

Company Registration No. 01712730 (England and Wales)

**DEVON & CORNWALL SECURITIES LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2018**

**PAGES FOR FILING WITH REGISTRAR**

# **DEVON & CORNWALL SECURITIES LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	Mr D Sproull Mr D M Sproull Mr P B Cameron Mrs J K Cameron
<b>Secretary</b>	Mr P B Cameron
<b>Company number</b>	01712730
<b>Auditor</b>	Phillips Frith LLP 9 Tregarne Terrace St Austell Cornwall PL25 4DD

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# **DEVON & CORNWALL SECURITIES LIMITED**

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# DEVON & CORNWALL SECURITIES LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2018

		2018		2017	
	Notes	£	£	£	£
<b>Current assets</b>					
Loans to customers	5	23,923,068		25,220,517	
Debtors	6	381,464		416,541	
Cash at bank and in hand		3,624,768		1,394,181	
		<u>27,929,300</u>		<u>27,031,239</u>	
<b>Creditors: amounts falling due within one year</b>	7	(20,043,546)		(20,113,683)	
<b>Net current assets</b>			7,885,754		6,917,556
<b>Creditors: amounts falling due after more than one year</b>	8		(300,000)		(300,000)
<b>Net assets</b>			<u>7,585,754</u>		<u>6,617,556</u>
<b>Capital and reserves</b>					
Called up share capital	10		100,000		100,000
Profit and loss reserves			7,485,754		6,517,556
<b>Total equity</b>			<u>7,585,754</u>		<u>6,617,556</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 29 June 2018 and are signed on its behalf by:

Mr D Sproull  
Director

Company Registration No. 01712730

# DEVON & CORNWALL SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 30 APRIL 2018*

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### 1 Accounting policies

#### Company information

Devon & Cornwall Securities Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8 Fore Street, Camelford, Cornwall, PL32 9PG.

#### 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. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The accounts have been prepared on the assumption that the company is able to carry on business as a going concern which the directors consider appropriate.

#### 1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable. Turnover consists of the amount of interest, adjusted for accrued and deferred income, earned during the year on mortgage loans advanced, plus the amounts of fees and other trading income during the year.

#### 1.4 Tangible fixed assets

Tangible fixed assets 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:

Office equipment	20%
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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.

#### 1.5 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

#### 1.6 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.

# DEVON & CORNWALL SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

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### 1 Accounting policies

(Continued)

#### *Impairment of financial assets*

Specific provisions are made against mortgage loans on a case by case basis. Anticipated losses take into account the current achievable market value of the security and amounts recoverable from third parties.

#### *Classification of financial liabilities*

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Basic financial liabilities, including creditors and bank loans 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.

#### *Debtors and creditors receivable/payable within one year*

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

### 1.7 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 profit and loss account 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.

### 1.8 Retirement benefits

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

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2017 - 6).

# DEVON & CORNWALL SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

### 4 Tangible fixed assets

	Office equipment £
<b>Cost</b>	
At 1 May 2017 and 30 April 2018	8,775
<b>Depreciation and impairment</b>	
At 1 May 2017 and 30 April 2018	8,775
<b>Carrying amount</b>	
At 30 April 2018	-
At 30 April 2017	-

### 5 Loans to customers

The balance in the financial statements represents the capital sum due to the company in respect of loans advanced (which are generally secured by first mortgages on freehold property) to individuals and private limited companies, less a provision for doubtful debts.

### 6 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	371,221	405,810
Other debtors	10,243	10,731
	<u>381,464</u>	<u>416,541</u>

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

	2018 £	2017 £
Bank loans (secured)	14,689,246	14,487,722
Corporation tax	168,234	342,371
Other taxation and social security	96,258	60,950
Other creditors	5,089,808	5,222,640
	<u>20,043,546</u>	<u>20,113,683</u>

The bank loan is secured by fixed and floating charges over the whole assets of the company.

## DEVON & CORNWALL SECURITIES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

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**8 Creditors: amounts falling due after more than one year**

	2018	2017
	£	£
Other creditors	300,000	300,000
	<u>          </u>	<u>          </u>

Long term other creditors comprise unsecured loan stock due for repayment in 2025.

**9 Related party transactions**

Mr D Sproull, director, is a director and controlling shareholder of Goldchevron Limited. Consultancy fees of £80,000 (2017: £80,000) was payable to this company in the year.

The company has benefited from security given by related parties in the form of deeds of postponement.

**10 Called up share capital**

	2018	2017
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100,000 Ordinary shares of £1 each	100,000	100,000
	<u>          </u>	<u>          </u>
	100,000	100,000
	<u>          </u>	<u>          </u>

**11 Retirement benefit schemes**

	2018	2017
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	2,495	1,916
	<u>          </u>	<u>          </u>

At the balance sheet date, unpaid contributions of £385 (2017: £329) were due to the fund. These are included in other creditors.

**12 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Jane Webb.

The auditor was Phillips Frith LLP.



## DEVON & CORNWALL SECURITIES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2018*

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#### 13 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018	2017
£	£
9,083	17,467
<u>          </u>	<u>          </u>

#### 14 Parent company

The ultimate parent company was Devon & Cornwall Holdings Ltd, a company registered in England and Wales which holds 100% of the issued share capital of Devon & Cornwall Securities Limited.

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.