

Company Registration No. 01367442 (England and Wales)

**SONGKARN LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**PAGES FOR FILING WITH REGISTRAR**

# SONGKARN LIMITED

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# SONGKARN LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	3		1,729,141		1,744,627
<b>Current assets</b>					
Stocks		488,368		725,385	
Debtors	4	518,634		577,697	
Cash at bank and in hand		149,151		681,683	
		<u>1,156,153</u>		<u>1,984,765</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(576,557)</u>		<u>(1,179,566)</u>	
<b>Net current assets</b>			579,596		805,199
<b>Total assets less current liabilities</b>			<u>2,308,737</u>		<u>2,549,826</u>
<b>Creditors: amounts falling due after more than one year</b>	6		(35,650)		(50,000)
<b>Provisions for liabilities</b>			<u>(10,063)</u>		<u>(9,952)</u>
<b>Net assets</b>			<u>2,263,024</u>		<u>2,489,874</u>
<b>Capital and reserves</b>					
Called up share capital			250,000		250,000
Revaluation reserve	7		1,460,112		1,470,633
Profit and loss reserves			552,912		769,241
<b>Total equity</b>			<u>2,263,024</u>		<u>2,489,874</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 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 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.

## **SONGKARN LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2021***

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The financial statements were approved by the board of directors and authorised for issue on 11 July 2022 and are signed on its behalf by:

S C Sachdev  
**Director**

**Company Registration No. 01367442**

# SONGKARN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Company information

Songkarn Limited is a private company limited by shares incorporated in England and Wales. The registered office is Gladstone House, 77/79 High Street, Egham, Surrey, United Kingdom, TW20 9HY.

#### 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.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. This is usually at the point that the customer has signed for the delivery of goods.

#### 1.4 Tangible fixed assets

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

Freehold land and buildings	20 years SL on Buildings & 10 years SL on improvements
Fixtures and fittings	25% on cost

#### 1.5 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.

#### 1.6 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

# SONGKARN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.7 Cash and cash equivalents

Cash at bank and in hand and cash equivalents in the balance sheet comprise cash at banks and in hand.

#### 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.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the 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.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using tax rates that have been enacted or substantively enacted by the reporting date.

# SONGKARN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax is recognised in respect of timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against future taxable profits or against the reversal of deferred tax liabilities.

Deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **1.14 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	4	4
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# SONGKARN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 January 2021	1,800,000	23,233	1,823,233
Additions	-	1,460	1,460
At 31 December 2021	1,800,000	24,693	1,824,693
<b>Depreciation and impairment</b>			
At 1 January 2021	56,063	22,543	78,606
Depreciation charged in the year	15,964	982	16,946
At 31 December 2021	72,027	23,525	95,552
<b>Carrying amount</b>			
At 31 December 2021	1,727,973	1,168	1,729,141
At 31 December 2020	1,743,937	690	1,744,627

Land and buildings with a historic cost of £361,398 were originally revalued upwards in 1995 by £382,879, in 2016 upwards by £155,723, then revalued by £200,000 at 2017 to a total carrying amount of £1,100,000. At 31 December 2019 a further upward revaluation of £700,000 brought the total carrying amount to £1,800,000.

The revaluations took place by the directors on an open market basis. Should the freehold property be sold for the revalued amount shown in the financial statements, there will be a resulting capital gain. Accordingly a deferred tax asset adjustment has been made based on the potential gain less capital losses brought forward.

If revalued were stated on a historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2021 £	2020 £
Cost	361,398	361,398
Accumulated depreciation	(123,199)	(117,756)
Carrying value	238,199	243,642



# SONGKARN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	177,952	244,588
Corporation tax recoverable	95,340	95,340
Other debtors	245,342	237,769
	<u>518,634</u>	<u>577,697</u>

### 5 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	443,783	922,939
Trade creditors	77,011	118,141
Taxation and social security	3,623	3,014
Other creditors	52,140	135,472
	<u>576,557</u>	<u>1,179,566</u>

Secured debts amounting to £443,782 (2020 - £922,938) are included within creditors.

The bank overdraft and letter of credit facilities are secured by a first charge over the immovable property at 891 Great West Road, Isleworth, and by a debenture on the floating assets of the company, and a lien on a bank deposit account.

### 6 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	<u>35,650</u>	<u>50,000</u>

### 7 Revaluation reserve

	2021 £	2020 £
At the beginning of the year	1,470,633	1,481,154
Other movements	(10,521)	(10,521)
At the end of the year	<u>1,460,112</u>	<u>1,470,633</u>

## **SONGKARN LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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#### **8 Directors' transactions**

At the year end D Sachdev owed the company £227,123 (2020 - £222,491) and S C Sachdev was owed £25,853 by the company (2020 - £29,847). There are no set repayment terms and interest is charged at market rate on balances owed to the company..

The security for the bank overdraft and other bank facilities is supported by a bank guarantee given by S C Sachdev and D Sachdev.

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.