

Company Registration No. 01422754 (England and Wales)

**GARAVI GUJARAT (PROPERTY) LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**  
**PAGES FOR FILING WITH REGISTRAR**



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# **GARAVI GUJARAT (PROPERTY) LIMITED**

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# **GARAVI GUJARAT (PROPERTY) LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2019***

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The directors present their annual report and financial statements for the year ended 31 March 2019.

### **Principal activities**

The principal activity of the company continued to be that of other letting and operating of own or leased real estate.

### **Directors**

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

Mr K R Solanki

Mr S R Solanki

Mr R C Solanki


Mrs P R Solanki

(Resigned 4 January 2019)

(Resigned 4 January 2019)

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 K R Solanki  
Director



Mr S R Solanki  
Director

30 September 2019

# GARAVI GUJARAT (PROPERTY) LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Non-current assets</b>					
Property, plant and equipment	2	8,491,049		8,539,823	
Investments	3	2,850,000		2,850,000	
		<u>11,341,049</u>		<u>11,389,823</u>	
<b>Current assets</b>					
Trade and other receivables	4	3,526,524	1,354,297		
Cash and cash equivalents		451,304	185,017		
		<u>3,977,828</u>	<u>1,539,314</u>		
<b>Current liabilities</b>	5	(457,560)	(1,017,773)		
<b>Net current assets</b>		<u>3,520,268</u>		<u>521,541</u>	
<b>Total assets less current liabilities</b>		<u>14,861,317</u>		<u>11,911,364</u>	
<b>Non-current liabilities</b>	6	(3,263,060)		(600,003)	
<b>Provisions for liabilities</b>		<u>(2,003,598)</u>		<u>(2,003,598)</u>	
<b>Net assets</b>		<u>9,594,659</u>		<u>9,307,763</u>	
<b>Equity</b>					
Called up share capital	7	2	2		
Capital redemption reserve		67,683	67,683		
Retained earnings		9,526,974	9,240,078		
<b>Total equity</b>		<u>9,594,659</u>	<u>9,307,763</u>		

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2019 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.

# **GARAVI GUJARAT (PROPERTY) LIMITED**

## **STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 31 MARCH 2019**

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The financial statements were approved by the board of directors and authorised for issue on 30 September 2019 and are signed on its behalf by:



Mr K R Solanki  
Director



Mr S R Solanki  
Director

**Company Registration No. 01422754**

# **GARAVI GUJARAT (PROPERTY) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

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### **1 Accounting policies**

#### **Company information**

Garavi Gujarat (Property) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Garavi Gujarat House, 1-2 Silex Street, LONDON, SE1 ODW.

#### **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 Revenue**

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.3 Property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Fixtures and fittings	25% 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.

#### **1.4 Non-current investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# **GARAVI GUJARAT (PROPERTY) LIMITED**

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

**FOR THE YEAR ENDED 31 MARCH 2019**

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### **1 Accounting policies**

**(Continued)**

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### **1.5 Impairment of non-current 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.

#### **1.6 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.

#### **1.7 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 statement of financial position 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.

# GARAVI GUJARAT (PROPERTY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables 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 trade and other payables, 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.8 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.

### 1.9 Taxation

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

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# GARAVI GUJARAT (PROPERTY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 1 Accounting policies

(Continued)

#### Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

### 2 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2018 and 31 March 2019	9,400,000	1,855	9,401,855
<b>Depreciation and impairment</b>			
At 1 April 2018	860,188	1,844	862,032
Depreciation charged in the year	48,770	4	48,774
At 31 March 2019	908,958	1,848	910,806
<b>Carrying amount</b>			
At 31 March 2019	8,491,042	7	8,491,049
At 31 March 2018	8,539,812	11	8,539,823

### 3 Fixed asset investments

	2019 £	2018 £
Investments	2,850,000	2,850,000

# GARAVI GUJARAT (PROPERTY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

### 3 Fixed asset investments (Continued)

#### Movements in non-current investments

Investments  
other than  
loans  
£

#### Cost or valuation

At 1 April 2018 & 31 March 2019

2,850,000

#### Carrying amount

At 31 March 2019

2,850,000

At 31 March 2018

2,850,000

### 4 Trade and other receivables

2019

2018

#### Amounts falling due within one year:

£

£

Amounts owed by group undertakings

3,526,524

1,338,107

Other receivables

-

16,190

3,526,524

1,354,297

### 5 Current liabilities

2019

2018

£

£

Bank loans

223,320

114,284

Trade payables

14,879

120

Amounts owed to group undertakings

-

684,298

Taxation and social security

16,744

18,832

Other payables

117,828

125,086

Accruals and deferred income

84,789

75,153

457,560

1,017,773

### 6 Non-current liabilities

2019

2018

£

£

Other payables

3,263,060

600,003

# GARAVI GUJARAT (PROPERTY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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**7 Called up share capital**

	2019	2018
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

**8 Related party transactions**

The company received rent of £75,000 (2018: £75,000) from its parent undertaking Garavi Gujarat (Publications) Limited. At the year end the company was owed £2,272,258 (£1,338,107) by the parent company.

The company is owed £1,254,266 (2018: -£684,298) from Asian Trade Publications Limited. These loans are payable on demand. The companies are related by virtue of common directors.

Included in fixed asset investment properties are residential properties where the directors reside.

The directors have loaned the company £77,700 (2018: £77,700) interest free and unsecured. These loans are payable on demand.