

WOLFE SECURITIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

WOLFE SECURITIES LIMITED
REGISTERED NUMBER:01652427

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	6	8,685,198	9,282,982
		<u>8,685,198</u>	<u>9,282,982</u>
Current assets			
Debtors: amounts falling due within one year	7	510,237	985,877
Current asset investments	8	847,221	10,878,148
Cash at bank and in hand	9	1,405,120	3,309,161
		<u>2,762,578</u>	<u>15,173,186</u>
Creditors: amounts falling due within one year	10	(106,773)	(9,269,337)
Net current assets		<u>2,655,805</u>	<u>5,903,849</u>
Total assets less current liabilities		<u>11,341,003</u>	<u>15,186,831</u>
Net assets		<u><u>11,341,003</u></u>	<u><u>15,186,831</u></u>
Capital and reserves			
Called up share capital	11	2,000,000	2,000,000
Profit and loss account		9,341,003	13,186,831
		<u><u>11,341,003</u></u>	<u><u>15,186,831</u></u>

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:

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A Ragudasan

Director

Date: 25 March 2021

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

1. General information

Wolfe Securities Limited is a private company, limited by shares, incorporated in England and Wales. Its registered office is 58 Queen Anne Street, London, W1G 8HW.

The principal activities are property, antique and share dealing.

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 Directors have considered the possible effects on the company of the impacts of the worldwide pandemic caused by the coronavirus (Covid-19). Taking into account a period exceeding 12 months from the date of approval of these financial statements, the Directors have a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue recognition

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 measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales

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

2. Accounting policies (continued)

2.4 Revenue recognition (continued)

taxes. The following criteria must also be met before revenue is recognised:

Sale of properties and antiques

Revenue from the sale of properties and antiques is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Financial instruments

Net gains or losses from financial instruments at fair value through profit or loss includes all realised and unrealised fair value changes but does not include interest and dividend income.

Interest income

Interest income is recognised in profit using the effective interest method.

Dividend income

Dividend income is recognised in profit on the date at which the right to receive payment is established.

This represents a change in the accounting policy as previously interest and dividend income were shown in Other operating income. The comparative figures have been restated to reflect this.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.7 Taxation

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 balance sheet date in the countries where the company operates and generates income.

2.8 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

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

2. Accounting policies (continued)

2.9 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, using the straight-line method.

Depreciation is provided on the following basis:

Plant & machinery	-	5%	on cost
Office equipment	-	20%	on cost

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.

2.10 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

Other investments, including property, are held for resale in accordance with the company's principal activity, and are stated at historic cost less impairment.

2.12 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

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

2. Accounting policies (continued)

2.13 Financial assets and financial liabilities at fair value through profit or loss

All the investments in debt, equity and derivatives held by the Company for the purpose of trading are classified as financial assets or liabilities at fair value through profit or loss.

Regular purchase and sales of financial instruments are recognised on the trade date, being the date on which the Company commits itself to the purchase or sale. Financial instruments at fair value through profit or loss are initially recognised at fair value, when the Company becomes party to the contractual provisions of the instrument.

Subsequent to the initial recognition, financial assets and liabilities at fair value through profit and loss are measured at fair value with the resultant gains and losses being taken to profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Company has transferred substantially all the risks and rewards of ownership.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of assets and liabilities traded in an active market is based on quoted market prices at the close of trading on the reporting date. For quoted financial assets the valuation is based on the closing bid price; for quoted liabilities the closing asking price is applied.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Financial instruments

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)**2.17 Financial instruments (continued)**

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

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors have made assumptions regarding the future costs and selling prices of a property development in order to allocate the development costs against each units sale.

4. Employees

The average monthly number of employees, including directors, during the year was 3 (2019 - 2).

5. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 April 2019	9,049
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At 31 March 2020	9,049
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Depreciation	
At 1 April 2019	9,049
	<hr/>
At 31 March 2020	9,049
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Net book value	
At 31 March 2020	-
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At 31 March 2019	-
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WOLFE SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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6. Fixed asset investments

	Unlisted investments £	Investment in joint ventures £	Total £
Cost or valuation			
At 1 April 2019	8,882,982	400,000	9,282,982
Additions	75,594	480,963	556,557
Amounts written off	(200,000)	-	(200,000)
	<hr/>	<hr/>	<hr/>
At 31 March 2020	8,758,576	880,963	9,639,539
	<hr/>	<hr/>	<hr/>
Impairment			
Charge for the period	954,341	-	954,341
	<hr/>	<hr/>	<hr/>
At 31 March 2020	954,341	-	954,341
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2020	<u>7,804,235</u>	<u>880,963</u>	<u>8,685,198</u>
<i>At 31 March 2019</i>	<u>8,882,982</u>	<u>400,000</u>	<u>9,282,982</u>

7. Debtors

	2020 £	2019 £
Other debtors	378,005	935,682
Prepayments and accrued income	132,232	50,195
	<hr/>	<hr/>
	<u>510,237</u>	<u>985,877</u>

WOLFE SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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8. Current asset investments

	2020 £	2019 £
Listed investments	-	8,657,905
Unlisted investments	847,221	2,220,243
	<u>847,221</u>	<u>10,878,148</u>

Listed investments are at fair value through profit and loss. Fair value is taken as the published market value of the investments at the balance sheet date.

The net gain/(loss) from financial assets at fair value through profit and loss is (£77,944) (2019: £1,036,729).

9. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	1,405,120	3,309,161
	<u>1,405,120</u>	<u>3,309,161</u>

10. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	-	2,862,889
Trade creditors	8,081	1,640
Other taxation and social security	-	1,444
Other creditors	83,292	6,301,931
Accruals and deferred income	15,400	101,433
	<u>106,773</u>	<u>9,269,337</u>

The bank loans and overdrafts are secured by a fixed charge over some of the investment assets held by the company.

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
2,000,000 (2019 - 2,000,000) Ordinary shares of £1.00 each	<u>2,000,000</u>	<u>2,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS
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12. Related party transactions

The company has taken advantage of the exemption provided by FRS 102 from disclosing transactions with members of the same group that are wholly owned.

At the year end the company was owed £15,000 (2019: £Nil) from Queen Anne Street Capital Finance Limited, a company under common control.

At the year end the company was owed £50,000 (2019: £Nil) from I Davidson, the son of one of the beneficiaries of the parent trust..

13. Auditors' information

The auditors' report on the financial statements for the year ended 31 March 2020 was unqualified.

The audit report was signed on 26 March 2021 by Mark Taylor (Senior Statutory Auditor) on behalf of Venthams.

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.