

Company Registration No. 00661782 (England and Wales)

DAVSTONE (HOLDINGS) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
PAGES FOR FILING WITH REGISTRAR

DAVSTONE (HOLDINGS) LIMITED

COMPANY INFORMATION

Directors	D.J. Goldstone J. L. Goldstone D. A. Riza I. I. C. Goldstone K.E. Dewar
Company number	00661782
Registered office	4 Grosvenor Hill Court 15 Bourdon Street London W1K 3PX
Accountants	Westbury 2nd Floor 145-157 St John Street London EC1V 4PY

DAVSTONE (HOLDINGS) LIMITED

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DAVSTONE (HOLDINGS) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£	£
Profit/(loss) for the year	103,551	(234,743)
Other comprehensive income		
Revaluation of tangible fixed assets	(356,615)	-
Total comprehensive income for the year	<u>(253,064)</u>	<u>(234,743)</u>

DAVSTONE (HOLDINGS) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	3	9,152,675	11,132,065
Investments	4	2	2
		<u>9,152,677</u>	<u>11,132,067</u>
Current assets			
Debtors	6	-	7,097
Cash at bank and in hand		41,065	272,940
		<u>41,065</u>	<u>280,037</u>
Creditors: amounts falling due within one year	7	<u>(6,251,933)</u>	<u>(8,217,232)</u>
Net current liabilities		<u>(6,210,868)</u>	<u>(7,937,195)</u>
Total assets less current liabilities		<u>2,941,809</u>	<u>3,194,872</u>
Creditors: amounts falling due after more than one year	8	<u>(3,930,000)</u>	<u>(3,930,000)</u>
Net liabilities		<u>(988,191)</u>	<u>(735,128)</u>
Capital and reserves			
Called up share capital	9	300,000	300,000
Revaluation reserve	10	3,296,470	3,653,085
Profit and loss reserves		<u>(4,584,661)</u>	<u>(4,688,213)</u>
Total equity		<u>(988,191)</u>	<u>(735,128)</u>

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

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

DAVSTONE (HOLDINGS) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2016

The financial statements were approved by the board of directors and authorised for issue on 28 July 2017 and are signed on its behalf by:

D.J. Goldstone
Director

Company Registration No. 00661782

DAVSTONE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Davstone (Holdings) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 Grosvenor Hill Court, 15 Bourdon Street, London, W1K 3PX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Davstone (Holdings) Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

Due to the continuing support of the directors and shareholders, the directors believe that it is appropriate to prepare these accounts on a going concern basis.

1.3 Turnover

Turnover represents rent receivable less expenses.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets include investment properties valued by the directors, on an existing use open market value basis. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Investment properties

Fixtures, fittings & equipment

25% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

DAVSTONE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Equity instruments

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

DAVSTONE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2015 - 2).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2016	11,125,000	164,361	11,289,361
Additions	-	1,523	1,523
Disposals	(1,975,000)	(44,500)	(2,019,500)
At 31 December 2016	9,150,000	121,384	9,271,384
Depreciation and impairment			
At 1 January 2016	-	157,296	157,296
Depreciation charged in the year	-	5,913	5,913
Eliminated in respect of disposals	-	(44,500)	(44,500)
At 31 December 2016	-	118,709	118,709
Carrying amount			
At 31 December 2016	9,150,000	2,675	9,152,675
At 31 December 2015	11,125,000	7,065	11,132,065

4 Fixed asset investments

	2016 £	2015 £
Investments	2	2

DAVSTONE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

4 Fixed asset investments (Continued)

Movements in fixed asset investments

Shares in group undertakings

£

Cost or valuation

At 1 January 2016 & 31 December 2016

2

Carrying amount

At 31 December 2016

2

At 31 December 2015

2

5 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Davstone (Investments) Ltd	England	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Davstone (Investments) Ltd	(485)	(1,801,982)

6 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Other debtors	-	7,097

DAVSTONE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	98,307	2,105,253
Other taxation and social security	4,455	4,466
Other creditors	6,149,171	6,107,513
	<u>6,251,933</u>	<u>8,217,232</u>

Other creditors includes a shareholders' loan of £4,715,426 (2015: £4,715,426) and a loan from a related party trust of £568,710 (2015: £568,710).

The bank loans are secured by a first legal charge over the investment property and by a floating charge over the assets and a guarantee by the director, D.J. Goldstone.

8 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	<u>3,930,000</u>	<u>3,930,000</u>

9 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
1,500,000 Ordinary Shares of 10p each	150,000	150,000
1,500,000 Deferred Ordinary Shares of 10p each	150,000	150,000
	<u>300,000</u>	<u>300,000</u>

10 Revaluation reserve

	2016 £	2015 £
At beginning of year	3,653,085	3,653,085
Revaluation surplus arising in the year	(356,615)	-
	<u>3,296,470</u>	<u>3,653,085</u>

11 Related party transactions

DAVSTONE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

11 Related party transactions

(Continued)

Davstone (Investments) Ltd is a wholly owned subsidiary of the company. During the year the company paid expenses of £485 (2015 : £485) on behalf of the subsidiary. At the year end the subsidiary owed £1,801,983(2015: £1,801,498) to the company. Full provision has been made in the company's accounts against this debt.

As part of the bank loan facility, the company's bank borrowings totalling £4,333,260 were transferred for £1 to the shareholders in 1997. In 2001 further bank borrowings of £382,166 were transferred to the shareholders for £1, bringing the shareholders' loan to a total of £4,715,426 (Note 9 refers).

The loan of £568,710 (2015: £568,710) from D.J. Goldstone 2005 Trust which was set up by D.J. Goldstone (Note 9). The company paid interest of £14,218 (2015: £14,218).

At the year end D.J. Goldstone has a current account owed to him of £834,816 (2015: £771,596).

D.J. Goldstone has given guarantees and assignment of a £250,000 bond for the bank loans totalling £6,030,000 plus interest and other liabilities as detailed in the Bank Facility Agreement.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.