

STANDARD SECURITIES LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2020

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STANDARD SECURITIES LIMITED

COMPANY INFORMATION

Directors	Mr D A Dangoor Mr M A J Dangoor Mr E B V Dangoor
Secretary	Mr E B V Dangoor
Company number	00979400
Registered office	4 Carlos Place Mayfair London W1K 3AW
Auditor	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB United Kingdom

STANDARD SECURITIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2020

The directors present their annual report and financial statements for the year ended 31 May 2020.

Principal activities

The principal activity of the company continued to be that of property investment.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were, unless otherwise stated, as follows:

Mr D A Dangoor
Mr M A J Dangoor
Mr E B V Dangoor

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Covid-19 and Going Concern

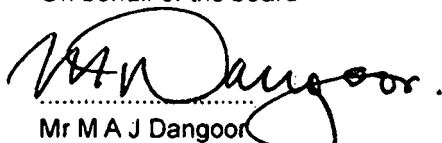
The World Health Organisation declared the COVID-19 outbreak a health emergency on 30 January 2020 and a global pandemic on 11 March 2020.

The directors have actively engaged in liquidity management and dialogue with tenants to ensure the financial management of the Company throughout the pandemic.

Further information regarding the directors assessment of the going concern basis of preparation of the accounts is detailed in the accounting policies on page 8.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board


Mr M A J Dangoor
Director

Date: 26/05/2021

STANDARD SECURITIES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MAY 2020

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

Company law requires the 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 period. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STANDARD SECURITIES LIMITED

Opinion

We have audited the financial statements of Standard Securities Limited (the 'company') for the year ended 31 May 2020 which comprise the income statement, the statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2020 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.

Emphasis of matter - valuation of investment properties

We draw attention to note 8 of the financial statements which describes the valuation of investment properties stated at £58.7m (2019: £57.1m) in the statement of financial position. Note 8 indicates that the valuation of these investment properties are made on the basis of material valuation uncertainty due to the economic uncertainty caused by the COVID-19 (Coronavirus) pandemic. Given the unpredictable nature and impact of the COVID-19 outbreak the directors are unable to predict the full extent of the impact with regards to the value of the investment properties and the investment properties may be adversely impacted. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STANDARD SECURITIES 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STANDARD SECURITIES 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.

RSM UK Audit LLP

Euan Banks FCA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

United Kingdom

26 May 2021

STANDARD SECURITIES LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MAY 2020


	Notes	2020 £	2019 £
Turnover		2,855,923	2,870,028
Cost of sales		(236,442)	(274,890)
Gross profit		2,619,481	2,595,138
Administrative expenses		(185,434)	(160,121)
Other operating income		13,172	187,474
Operating profit		2,447,219	2,622,491
Interest receivable and similar income	4	340,329	214,945
Interest payable and similar expenses		(9,793)	-
Loss on sale of investment property		-	(199,010)
Impairment losses	6	(1,600,000)	-
Fair value gains and losses on investment properties	8	1,650,000	3,864,448
Profit before taxation		2,827,755	6,502,874
Tax on profit	5	(874,139)	(1,203,527)
Profit for the financial year		1,953,616	5,299,347

STANDARD SECURITIES LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MAY 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	7	55,454		62,814	
Investment properties	8	58,740,000		57,090,000	
Investments	9	400,000		2,000,000	
		<u>59,195,454</u>		<u>59,152,814</u>	
Current assets					
Debtors	10	13,056,667	7,254,350		
Cash at bank and in hand		98,773	3,839,657		
		<u>13,155,440</u>	<u>11,094,007</u>		
Creditors: amounts falling due within one year	11	<u>(347,030)</u>	<u>(1,070,270)</u>		
Net current assets		<u>12,808,410</u>		<u>10,023,737</u>	
Total assets less current liabilities		<u>72,003,864</u>		<u>69,176,551</u>	
Provisions for liabilities	12	<u>(5,846,877)</u>		<u>(4,973,180)</u>	
Net assets		<u><u>66,156,987</u></u>		<u><u>64,203,371</u></u>	
Capital and reserves					
Called up share capital		100		100	
Fair value reserve	14	28,386,843		27,576,381	
Profit and loss reserves	14	37,770,044		36,626,890	
Total equity		<u><u>66,156,987</u></u>		<u><u>64,203,371</u></u>	

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

The financial statements were approved by the board of directors and authorised for issue on 26/05/2021 and are signed on its behalf by:


 Mr M A J Dangoor
 Director

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

Company information

Standard Securities Limited is a private company limited by shares, and is registered and incorporated in England and Wales. The registered office is 4 Carlos Place, Mayfair, London, W1K 3AW.

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 and under the historical cost convention, modified to include investment properties held at fair value. 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 principal accounting policies adopted are set out below.

Going concern

Given the uncertainties resulting from the impact of Covid-19 on the economic environment in which the Company operates, the directors have considered the appropriateness of adopting the going concern basis of preparing the financial statements of the year ended 31 May 2020.

The directors have, at the time of approving the financial statements, the reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of signing these financial statements, and therefore, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover represents the rental income for the year, net of VAT.

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 recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings and equipment	15% reducing balance
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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.

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Investment properties

Investment properties (including properties held under an operating lease) are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available. Changes in fair value are recognised in profit or loss.

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies (Continued)

Fixed asset investments

Other fixed asset investments are initially recorded at transaction price and subsequently measured at cost less impairment.

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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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 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 trade and other debtors and amounts due from group undertakings, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies (Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities and equity

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 trade and other creditors and bank loans, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

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

Equity instruments

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

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

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 the net basis or to realise the asset and settle the liability simultaneously.

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies (Continued)

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

For investment properties measured at fair value (except investment property with a limited useful life held by the group to consume substantially all of its economic benefit), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Leases

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

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Fair value of investment properties

The company carries its investment properties at fair value, with changes in fair value being recognised in profit and loss account. The company engaged independent valuation specialists to determine fair value at 31 May 2020. The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the company determines the amount within a range of reasonable fair value estimates.

Recoverability of fixed asset investments

The company has fixed assets investments in unlisted securities. The directors review the investment holdings for impairment on an annual basis and take in to consideration the profitability and future forecasts of the underlying entities. As the investments are in unlisted securities, the directors exercise their judgement in considering whether they consider an investment to be recoverable as at the balance sheet date.

Provisions

The company has recognised provisions in its financial statements, which require management to make judgements. The judgements, estimates and associated assumptions necessary to assess the recoverability of these balances are based on historical experience and other reasonable factors.

3 Employees

There were no employees during the current or prior year.

4 Interest receivable and similar income

	2020 £	2019 £
Interest receivable and similar income includes the following:		
Interest receivable from group companies	332,830	190,377
Other interest received	7,499	24,568
	<u>340,329</u>	<u>214,945</u>

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

5 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	-	427,295
Adjustments in respect of prior periods	442	235,520
Total current tax	442	662,815
Deferred tax		
Origination and reversal of timing differences	300,173	785,197
Changes in tax rates	583,863	-
Adjustment in respect of prior periods	(10,339)	(244,485)
Total deferred tax	873,697	540,712
Total tax charge	874,139	1,203,527

6 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2020 £	2019 £
In respect of:			
Fixed asset investments	9	1,600,000	-

An impairment loss of £1.6m has been recognised against the company's unlisted investments based on the directors' estimate of the recoverable amount as at the balance sheet date.

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

7 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 June 2019	274,876
Additions	2,428
	<hr/>
At 31 May 2020	277,304
	<hr/>
Depreciation and impairment	
At 1 June 2019	212,062
Depreciation charged in the year	9,788
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At 31 May 2020	221,850
	<hr/>
Carrying amount	
At 31 May 2020	55,454
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At 31 May 2019	62,814
	<hr/>

8 Investment property

	Freehold investment properties £	Leasehold investment properties £	Total £
Fair value			
At 1 June 2019	43,785,000	13,305,000	57,090,000
Revaluations	1,445,000	205,000	1,650,000
	<hr/>	<hr/>	<hr/>
At 31 May 2020	45,230,000	13,510,000	58,740,000
	<hr/>	<hr/>	<hr/>

Investment property comprises freehold and leasehold property. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 May 2020 by Robert Mitchell MRICS Chartered Surveyor, who are not connected with the company. The valuation was made on a fair value basis by reference to market evidence of transaction prices for similar properties. In the view of the economic uncertainty due to the COVID-19 virus causing a global pandemic the independent valuer has reported valuations on the basis of 'material valuation uncertainty' as per VPS3 and VPGA10 of the RICS Red Book Global. Consequently, less certainty and a higher degree of caution should be attached to the valuation. Given the unpredictable nature of the COVID-19 outbreak the Company's investment properties may be adversely affected by the ongoing pandemic.

If the investment property held at 31 May 2020 was stated on a historical cost basis rather than a fair value basis, the carrying value would have been £23,823,438 (2019: £23,823,438).

A bank loan of the parent company, Monopro Limited, is secured by way of a fixed charge held over certain properties by the borrower.

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

9 Fixed asset investments

	2020 £	2019 £
Investments	400,000	2,000,000

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation At 1 June 2019 & 31 May 2020	2,000,000
Impairment At 1 June 2019	-
Impairment losses	1,600,000
At 31 May 2020	1,600,000
Carrying amount At 31 May 2020	400,000
At 31 May 2019	2,000,000

10 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	195,529	122,402
Amounts owed by group undertakings	12,476,246	6,818,710
Other debtors	384,892	313,238
	13,056,667	7,254,350

11 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	36,682	74,032
Corporation tax	-	662,373
Other creditors	310,348	333,865
	347,030	1,070,270

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

12 Provisions for liabilities

		2020 £	2019 £
Deferred tax liabilities	13	5,846,877	4,973,180

13 Deferred taxation

The following is the analysis of the deferred tax balances for financial reporting purposes:

Balances:	Liabilities 2020 £	Liabilities 2019 £
Accelerated capital allowances	295,039	260,880
Investment properties	5,551,838	4,712,300
	<u>5,846,877</u>	<u>4,973,180</u>

Movements in the year:	2020 £
Liability at 1 June 2019	4,973,180
Charge to profit or loss	873,697
Liability at 31 May 2020	<u>5,846,877</u>

14 Reserves

	Fair value reserve £	Profit and loss reserves £
At the beginning of the year	27,576,381	36,626,890
Profit for the year	-	1,953,616
Transfer between reserves	810,462	(810,462)
At the end of the year	<u>28,386,843</u>	<u>37,770,044</u>

STANDARD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

15 Related party transactions

At the year end £10,648 (2019: £10,648) was owed to the company by Sigma 2004 Ltd, a Jersey based trust in the name of two of the directors children.

The company owns the freehold property of which a charitable organisation with common trustees is a tenant. Peppercorn rent was received from the charitable organisation during the year. At the year end, there were no balances outstanding from the related party.

16 Parent company

The directors regard Monopro Limited, which is registered in England and Wales, as the ultimate parent undertaking. This is the parent company of the smallest group for which group accounts are prepared. Copies of the group financial statements can be obtained from 4 Carlos Place, Mayfair, London, W1K 3AW.