

UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2017

SOUTHWARK INVESTMENTS  
LIMITED

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# SOUTHWARK INVESTMENTS LIMITED

REGISTERED NUMBER:01167969

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	4	1,263,524	1,270,171
Investments	5	4	4
		<u>1,263,528</u>	<u>1,270,175</u>
<b>Current assets</b>			
Stocks		10,341,621	10,388,563
Debtors: amounts falling due within one year	6	38,442	970,624
Cash at bank and in hand		855,258	123,920
		<u>11,235,321</u>	<u>11,483,107</u>
Creditors: amounts falling due within one year	7	(130,526)	(130,289)
<b>Net current assets</b>		<u>11,104,795</u>	<u>11,352,818</u>
<b>Total assets less current liabilities</b>		<u>12,368,323</u>	<u>12,622,993</u>
Creditors: amounts falling due after more than one year	8	(13,452,709)	(13,730,809)
<b>Provisions for liabilities</b>			
Deferred tax	9	(172,011)	(181,064)
		<u>(172,011)</u>	<u>(181,064)</u>
<b>Net liabilities</b>		<u>(1,256,397)</u>	<u>(1,288,880)</u>
<b>Capital and reserves</b>			
Called up share capital		50,000	50,000
Profit and loss account		(1,306,397)	(1,338,880)
		<u>(1,256,397)</u>	<u>(1,288,880)</u>

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 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.

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# **SOUTHWARK INVESTMENTS LIMITED**

REGISTERED NUMBER:01167969

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## **STATEMENT OF FINANCIAL POSITION (CONTINUED)** **AS AT 31 DECEMBER 2017**

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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: 11 July 2018

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

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# SOUTHWARK INVESTMENTS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1. General information

Southwark Investments Limited is a private company, limited by shares, registered in England and Wales, registration number 01167969. The registered office is Lynton House, 7-12 Tavistock Square, London, WC1H 9LT.

### 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.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The company meets its day to day working capital requirements through funding provided by the company's shareholders. The shareholders are not seeking repayment of these funds in the immediate future and therefore consider that the company will continue to operate with this assistance. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of this funding.

#### 2.3 Revenue recognition

Revenue is stated exclusive of value added tax. The key classes of revenue are sales of development properties which is recognised on legal completion and property rental income which is recognised on an accruals basis. Project management fees receivable are recognised on completion of the service.

#### 2.4 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.

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 the Statement of Income and Retained Earnings.

#### 2.5 Investment property

Investment properties are valued by the directors annually and included in the balance sheet at their open market value. Changes in fair value are recognised in the Statement of income and retained earnings.

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# SOUTHWARK INVESTMENTS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 2. Accounting policies (continued)

#### 2.6 Investments

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

#### 2.7 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.

#### 2.8 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

#### 2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

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# SOUTHWARK INVESTMENTS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 2. Accounting policies (continued)

#### 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 (2016 - 5).

### 4. Tangible fixed assets

	Investment properties	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 January 2017	1,210,000	284,311	30,202	108,514	1,633,027
Additions	-	-	11,283	-	11,283
At 31 December 2017	1,210,000	284,311	41,485	108,514	1,644,310
<b>Depreciation</b>					
At 1 January 2017	-	229,605	25,542	107,709	362,856
Charge for the year on financed assets	-	13,677	3,988	265	17,930
At 31 December 2017	-	243,282	29,530	107,974	380,786
<b>Net book value</b>					
At 31 December 2017	1,210,000	41,029	11,955	540	1,263,524
<b>At 31 December 2016</b>	1,210,000	54,706	4,660	605	1,270,171

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# SOUTHWARK INVESTMENTS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 5. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2017	4
At 31 December 2017	<u>4</u>
<b>Net book value</b>	
At 31 December 2017	<u>4</u>
<i>At 31 December 2016</i>	<u>4</u>

### 6. Debtors

	2017 £	2016 £
Other debtors	16,077	944,585
Prepayments and accrued income	22,365	26,039
	<u>38,442</u>	<u>970,624</u>

### 7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	4,403	4,391
Other creditors	25,565	25,565
Accruals and deferred income	100,558	100,333
	<u>130,526</u>	<u>130,289</u>

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# SOUTHWARK INVESTMENTS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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

	2017 £	2016 £
Other creditors	13,452,709	13,730,809
	<u>13,452,709</u>	<u>13,730,809</u>

This is an unsecured, interest free loan provided by Mr J G Butchart, who is the controlling shareholder. The loan is repayable in full between two and five years.

### 9. Deferred taxation

	2017 £	2016 £
At beginning of year	(181,064)	(181,064)
Charged to profit or loss	9,053	-
<b>At end of year</b>	<u>(172,011)</u>	<u>(181,064)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
On revaluation on investment properties	(172,011)	(181,064)
	<u>(172,011)</u>	<u>(181,064)</u>