

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019

SOUTHWARK INVESTMENTS
LIMITED

MENZIES

SOUTHWARK INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	Ms M R Rolwegan Mr Y Patel
Company secretary	Ms M R Rolwegan
Registered number	01167969
Registered office	Lynton House 7-12 Tavistock Square London WC1H 9LT
Accountants	Menzies LLP Chartered Accountants Lynton House 7-12 Tavistock Square London WC1H 9LT

SOUTHWARK INVESTMENTS LIMITED

REGISTERED NUMBER:01167969

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	1,250,062	1,259,556
Investments	5	4	4
		<u>1,250,066</u>	<u>1,259,560</u>
Current assets			
Stocks		9,126,423	9,228,220
Debtors: amounts falling due within one year	6	38,657	26,486
Cash at bank and in hand		815,804	835,010
		<u>9,980,884</u>	<u>10,089,716</u>
Creditors: amounts falling due within one year	7	(89,502)	(92,320)
Net current assets		<u>9,891,382</u>	<u>9,997,396</u>
Total assets less current liabilities		<u>11,141,448</u>	<u>11,256,956</u>
Creditors: amounts falling due after more than one year	8	(12,240,812)	(12,346,537)
Provisions for liabilities			
Deferred tax		(172,011)	(162,611)
		<u>(172,011)</u>	<u>(162,611)</u>
Net liabilities		<u>(1,271,375)</u>	<u>(1,252,192)</u>
Capital and reserves			
Allotted, called up and fully paid share capital		50,000	50,000
Profit and loss account		(1,321,375)	(1,302,192)
		<u>(1,271,375)</u>	<u>(1,252,192)</u>

SOUTHWARK INVESTMENTS LIMITED

REGISTERED NUMBER:01167969

STATEMENT OF FINANCIAL POSITION (CONTINUED) **AS AT 31 DECEMBER 2019**

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Ms M R Rolwegan
Director

Mr Y Patel
Director

Date: 21 December 2020

The notes on pages 3 to 7 form part of these financial statements.

SOUTHWARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Southwark Investments Limited is a private company, limited by shares, registered in England and Wales, registration number 1167969. The registered office is disclosed on the company information page.

The principal place of business is Whitehill House, 2 Carnethie Street, Roswell, EH24 9EG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Going concern

The emergence and spread of COVID-19 in 2020 and the associated social distancing measures and imposed travel restrictions have significantly impacted businesses globally. Whilst COVID-19 has impacted the company, given the current uncertainties that exist regarding the duration and extent of the pandemic, at this stage it is not possible to reliably forecast the extent of this impact.

In response to the pandemic and uncertainty, the directors has taken measures in order to safeguard cashflow, customers and supply chain that they believe should enable them to continue in operational existence. Therefore, it is the director's opinion that the going concern basis of preparation continues to be appropriate.

2.3 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and

the revenue can be reliably measured. Revenue is generated by the promotion of project development and design within the property market. The company also receives income from the rental and sale of property and is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Foreign currency translation

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

SOUTHWARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25% reducing balance basis
Motor vehicles	-	25% reducing balance basis
Fixtures, fittings & equipment	-	33% reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.7 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

2.8 Stock and work in progress

Properties for resale and developments in progress are included at the lower of cost and net realisable value. Cost comprises the purchase price of land and property, direct costs and appropriate overheads, relating to current and proposed development projects where there is a reasonable degree of certainty that the latter will proceed.

SOUTHWARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2018 - 3).

SOUTHWARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

4. Tangible fixed assets

	Investment properties £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2019	1,210,000	296,921	41,485	108,514	1,656,920
Additions	-	3,897	-	-	3,897
At 31 December 2019	<u>1,210,000</u>	<u>300,818</u>	<u>41,485</u>	<u>108,514</u>	<u>1,660,817</u>
Depreciation					
At 1 January 2019	-	256,691	32,521	108,152	397,364
Charge for the year on owned assets	-	11,027	2,243	121	13,391
At 31 December 2019	<u>-</u>	<u>267,718</u>	<u>34,764</u>	<u>108,273</u>	<u>410,755</u>
Net book value					
At 31 December 2019	<u>1,210,000</u>	<u>33,100</u>	<u>6,721</u>	<u>241</u>	<u>1,250,062</u>
At 31 December 2018	<u>1,210,000</u>	<u>40,230</u>	<u>8,964</u>	<u>362</u>	<u>1,259,556</u>

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2019	<u>4</u>
At 31 December 2019	<u>4</u>

Southwark Investments Limited owns 50% of the share capital of Southwark Project Management Ltd and 50% of the share capital of Southwark Project Services Ltd.

The address of the registered offices for both subsidiaries is Whitehill House, 2 Carnethie Street, Rosewell, Midlothian, EH24 9EG.

SOUTHWARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6. Debtors

	2019 £	2018 £
Prepayments and accrued income	21,870	20,396
Tax recoverable	16,787	6,090
	<u>38,657</u>	<u>26,486</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	3,455	6,273
Other creditors	25,565	25,565
Accruals and deferred income	60,482	60,482
	<u>89,502</u>	<u>92,320</u>

8. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other creditors	12,240,812	12,346,537
	<u>12,240,812</u>	<u>12,346,537</u>

This is an unsecured, interest free loan provided by Mr J G Butchart, who is the controlling shareholder, which is due to repaid within 2 years.

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.