

Company No: 7696904

OLIM PROPERTY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021



OLIM PROPERTY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

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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

15 Queen Anne's Gate
London
SW1H 9BU

Accountants

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

Solicitors

Shepherd+ Wedderburn
Octagon Point
5 Cheapside
London
EC2V 6AA

OLIM PROPERTY LIMITED

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year ended 30 June 2021.

Principal activity

The Company's principal 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	2021		2020	
	Dividend per share £	Total Dividend £	Dividend per share £	Total Dividend £
September	-	-	0.70	210,000
October	1.60	235,200	-	-
December	1.60	480,000	1.35	405,000
February	-	-	0.90	270,000
March	1.20	360,000	-	-
April	-	-	0.80	240,000
June	1.00	300,000	0.84	123,480
	<u>£5.40</u>	<u>£1,375,200</u>	<u>£4.59</u>	<u>£1,248,480</u>

Dividends totalling £244,800 (2020: £128,520) were waived by a shareholder 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

There are current uncertainties in the global economy related to the COVID-19 outbreak that emerged in early 2020, which has led to increased market volatility. The Directors have considered the uncertainties and possible impact on the business in the going concern accounting policy forming part of these 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

J C A Bassnett

Mrs J C A Bassnett

Secretary

Registered Office: 15 Queen Anne's Gate
London
SW1H 9BU

28th September 2021

OLIM PROPERTY LIMITED

STRATEGIC REPORT

The directors submit their strategic report for the year ended 30 June 2021.

Business review and future developments

The Company has had another busy and, in the circumstances of COVID, successful year. Funds under management were £1,170 million at 30 June 2021 (£1,069 million at 30 June 2020). We took over the management of the whole Value and Indexed Property Income Trust PLC (VIP) portfolio in March when OLIM Limited ceased trading.

The portfolios we manage are busy purchasing further properties let on long leases to strong tenants to take advantage of their high yield margin over conventional and index-linked bonds, while actively managing and adding value to existing properties through lease extensions, improvements and rent reviews. All the 181 properties under our management were fully let at the year end.

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

Since March 2020, for the first time, well-funded tenants have been given carte blanche by Government not to pay their rent. We still collected 99% of all rents due over the year. We have transformed our management team over the past four years with four highly experienced additions – two property investment managers, a property investment analyst and VIP's equity investment manager. They have excelled throughout the crisis in working with tenants to secure and improve rental income. 59 leases were renegotiated in our clients' favour during the year, maintaining our portfolios' weighted average unexpired lease length at 15 years.

Delivering more outstanding capital and income performance for existing portfolios remains our top priority; we also offer our services to new institutional clients. Our distinctive long, strong-indexed property income should be in ever stronger demand as inflation rises after the pandemic.

Section 172 (1) statement

The Directors act in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of the members as a whole, and in doing so have regard, (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, clients and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The following summarises how the Directors fulfil this duty:

The likely consequences of any decision in the long term

There are four scheduled board meetings in the year, where the Board reviews the Company's performance against its business plan as set out in its budget. The budget is approved by the Board on an annual basis. In making decisions concerning the budget, the Board has regard to other matters such as the interests of its various stakeholders and the long term impact of its actions on the Company's future and reputation.

Employees

The Company operates out of one location where employees are in regular communication with the Directors, due to the Directors being involved in the day-to day management of the business. During the course of Covid-19 regular video conference team meetings have been held where office attendance was impossible.

All employees participate in a discretionary bonus scheme as an incentive for long term commitment to the Company and its clients.

OLIM PROPERTY LIMITED

STRATEGIC REPORT (continued)

Business relationships with suppliers, clients and others

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 35 years.

The Company looks to maintain a positive and open relationship with its regulator, the Financial Conduct Authority.

Community and the environment

The Directors have always taken care to adopt a responsible approach to property investment, taking environmental and social responsibility and governance fully into account. We believe that approach protects and enhances the returns we achieve for our clients and minimises portfolio risk. Further details can be found in the Company's ESG statement on our website.

High standards of business conduct

The Company's expectations of standards of conduct are recorded in a manual which all employees are required to confirm they have reviewed each year and this forms an integral part of setting expectations.

Act fairly as between members of the Company

The Board seeks to behave in a responsible manner towards its two shareholders who are represented on the Board by M A Oakeshott.

Key performance indicators

The Company operates a simple business model with its only revenue being the fees from assets managed on behalf of clients, plus a small amount of rental income from sub-let office space reducing its total property costs. 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

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
28th September 2021

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.

OLIM PROPERTY LIMITED

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 2021 which comprise statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, including 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 2021 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

OLIM PROPERTY LIMITED

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

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 or 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 6, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

OLIM PROPERTY LIMITED

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

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud, as defined in ISA 250B: having obtained an understanding of the effectiveness of the control environment.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and inspecting correspondence with the tax authorities.

The most significant laws and regulations that have an indirect impact on the financial statements are the rules and principles set by the Financial Conduct Authority (FCA) as regulator for the financial services industry in the UK. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these laws and regulations. We inspected compliance documentation, including but not limited to, internal procedures' manuals, risk and breaches registers, regulatory returns and correspondence with the FCA as well as considering compliance with the conditions for authorisation and other regulatory obligations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

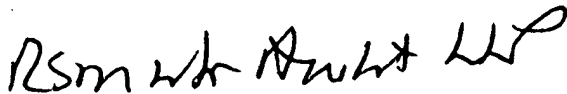
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

OLIM PROPERTY LIMITED

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

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.



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

Date: 28 September 2021

OLIM PROPERTY LIMITED**STATEMENT OF COMPREHENSIVE INCOME.****FOR THE YEAR ENDED 30 JUNE 2021**

	<i>Notes</i>	2021 £	2020 £
Turnover	3	3,779,343	3,743,295
Administrative expenses		(2,010,144)	(1,845,117)
Operating profit		<u>1,769,199</u>	<u>1,898,178</u>
Interest receivable and similar income		3,925	6,150
Profit before taxation	4	<u>1,773,124</u>	<u>1,904,328</u>
Tax on profit	6	(340,000)	(358,866)
Profit after taxation and profit for the financial year		<u><u>£1,433,124</u></u>	<u><u>£1,545,462</u></u>

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

OLIM PROPERTY LIMITED

Company Number 7696904

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	<i>Notes</i>	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	7		7,931		12,308
Current assets					
Debtors	8	633,854		617,929	
Cash at bank and in hand		1,674,331		1,521,460	
		<u>2,308,185</u>		<u>2,139,389</u>	
Creditors: Amounts falling due within one year	9	(1,240,781)		(1,116,953)	
Net current assets			<u>1,067,404</u>		<u>1,022,436</u>
Total assets less current liabilities			<u>1,075,335</u>		<u>1,034,744</u>
Creditors: Amounts falling due after more than one year	10		(188,197)		(205,530)
Net assets			<u>£887,138</u>		<u>£829,214</u>
Capital and reserves					
Called up share capital	12		300,000		300,000
Profit and loss account	13		587,138		529,214
Total equity			<u>£887,138</u>		<u>£829,214</u>

The financial statements on pages 11 to 24 were approved by the board of directors and authorised for issue on 28th September 2021 and are signed on its behalf by:



M A Oakeshott
Director

OLIM PROPERTY LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 30 June 2019		£300,000	£232,232	£532,232
Year ended 30 June 2020:				
Profit and total comprehensive income for the year		-	1,545,462	1,545,462
Dividends	14	-	(1,248,480)	(1,248,480)
Balance at 30 June 2020		£300,000	£529,214	£829,214
Year ended 30 June 2021:				
Profit and total comprehensive income for the year		-	1,433,124	1,433,124
Dividends	14	-	(1,375,200)	(1,375,200)
Balance at 30 June 2021		£300,000	£587,138	£887,138

OLIM PROPERTY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	<i>Notes</i>	2021 £	2020 £
Operating activities			
Cash generated from operations	16 (a)	1,885,422	2,248,664
Income taxes paid		(358,094)	(356,871)
Net cash from operating activities		<u>1,527,328</u>	<u>1,891,793</u>
Investing activities			
Interest received		3,925	6,150
Payments to acquire tangible fixed assets		(3,182)	(2,864)
Net cash from investing activities		<u>743</u>	<u>3,286</u>
Financing activities			
Dividends paid		(1,375,200)	(1,248,480)
Net cash used in financing activities		<u>(1,375,200)</u>	<u>(1,248,480)</u>
Net increase in cash and cash equivalents	16(b)	<u>152,871</u>	<u>646,599</u>
Cash and cash equivalents at beginning of the year		1,521,460	874,861
Cash and cash equivalents at end of the year		<u>£1,674,331</u>	<u>£1,521,460</u>

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

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 15 Queen Anne's Gate, London, SW1H 9BU.

The Company's principal activity 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

At the time of approving the financial statements, the directors expect that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements. In coming to this conclusion the Directors' have considered the current Coronavirus pandemic and the Company's ability to transact and grow the business and the impact on asset values.

The Company has operated in accordance with Government guidelines during the year, closing its office, moving all operations to remote working initially and then moving progressively to a hybrid working model.

The Coronavirus outbreak does affect the Company, but we have been relatively resilient so far due to our size, cohesion and network of long standing trusted advisors. The Company has not taken advantage of any of the business support packages being offered by the UK Government.

Current trading remains healthy and the Company expects to remain profitable during the current financial period and foreseeable future. In considering this the Directors have reviewed the expected outcome for a period of greater than one year from the approval of these 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.

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies (continued)

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
Fixtures and fittings	-	20% / 33% per annum

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.

Rental income from assets leased under operating leases is recognised on a straight line basis over the term of the lease.

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.

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2021

I. Accounting policies (continued)

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.

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 2021

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

	2021	2020
	£	£
Profit before taxation is stated after charging/(crediting):		
Auditor's remuneration - audit services	13,350	14,500
- non-audit services	6,990	5,255
Depreciation	7,559	8,458
Operating lease rental payable	242,667	242,667
Operating lease rental receivable	(139,163)	(131,371)
	<u> </u>	<u> </u>

Non-audit services provided by associated businesses of the Company's auditor relate to tax compliance and accounting services £4,825 (year ended 30 June 2020: £3,500) and payroll services £2,165 (year ended 30 June 2020: £1,755).

5. Employees and directors

	£	£
Staff costs including executive directors during the year amounted to:-		
Wages and salaries	1,315,050	1,157,317
Social security costs	170,979	148,008
Pension contributions	69,500	67,218
	<u>£1,555,529</u>	<u>£1,372,543</u>
	<u> </u>	<u> </u>
The average monthly number of employees during the year, including directors was:-	No.	No.
Office and management	9	9
	<u> </u>	<u> </u>

OLIM PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 JUNE 2021****5. Employees and directors (continued)**

	2021	2020
	£	£
Directors' emoluments		
Remuneration (including fees)	625,800	560,000
Pension contributions	15,000	15,000
Total emoluments	<u>£640,800</u>	<u>£575,000</u>

	2021	2020
	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>
------------------------	----------	----------

	2021	2020
	£	£
The remuneration of the highest paid director was:		

Remuneration	400,800	335,000
Pension contributions	15,000	15,000
	<u>£415,800</u>	<u>£350,000</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 £723,999 (2020: £648,691), including employer's national insurance of £83,199 (2020: £73,691).

6. Taxation on profit

	2021	2020
	£	£
UK corporation tax on profits of current year	340,906	365,000
Over provision in previous year	(906)	(6,134)
Tax on profit	<u>£340,000</u>	<u>£358,866</u>

OLIM PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 JUNE 2021****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:

	2021 £	2020 £
Profit before tax	£1,773,124	£1,904,328
Profit multiplied by the standard rate of corporation tax in the UK applying to the year of 19% (2020: 19%)	336,894	361,822
Effects of:		
Expenses not deductible for tax purposes	3,181	2,473
Timing differences not recognised as a deferred tax liability	831	705
Over provision in previous year	(906)	(6,134)
Tax charge for the year	£340,000	£358,866

At 30 June 2021 the Company had a deferred tax liability of £1,507 (2020: £2,338). 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 19% (2020: 19%):

	2021 £	2020 £
Fixed asset timing differences	£1,507	£2,338

OLIM PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2021

7. Tangible fixed assets	Computer equipment £	Fixtures & fitting £	Total £
Cost			
At 1 July 2020	30,006	7,009	37,015
Additions in the year	3,182	-	3,182
At 30 June 2021	<u>£33,188</u>	<u>£7,009</u>	<u>£40,197</u>
Depreciation			
At 1 July 2020	21,654	3,053	24,707
Charge for the year	6,203	1,356	7,559
At 30 June 2021	<u>£27,857</u>	<u>£4,409</u>	<u>£32,266</u>
Net book value			
At 30 June 2021	<u>£5,331</u>	<u>£2,600</u>	<u>£7,931</u>
At 30 June 2020	<u>£8,352</u>	<u>£3,956</u>	<u>£12,308</u>
8. Debtors		2021 £	2020 £
Amounts falling due within one year:			
Prepayments and accrued income		633,854	617,929
		<u>£633,854</u>	<u>£617,929</u>
9. Creditors: Amounts falling due within one year		2021 £	2020 £
Corporation tax		162,906	181,000
Other taxation and social security costs		175,563	170,551
Accruals and deferred income		902,312	765,402
		<u>£1,240,781</u>	<u>£1,116,953</u>
10. Creditors: Amounts falling due after more than one year		2021 £	2020 £
Accruals and deferred income		188,197	205,530
		<u>£188,197</u>	<u>£205,530</u>

OLIM PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 JUNE 2021**

11. Financial instruments	2021	2020
	£	£
Financial assets:		
Debt instruments measured at amortised cost	<u>523,922</u>	<u>495,655</u>
Total	<u>£523,922</u>	<u>£495,655</u>
Financial liabilities:		
Measured at amortised cost	<u>848,252</u>	<u>712,286</u>
Total	<u>£848,252</u>	<u>£712,286</u>

12. Share capital	Ordinary shares of £1 each
Allotted, called up and fully paid: As at 1 July 2020 and 30 June 2021	<u>300,000</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	2021	2020
	£	£
Paid:		
Interim ordinary dividends of £5.40 (year ended 30 June 2020: £4.59) per share	<u>£1,375,200</u>	<u>£1,248,480</u>

Dividends totaling £244,800 (2020: £128,520) were waived by a shareholder during the year.

OLIM PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 JUNE 2021****15. Operating lease commitments****The Company as a lessee:**

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

	2021 £	2020 £
Amounts due:		
Less than one year	260,000	260,000
Between one and five years	1,040,000	1,040,000
After more than five years	1,782,247	2,042,247
	<u>£3,082,247</u>	<u>£3,342,247</u>

The Company as a lessor:

At 30 June the Company had contracted with tenants, under non-cancellable operating leases, for the following minimum lease payments:

	2021 £	2020 £
Amounts due:		
Less than one year	141,794	139,012
Between one and five years	267,161	408,939
	<u>£408,955</u>	<u>£547,951</u>

The rentals receivable and payable are subject to periodic review.

16. Statement of cash flows**(a) Reconciliation of profit after tax to net cash generated from operations**

	2021 £	2020 £
Profit after tax	1,433,124	1,545,462
Depreciation of tangible assets	7,559	8,458
Interest receivable	(3,925)	(6,150)
Taxation	340,000	358,866
Operating cash flows before movements in working capital	1,776,758	1,906,636
(Increase) / decrease in trade and other debtors	(15,925)	181,167
Increase in creditors	124,589	160,861
Cash generated from operations	<u>£1,885,422</u>	<u>£2,248,664</u>

OLIM PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 JUNE 2021****16. Statement of cash flows**

(b) Analysis of changes in net debt	1 July 2020 £	Cash flows £	30 June 2021 £
Cash at bank and in hand	1,521,460	152,871	1,674,331

17. Control

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

18. Related party transactions

The Company acts as investment manager to Value and Indexed Property Income Trust PLC. Until 1 April 2019 Mr MA Oakeshott, a director of the Company, sat on the Board of Value and Indexed Property Income Trust PLC, as investment director. On 10 September 2020, Mr MA Oakeshott was appointed as a non-executive director of Value and Indexed Property Income Trust PLC. Fees received from Value and Indexed Property Income Trust PLC for the provision of investment management services were £588,686 (2020: £411,913). At 30 June 2021 the amount owed to the Company by Value and Indexed Property Income Trust PLC was £87,687 (2020: £34,292).

During the year the Company charged Aubrey Investments Limited, a company controlled by Mr MA Oakeshott, for administrative services, including use of property. At 30 June 2021 the Company was owed £nil by Aubrey Investments Limited (2020: £33,600). 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 (2020: £17,333), and £188,197 within Creditors: amounts falling due after more than one year (2020: £205,530). Rent paid in respect of the property and included in the statement of comprehensive income for the year totals £260,000 (2020: £260,000). At 30 June 2021 the Company had prepaid rent of £65,000 (2020: £65,000), which is included in prepayments and accrued income.

During the year ended 30 June 2021, the Company paid dividends to Mr MA Oakeshott, a director of the Company, totalling £581,400 (2020: £573,750). Dividends were also paid to AIL Pension Scheme, of which Mr MA Oakeshott is a beneficiary, totalling £793,800 (2020: £674,730).

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 (2020: £nil) in respect of bad debts from related parties. There are no provisions for uncollectible receivables related to the amounts outstanding.