES)/ASSETS			(16,255,342)		1,894,844		127,652
TOTAL ASSETS LESS CURRENT LIABILITIES			15,007,679		33,491,440		34,706,126
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR							
Finance payable	15		-		17,871,773		17,823,688
NET ASSETS			15,007,679		15,619,667		16,882,438
CAPITAL AND RESERVES							
Share capital	17		136,787		136,787		136,787
Share premium	18		20,591,263		20,591,263		20,591,263
Retained income			(5,720,371)		(5,108,383)		(3,845,612)
SHAREHOLDERS' FUNDS			15,007,679		15,619,667		16,882,438
Net asset value per share (pounds per share)	20		1.10		1.14		1.23

The consolidated interim financial statements were approved and authorised for issue by the board on 24 January 2020 and signed on its behalf by:

PETER GRIFFIN
Director

The notes on pages 11 to 28 form an integral part of these financial statements.

THE LONDON CENTRAL PORTFOLIO PROPERTY FUND LIMITED

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share Capital £	Share Premium £	Retained Income £	Total £
Balance as at 1 April 2018	**136,787**	**20,591,263**	**235,190**	**20,963,240**
Profit for the period	-	-	(4,080,802)	(4,080,802)
Balance as at 30 September 2018	**136,787**	**20,591,263**	**(3,845,612)**	**16,882,438**
Balance as at 1 April 2018	**136,787**	**20,591,263**	**235,190**	**20,963,240**
Loss for the year	-	-	(5,343,573)	(5,343,573)
Balance as at 31 March 2019	**136,787**	**20,591,263**	**(5,108,383)**	**15,619,667**
Loss for the period	-	-	(611,988)	(611,988)
Balance as at 30 September 2019	**136,787**	**20,591,263**	**(5,720,371)**	**15,007,679**

The notes on pages 11 to 28 form an integral part of these financial statements.

THE LONDON CENTRAL PORTFOLIO PROPERTY FUND LIMITED

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
SIX MONTHS ENDED 30 SEPTEMBER 2019

	Note	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
Operating activities				
Operating profit for the period/year		62,884	6,066	16,563
Add back depreciation	12	22,035	49,986	23,785
(Increase)/decrease in operating debtors		(54,283)	4,984	(20,589)
Increase/(decrease) in operating creditors		185,295	(63,021)	194,665
Cost of finance		(363,119)	(703,670)	(340,593)
Net cash used in operating activities		(147,188)	(705,655)	(126,169)
Cash flows from investing activities				
Sale of investment properties		-	2,068,095	-
Purchase/Refurbishment of investment properties		(213)	(27,674)	(26,059)
Net cash (used in)/generated from investing activities		(213)	2,040,421	(26,059)
Cash flows from financing activities				
Finance received		48,085	96,170	48,085
Net cash generated by financing activities		48,085	96,170	48,085
Net cash outflow for the period/year		(99,316)	1,430,936	(104,143)
Cash at beginning of period		1,737,569	306,633	306,633
Cash and cash equivalents at end of period/year		1,638,253	1,737,569	202,490

The notes on pages 11 to 28 form an integral part of these financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED 30 SEPTEMBER 2019

1. COMPANY INFORMATION

The London Central Portfolio Property Fund Limited (the "Company") is a Limited Company, registered in Guernsey on 25 October 2005 and is an Authorised Closed-Ended Investment Fund. The fund is listed on The International Stock Exchange (formerly the Channel Islands Securities Exchange).

The objective of the Company is to carry on business as an investment company specialising in property.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 ("FRS 102"). 'The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland'.

3. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with the applicable United Kingdom accounting standards, including FRS 102, the Companies (Guernsey) Law, 2008 and with the Protection of Investors (Bailiwick of Guernsey) Law, 1987. The consolidated financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for investment properties as specified in the accounting policies below.

The Group's functional and presentation currency is Sterling (£).

The Group financial statements consolidate the financial statements of London Central Portfolio Property Fund Limited and all its subsidiary undertakings (note 7(b)) drawn up to each reporting date.

4. GOING CONCERN

The Directors have prepared the consolidated financial statements on the going concern basis in view of the Group's access to a financing facility with its bankers, (note 15). The Board has negotiated an extension to the facility held with Al Rayan Bank Plc and the revised facility is not due to expire until 31st July 2023. The directors believe that demand for repayment of the finance facility is not expected to occur before its expiration date or if repayment is demanded, the Group would be able to refinance accordingly.

The Group expects to meet its obligations from operating cash flows and upon realisation of investments in the future.

In accordance with the Investment Memorandum dated 29 July 2015, for the London Central Portfolio Property Fund, the investment Period of the fund was established for a term of 5 years from that date with two annual extension options. The 5 year term is scheduled to come to an end on 29 July 2020. At the Annual General Meeting of Shareholders held on 4 December 2019 an ordinary resolution was passed to extend the Investment Period by the first of the two one-year extensions to 31st July 2021 as detailed in the Investment Memorandum.

5. SIGNIFICANT JUDGEMENTS AND ESTIMATES

Preparation of the consolidated financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

Fair value of investment properties
The Directors have relied on the valuations prepared by Belleveue Mortlakes ("the valuers") which provide the market value.

Sales will be realised in an organised manner, either as a whole or individually, whichever achieves the highest amount. Given the assumption that the properties would be sold as a whole, or individually, the valuers have not considered it appropriate to adjust the overall value for a block discount in the event that the portfolio was sold as as a whole. Equally, the valuers have ascribed no additional value to the possibility that there may be a premium achievable on the sale of an entire portfolio.

The value stated is on the basis of vacant possession. It has been assumed that in the majority of cases, vacant possession could be obtained within six months if required and that would depend upon the terms of the tenancies as they are renewed from time to time.

It has been assumed that where tenanted, properties will be disposed of in a condition suitable for marketing with the tenant having complied with repairing and dilapidations covenants.

The values stated do not account for the cost of realisation or tax.

The Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing.

The valuations have been based upon desktop valuation reports and have been inspected in the last year.

6 (a) For the accounting periods presented in these financial statements, the consolidated financial statements comprised the financial information for the Company and entities controlled by the Company (its subsidiaries London Central Limited and London Central II Limited, and their investments). The Company controls 100% of the voting rights of its subsidiaries. Control is achieved where the Company has the power to govern, directly or indirectly, the financial and operating policies of an investee entity so as to obtain benefit from its activities.

London Central Limited and London Central II Limited are property holding companies, which were first registered in Jersey and subsequently migrated to Guernsey on 17 February 2016, and were acquired as part of a restructure on 31 July 2015.

6. ACCOUNTING POLICIES (continued)

6 (b) INVESTMENT PROPERTY

Initial recognition:

Investment property is property held by the Group to earn rentals, rather than for:

i. Use in the production or supply of goods or services or for administrative purposes; or
ii. Sale in the ordinary course of business.

At initial recognition, Investment property is measured at its cost. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure such as legal and brokerage fees, property transfer taxes and other transaction costs.

Derecognition of investment property:

A property is transferred from investment property only when the property ceases to meet, the definition of investment property.

In accordance with FRS102, Section 16, Measurement After Recognition, Investment Property whose fair value can be measured reliably without undue cost or effort shall be measured at fair value at each reporting date. The Group carries out a valuation of its investment properties annually. Where an investment property is held on lease and the unexpired lease is less than 20 years, the total cost of the property is depreciated over the unexpired lease term on a straight line basis. The bank's appointed valuer, Belleveue Mortlakes, carried out desktop valuation reports of 19 of the properties as at 30 September 2019 and the remaining 19 were revalued based on the average revaluation of the propeties valued as at 30 September 2019 which was a valuation index of -1.12%. The valuation is in accordance with the Royal Institution of Chartered Surveyors' appraisal and valuation standars ("The Red Book") using the market value basis. Changes in the market values are recognised in the Statement of Comprehensive Income using the comparative method. The comparative method works on the principle that the value of one property may be derived by comparing it with prices achieved from transactions in similar properties.

6 (c) FURNITURE AND FITTINGS

Initial recognition:

The Group measures furniture and fittings at initial recognition at their cost. Cost includes the purchase price, any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Measurement after initial recognition:

The Group measures all fixtures and fittings after initial recognition using the cost model and furniture and fittings are measured at cost less accumulated depreciation and any accumulated impairment losses.

6. ACCOUNTING POLICIES (continued)

Depreciation of furniture and fittings is calculated on cost at a rate estimated to write off the cost of those assets by equal amounts each year over the expected useful life of those assets. The annual rate used for furniture and fittings is 20%.

Derecognition of fixtures and fittings:

The Group derecognises fixtures and fittings:

i. On disposal; or
ii. When no future economic benefits are expected from their use or disposal.

The Group recognises the gain or loss on the derecognition of fixtures and fittings in profit or loss when the items are derecognised.

6 (d) OPERATING LEASE

Operating leases relate to the investment properties owned by the company with lease terms of between 1 to 3 years, with an option to extend as may be agreed. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

6 (e) RENTAL INCOME

All properties are rented out under operating leases with rental income being accounted for on a straight line basis over the term of the lease.

6 (f) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Group's Statement of financial position when the Group becomes party to the contractual provisions of the instruments. The Group shall off-set financial assets and financial liabilities if the Group has a legally enforceable right to off-set the recognised amounts and interest and intends to settle on a net basis.

Financial Assets

The Group's financial assets fall into the categories discussed below, with the allocation depending to an extent on the purpose for which the asset was acquired. The Group has not classified any of its financial assets as held to maturity or as available for sale. Unless otherwise indicated, the carrying amounts of the Group's financial assets are a reasonable approximation of their fair values.

6. ACCOUNTING POLICIES (continued)

6 (f) FINANCIAL INSTRUMENTS (continued)

Finance and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through cash and cash equivalents, but also incorporate other types of contractual monetary assets. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. The effect of discounting on these consolidated financial statements is not considered to be material.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due. The amount of such a provision being the difference between the net carrying amount and present value of the future expected cash flows associated with the impaired receivable.

Cash and cash equivalents are carried at cost and consist of cash in hand and short term deposits in banks with an original maturity of three months or less.

Derecognition of financial assets

A financial asset (in whole or in part) is derecognised either:
- when the group has transferred substantially all the risk and rewards of ownership; or
- when it has transferred nor retained substantially all the risk and rewards and when it no longer has control over the asset or a portion of the asset; or
- when the contractual right to receive cash flow has expired.

Any gain or loss on derecognition is taken to the profit and loss account.

Financial liabilities

The Group's financial liabilities comprise other credits and accruals and finance payable which are classified as financial liabilities measured at amortised cost. Unless otherwise indicated, the carrying amounts of the Group's financial liabilities are a reasonable approximation of their fair values.

Financial liabilities measured at amortised cost

Other creditors and accruals and finance payable are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Derecognition of financial liabilities

A financial liability (in whole or in part) is de-recognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the profit and loss account.

6. ACCOUNTING POLICIES (continued)

6 (f) FINANCIAL INSTRUMENTS (continued)

Share capital

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Group's ordinary shares are classified as equity instruments. The Group is not subject to any externally imposed capital requirement.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction cost and other premiums or discounts) through the expected life of the financial asset or liability, or, where appropriate, a shorter period. As a Sharia compliant fund, the Group does not receive or pay interest, however in accordance with UK accounting principles, calculations for costs as described above may be made.

7 (a) BUSINESS COMBINATIONS

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

7 (b) INVESTMENT IN SUBSIDIARIES

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the Company (its subsidiaries, London Central Limited and London Central II Limited). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The group controls 100% of the voting rights of its subsidiaries.

The results of subsidiaries are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounts policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements of the parent company.

8. TAXATION

The company has elected to pay an annual exempt company fee in Guernsey that is presently £1,200.

The company is subject to UK Income Tax at the rate of 20% on its UK rental income less allowable management expenses. Based on the results, no liability to UK Income Tax arises for the period.

With effect from 1 April 2013, Non-UK resident companies may be subject to the Annual Tax on Enveloped Dwellings (ATED), and from 6 April 2013 to ATED Capital Gains Tax (ATEDCGT), in respect of UK residential property (each Single Dwelling Interest – SDI) valued at more than £2 million. The ATED regime is, from 1 April 2015, extended to UK residential properties (each SDI) of a lower value and will apply to properties with a market value of more than £1 million (and from April 2016 more than £500,000). For the purpose of the ATED the relevant valuation date is the later of 1 April 2017 and the date of acquisition.

However, relief from ATED applies where properties are let at arm's length on commercial terms, and that is the case in respect of this company. The company files annual Relief Declaration Returns (RDR) to claim the relief. Relief from ATED also extends to relief from ATEDCGT however ATEDCGT has been abolished by HMRC with effect from 6 April 2019.

With effect from 6 April 2015 the UK Capital Gains Tax (CGT) regime was extended. From that date disposals of UK residential property owned by a non-UK resident are subject to Non Resident Capital Gains Tax (NRCGT). This has wider application than the ATEDCGT, there is no minimum value for each UK residential property and there are limited reliefs. The NRCGT regime provides that tax is payable only on the amount of gain that accrues after 5 April 2015. However, relief from NRCGT was applicable where the non–UK resident is a company and one that is diversely owned, and that is the case in respect of this company. A NRCGT return is still required to be filed within 30 days of disposal of UK residential property.

For non-resident companies the NRCGT regime is also being replaced with effect from 6 April 2019. After this date non-resident companies will be required to account for Corporation Tax (currently 19%) on gains. This includes widely held companies that meet the definition of a Collective Investment Vehicle (CIV) unless it specifically makes an exemption election, It is the intention of the board to make an exemption election such that no Corporation Tax becomes chargeable on future gains.

With effect from 6 April 2017, the UK government introduced an extension to the scope of inheritance tax to all UK residential property, whether or not this is held by a company or an individual directly. This measure does not apply to widely held companies and so has no impact investors in this group.

9. PROPERTY EXPENSES

	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
Rates and insurance	1,419	29,628	1,555
Repairs and maintenance	36,573	131,382	67,221
Property management fees (Note 21)	95,906	220,954	105,276
Depreciation on furniture and fittings (Note 12)	22,035	49,986	23,785
Cleaning and service charges	71,615	143,313	63,010
	227,548	575,263	260,847

10. ADMINISTRATIVE EXPENSES

	(Unaudited) Six months ended 30 September 2019	(Audited) Year ended 31 March 2019	(Unaudited) Six months ended 30 September 2018
	£	£	£
Advisory fees (note 21)	178,699	357,399	178,699
Insurance	11,563	10,125	11,563
Sundry expenses	124	396	64
Bank charges	440	667	405
Administration fees (note 21)	23,750	47,500	23,750
Tax services	1,405	2,425	400
Directors fees	12,500	25,000	12,500
Audit fees	8,700	15,000	7,000
Legal and professional fees	11,593	77,486	27,474
Listing fees	2,959	2,500	2,959
Annual registration fees	769	1,500	750
Exempt tax fees (note 8)	600	1,200	600
	253,102	541,198	266,164

11. INVESTMENT PROPERTIES

	Leasehold investment properties	Freehold investment property	Total
	£	£	£
Valuation as at 1 April 2019	21,005,000	10,540,000	31,545,000
Licence costs	213	-	213
Deficit on revaluation	(203,315)	(108,438)	(311,753)
Valuation as at 30 September 2019	20,801,898	10,431,562	31,233,460

	Leasehold investment properties	Freehold investment property	Total
	£	£	£
Valuation as at 1 April 2018	26,164,820	12,066,570	38,231,390
Licence costs	27,674	-	27,674
Sale of property	(2,395,000)	-	(2,395,000)
Deficit on revaluation	(2,792,494)	(1,526,570)	(4,319,064)
Valuation as at 31 March 2019	21,005,000	10,540,000	31,545,000

11. INVESTMENT PROPERTIES (continued)

	Leasehold investment properties	Freehold investment property	Total
	£	£	£
Valuation as at 1 April 2018	26,164,820	12,066,570	38,231,390
Licence costs	16,603	9,456	26,059
Deficit on revaluation	(2,955,955)	(800,817)	(3,756,772)
Valuation as at 30 September 2018	23,225,468	11,275,209	34,500,677

At 30 September 2019 there was a legal charge registered over the Group's investment properties as security for the Group's bank finance (note 15). The value of the secured properties is £31,233,460. In accordance with FRS102, Section 16, Measurement after Recognition the Directors have based their assessment of open market values of the investment properties included in these financial statements on the independent professional desktop valuation carried out by the appointed valuer, Belleveue Mortlakes, acting as an external valuer, as at 30 September 2020. Half of the properties were revalued by Belleveue Mortlakes and the other half were revalued using the average revaluation of the properties valued as at 30 September 2020 which was a valuation index of -1.12%. The property valuations were carried out by Samir Faiad, Shaf Ali and Michael Yianni who are MRICS Registered Valuers. Leasehold investment properties comprise 27 leasehold properties, all with remaining terms in excess of 20 years. The 11 remaining properties are long leaseholds where the Group also holds a share in the freehold owning company, and accordingly these have been classed by the Directors as freehold. The historical cost of the properties is £30,776,783 (31 March 2019: £30,776,570; 2018: £33,169,956).

The valuers have carried out their valuation based on usual research and enquiries and had discussions with leading local agents and analysed the existing market commentaries and data in determining their opinion as to the applicable Market Value of the properties. Information has also been sourced from their internal records. Secondary evidence has also been drawn from properties which are on the market and have not yet legally exchanged contracts. In arriving at their opinion they have taken into account the location, size, specification and condition of the properties and have had to make adjustments to account for fluctuations within the market and other material factors.

12. FURNITURE AND FITTINGS

	(Unaudited) Six months ended 30 September 2019	(Audited) Year ended 31 March 2019	(Unaudited) Six months ended 30 September 2018
	£	£	£
COST			
Brought forward	380,958	380,958	380,958
Acquisition	-	-	-
Carried forward	380,958	380,958	380,958
ACCUMULATED DEPRECIATION			
Brought forward	(329,362)	(279,376)	(279,376)
Charge for the period	(22,035)	(49,986)	(23,785)
Carried forward	(351,397)	(329,362)	(303,161)
NET BOOK VALUE	29,561	51,596	77,797

13. OTHER SHORT TERM INVESTMENTS

Al Rayan Bank hold funds of £400,000 in a Blocked Security Deposit in the name of the Company as security in respect of the finance payments.

14. DEBTORS

	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
Cash held by Property Manager [1]	63,992	46,941	71,541
Prepayments	12,373	19,245	14,498
Amounts receivable from property manager	124,380	80,276	85,996
Unpaid share capital	2	2	2
	200,747	146,464	172,037

[1]This represents cash-floats retained by the Property Manager to cover sundry costs for each property as they arise.

15. FINANCE PAYABLE

	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
Al Rayan Bank	18,000,000	18,000,000	18,000,000
Unamortised finance cost	(80,142)	(128,227)	(176,312)
	17,919,858	17,871,773	17,823,688

Al Rayan granted a finance facility of £18,000,000 split between initial finance of £11,500,000 and additional finance of £6,500,000 effective from 29 July 2015. The initial finance of £11,500,000 was secured by 27 residential properties. A further £6,500,000 has been drawn down in respect of the purchase of 12 residential and 1 commercial property, the additional finance secured by these properties.

A new facility was approved on 20 January 2020 and will expire on 31 July 2023. The facility is for the lesser of £20,000,000 or 60% of the valuation (FTV) with a profit rate of 2.85% + 3 month Libor. An arrangement fee of £65,000 is payable which is equal to 0.25% of the Current Facility Amount and 1% of the increased amount.

An arrangement fee of £453,250 (2.5% plus liquidity fee) was payable from the initial drawdown and is being amortised over 5 years. Finance expense for the current period was £363,117 (31 March 2019: £703,670, 30 September 2018: £340,593).

16. OTHER CREDITORS AND ACCRUALS

	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
Advisory fees	357,399	178,699	446,748
Deferred income	151,523	138,441	138,243
Audit fee	17,200	16,000	8,000
Administration fees (note 21)	11,875	11,875	11,875
Directors fees	3,125	-	6,250
Property expenses	28,618	30,836	24,625
Professional fees	4,680	-	10,625
Other creditors	64	13,338	509
	574,484	389,189	646,875

17. SHARE CAPITAL

	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
Authorised			
100,000,000 ordinary shares of £0.01 each	1,000,000	1,000,000	1,000,000
Allotted and fully paid			
13,678,706 ordinary shares of £0.01 each	136,787	136,787	136,787

	(Unaudited) Six months ended 30 September 2019	(Audited) Year ended 31 March 2019	(Unaudited) Six months ended 30 September 2018
Ordinary shares			
At the beginning of the period/year	13,678,706	13,678,706	13,678,706
At the end of the period/year	13,678,706	13,678,706	13,678,706

Founder Shares

Holders of Founders Shares are not entitled to any dividends and do not have the right to receive notice of, attend, speak and vote at general meetings unless and until no Ordinary Shares are in issue. The Founder Shares may not be redeemed by the Company.

17. SHARE CAPITAL (continued)

Ordinary Shares

Holders of Ordinary Shares are entitled pari-passu to such dividends as the Directors may in their absolute discretion lawfully determine and declare and have the right to receive notice of, attend, speak and vote at general meetings of the Company. Subject to the provisions of the Companies (Jersey) Law, 1991 and the Company's Memorandum and Articles of Association, holders of Ordinary Shares may be redeemed by the Company. The Ordinary Shares may not be redeemed at the option of the holder.

17.1 RESERVES

Called-up share capital - represents the nominal value of shares that have been issued.

Share premium account - includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Retained income account - includes all current and prior period retained profits and losses.

18. SHARE PREMIUM ACCOUNT

	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
Brought forward	20,591,263	20,591,263	20,591,263
	20,591,263	20,591,263	20,591,263

19. EARNINGS/(LOSS) PER SHARE

The calculation of earnings per share is based on the loss for the period of £611,988 (31 March 2019: loss £5,343,574; 2018 loss of £4,080,802) divided by the weighted average number of ordinary shares in issue during the period of 13,678,706 (31 March 2019: 13,678,706: 2018: 13,678,706).

20. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of £15,007,679 (31 March 2019: £15,619,666; 2018: £16,882,438) and on the ordinary shares in issue of 13,678,706 (31 March 2019: 13,678,706: 2018: 13,678,706) at the balance sheet date.

21. RELATED PARTY TRANSACTIONS

Intertrust Fund Services (Guernsey) Limited are engaged by the Company as administrator pursuant to an Administrator Agreement. The Agreement provides that Intertrust Fund Services (Guernsey) Limited will receive fees on a time cost basis, subject to a minimum charge of £47,500 per annum, with respect to administration services. A total of £23,750 (31 March 2019: £47,500; 2018: £23,750) has been included in these accounts in respect of fees charged in accordance with this Agreement and £11,875 (31 March 2019: £11,875; 2018: £11,875) was outstanding at the Consolidated Statement of Financial position date.

The Company has appointed LCP Capital Investments Limited ("LCPCI") and London Central Portfolio Limited ("LCP") as Investment Advisors and Property Managers, respectively. Naomi Heaton is the Chief Executive Officer of LCPCI and LCP. A brief summary of the relevant contracts are as follows. All fees are subject to UK VAT.

Asset Advisors
LCP receives Acquisition Fees of 2% plus VAT of the price paid for each property acquired by the Company. During the period £ nil (31 March 2019: £nil; 2018: £nil) for Acquisition Fees was charged. LCPCI receive Advisory Fees equal to 1% per annum of the Portfolio value as at 31 March 2017, plus 1% of any further capital expenditure (property purchase price plus refurbishment monies), paid quarterly in arrears in respect of their duties to the Shareholders of the Company. During the period £178,699 for Advisory Fees was charged (31 March 2019: £357,399; 2018: £178,699).

At the end of the Investment Period LCP will be entitled to receive a performance fee of 20% of any return realised by the Fund in excess of the Performance Benchmark Objective IRR and return on equity invested.

No provision was made in these accounts in respect of performance fees which may be payable in the future.

Property Refurbishment and Furnishing
LCP will receive a fee of 10% of the refurbishment cost in respect of design specification and sourcing of contractor together with a fee of 15% of the furnishing and refurbishment cost for the project management of the works and interior design.

During the period property acquisition, refurbishment and furnishing expenditure amounted to £213 (inclusive of VAT) (31 March 2019: £27,674; 2018: £26,059) with nil (31 March 2019: £nil, 2018: £nil) outstanding at the period end.

Property Management
LCP receives a fee of 15% of gross rent received for each property. LCP also receives sundry additional fees for administration services on a 10% of cost basis and £95,905 (inclusive of VAT) (31 March 2019: £220,954; 2018: £105,276) has been included in these accounts in relation to these fees. A more detailed summary of these contracts is included in the Company's Prospectus.

22. CONTROLLING PARTY

The issued share capital of the Group is owned by numerous parties and, therefore, in the opinion of the Directors, there is no ultimate controlling party of the Group as defined by FRS102, Section 33, Related Party Disclosures.

23. FINANCIAL RISK MANAGEMENT

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Categories of financial instruments and fair values

The following table details the categories of financial assets and financial liabilities held by the Group at the reporting date:

	30 September 2019 Carrying amount £	31 March 2019 Carrying amount £	30 September 2018 Carrying amount £
Finance and receivables			
Cash at bank	1,638,253	1,737,568	202,491
Debtors	188,374	123,595	157,539
Other short term investment	400,000	400,000	400,000
	2,226,627	2,261,163	760,030
Financial liabilities at amortised cost			
Creditors and accruals	422,961	250,748	508,632
Finance payable	17,919,858	17,871,773	17,823,688
	18,342,819	18,122,521	18,332,320

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Whist the Company's principal market risk is exposure to London residential property prices, market risk comprises of three types of risk: market prices (price risk), foreign exchange (currency risk) and market interest rates (interest rate risk).

The Company operates in the UK and its investments are denominated in pounds sterling therefore the Directors are satisfied that the Company's exposure to foreign exchange risk is relatively low.

The Group is indirectly exposed to interest rate risk where the rate of profit payable on finance received is derived from variable market rates, however it is not exposed to price risk except for other short term investments, all other investments are non-financial assets. The Group's financial assets and liabilities which are subject to variable rates of profit receivable or payable expose it to risk associated with the effects of fluctuations in the prevailing levels of market rates on its financial position and cash flows.

23. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

The table below summarises the Group's exposure to such risks.

As at 30 September 2019	Not subject to profit receivable/ payable	Variable profit receivable/ payable	Fixed profit receivable/ payable	Total
Assets	**£**	**£**	**£**	**£**
Other short term investment	-	-	400,000	400,000
Cash at bank	1,638,253	-	-	1,638,253
Debtors	188,374	-	-	188,374
Total financial assets	1,826,627	-	400,000	2,226,627
Liabilities				
Finance payable	-	17,919,858	-	17,919,858
Creditors and accruals	422,961	-	-	422,961
Total financial liabilities	422,961	17,919,858	-	18,342,819

As at 31 March 2019	Not subject to profit receivable/ payable	Variable profit receivable/ payable	Fixed profit receivable/ payable	Total
Assets	**£**	**£**	**£**	**£**
Other short term investment	-	-	400,000	400,000
Cash at bank	1,737,568	-	-	1,737,568
Debtors	123,595	-	-	123,595
Total financial assets	1,861,163	-	400,000	2,261,163
Liabilities				
Finance payable	-	17,871,773	-	17,871,773
Creditors and accruals	250,748	-	-	250,748
Total financial liabilities	250,748	17,871,773	-	18,122,521

As at 30 September 2018	Not subject to profit receivable/ payable	Variable profit receivable/ payable	Fixed profit receivable/ payable	Total
Assets	**£**	**£**	**£**	**£**
Other short term investment	-	-	400,000	400,000
Cash at bank	202,490	-	-	202,490
Debtors	157,539	-	-	157,539
Total financial assets	360,029	-	400,000	760,029
Liabilities				
Finance payable	-	17,823,688	-	17,823,688
Creditors and accruals	508,632	-	-	508,632
Total financial liabilities	508,632	17,823,688	-	18,332,320

23. FINANCIAL RISK MANAGEMENT (continued)

Total finance cost on financial liabilities not at fair value through profit and loss

	(Unaudited) Six months ended 30 September 2019	(Audited) Year ended 31 March 2019	(Unaudited) Six months ended 30 September 2018
	£	£	£
Finance cost	(363,119)	(703,670)	(340,593)
	(363,119)	(703,670)	(340,593)

The above finance costs arises on financial liabilities measured at amortised cost using effective interest rate method.

For the Group, an increase in 100 basis points in finance costs, with all other variables remaining constant, would result in a loss of £162,816 (31 March 2019: loss of £161,342; 2018: loss of £176,212). A decrease in 100 basis points in finance costs, with all other variables remaining constant, would have an equal but opposite effect.

The sensitivity analyses above are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated - for example, change in profit rate and change in market values.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and other liquid assets and ensuring the availability of funding through an adequate amount of committed finance facilities.

The Group's current policy concerning the payment of creditors is to:
(a) agree the terms of payment with those suppliers when negotiating the terms of each transaction;
(b) ensure that those suppliers are made aware of the terms of payment by inclusion of the relevant terms
(c) pay in accordance with the Group's contractual and other legal obligations.

The table below details the contractual, undiscounted cash flows of the Group's financial liabilities.

As at 30 September 2019	Less than 3 month	3 months to 1 year	1 year to 5 years
	£	£	£
Finance payable	472,500	18,392,358	-
Creditors and accruals	422,961	-	-
Total	895,461	18,392,358	-

23. FINANCIAL RISK MANAGEMENT (Continued)

As at 31 March 2019	Less than 3 month	3 months to 1 year	1 year to 5 years
	£	£	£
Finance payable	157,500	472,500	19,170,000
Creditors and accruals	250,748	-	-
Total	408,248	472,500	19,170,000

As at 30 September 2018	Less than 3 month	3 months to 1 year	1 year to 5 years
	£	£	£
Finance payable	146,250	438,750	18,585,000
Creditors and accruals	508,632	-	-
Total	654,882	438,750	18,585,000

The Board of Directors manages the risk of breaches in finance covenants by regularly reviewing the level of finance in conjunction with property values. The review is carried out on a quarterly basis.

(c) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The carrying amounts of financial assets best represents the maximum credit risk exposure at the balance sheet date.

Principal counterparties are LCP as Property Manager and Al Rayan as Bankers. The financial position of LCP and the credit rating of Al Rayan are considered by the Board annually or sooner in the event of any cause for concern.

The Property Manager holds in escrow as at 30 September 2019, tenant rent deposits amounting to £152,332 (31 March 2019: £152,332; 2018: £152,332). These deposits are held as security for the tenants' performance under the tenancy agreements and have not been included in these financials statements as the Company has no right to these funds unless and until there is any default by any tenant under their tenancy agreement. There have been no defaults during the period (31 March 2019: nil; 2018: nil).

(c) Credit risk (continued)

Al Rayan bank is a reputable financial institution. While the Group has cash held by the bank, the credit risk is off-set by the fact that the Group owes the bank as disclosed in note 15.

23. FINANCIAL RISK MANAGEMENT (Continued)

At the reporting date, the Company's financial assets exposed to credit risk amounted to the following:

	(Unaudited) Six months ended 30 September 2019 £	(Audited) Year ended 31 March 2019 £	(Unaudited) Six months ended 30 September 2018 £
Cash and cash equivalents	1,638,253	1,737,568	202,490
Rent receivable from Property Manager (note 14)	124,380	80,276	85,996
Cash floats held by Property Manager (note 14)	35,901	18,850	43,450
Service charge deposits (note 14)	28,091	28,091	28,091
Total	1,826,625	1,864,785	360,027

24. SUBSEQUENT EVENTS

Revised facility terms with Al Rayan were approved by the board on 20 January 2020 and the revised facility is therefore anticipated to expire on 31 July 2023. The facility is for the lesser of £20,000,000 or 60% of the valuation (FTV) with a profit rate of 2.85% + 3 month Libor. An arrangement fee of £65,000 is payable.