

Tustin Developments Limited
Filleted Unaudited Financial Statements
For the Year Ended
31 May 2019



BEEVER AND STRUTHERS

Chartered accountants
Central Buildings
Richmond Terrace
Blackburn
BB1 7AP

Tustin Developments Limited

Statement of Financial Position

31 May 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	59,718,164	56,870,364
Current assets			
Stocks		181,337	181,337
Debtors	6	293,387	361,099
Cash at bank and in hand		<u>92,265</u>	<u>—</u>
		566,989	542,436
Creditors: Amounts Falling due Within One Year	7	<u>(4,601,793)</u>	<u>(17,473,875)</u>
Net current liabilities		<u>(4,034,804)</u>	<u>(16,931,439)</u>
Total assets less current liabilities		55,683,360	39,938,925
Creditors: Amounts Falling due after More than One Year	8	(15,002,800)	(36,400)
Provisions			
Taxation including deferred tax		<u>(2,253,763)</u>	<u>(2,299,542)</u>
Net assets		<u>38,426,797</u>	<u>37,602,983</u>
Capital and reserves			
Called up share capital		24,002	24,002
Fair value reserve		22,250,032	22,608,103
Capital redemption reserve		13,200	13,200
Profit and loss account		16,139,563	14,957,678
Shareholders funds		<u>38,426,797</u>	<u>37,602,983</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The statement of financial position
continues on the following page.

The notes on pages 3 to 8 form part of these financial statements.

Tustin Developments Limited

Statement of Financial Position *(continued)*

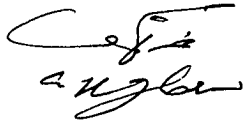
31 May 2019

For the year ending 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 25/9/19, and are signed on behalf of the board by:



Mr G H Ghiassi
Director

Company registration number: 01894292

The notes on pages 3 to 8 form part of these financial statements.

Tustin Developments Limited

Notes to the Financial Statements

Year Ended 31 May 2019

1. General Information

Tustin Developments Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is Red Scar Business Park, Longridge Road, Preston, PR2 5NE.

The nature of the company's operations and its principal activities are that of the construction of commercial and residential buildings and the management and servicing of an industrial complex, a car park and other commercial properties.

2. Statement of Compliance

These financial statements have been prepared in accordance with the provision of FRS 102 Section 1A - Small Entities. There are no material departures from that standard.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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 amounts 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 if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of recoverability of trade debtors. A specific provision will be made against any debts where in the opinion of the directors the debt is not fully recoverable.
- Determination of the value of the investment properties. Factors taken into consideration include the current market conditions.

Revenue Recognition

Turnover represents the amounts due for the year resulting from the management of an industrial estate and a car park and the letting of properties, net of vat.

Rentals are recognised in turnover over the life of the lease.

Tustin Developments Limited
Notes to the Financial Statements *(continued)*
Year Ended 31 May 2019

3. Accounting Policies *(continued)*

Income Tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating Leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss. Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	20% straight line
Fixtures, fittings and equipment	-	25% straight line
Motor Vehicles	-	20% straight line

Assets in the course of construction of £3,681,359 (2018: £1,478,814) are not depreciated.

Tustin Developments Limited
Notes to the Financial Statements *(continued)*
Year Ended 31 May 2019

3. Accounting Policies *(continued)*

Investment Property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Stocks

Work in progress is valued at the lower of cost and net realisable value, after making allowances for any stock provision necessary.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial Instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Tustin Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 May 2019

3. Accounting Policies *(continued)*

Defined Contribution Plans

The company operates a defined benefit pension scheme for the benefit of staff, and a self administered pension scheme on behalf of the directors. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

The company also contributes to personal pension plans on behalf of certain staff, these contributions are charged to the profit and loss accounts as they become payable.

4. Staff Numbers

The average number of persons employed by the company during the year amounted to 20 (2018: 20).

5. Tangible Assets

	Freehold property £	Assets in the course of construction £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
At 1 Jun 2018	55,340,306	1,478,814	153,295	73,165	44,811	57,090,391
Additions	905,027	2,202,549	—	—	—	3,107,576
Revaluations	(250,000)	—	—	—	—	(250,000)
At 31 May 2019	55,995,333	3,681,363	153,295	73,165	44,811	59,947,967
Depreciation						
At 1 Jun 2018	—	—	132,971	72,716	14,340	220,027
Charge for the year	—	—	1,577	153	8,046	9,776
At 31 May 2019	—	—	134,548	72,869	22,386	229,803
Carrying amount						
At 31 May 2019	55,995,333	3,681,363	18,747	296	22,425	59,718,164
At 31 May 2018	55,340,306	1,478,814	20,324	449	30,471	56,870,364

Tustin Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 May 2019

5. Tangible Assets *(continued)*

Included within the above is investment property as follows:

	2019 £	2019 £
Brought forward	56,585,751	52,859,389
Additions	3,107,576	1,341,163
Revaluations	(250,000)	2,385,199
Carried forward	<u>59,443,327</u>	<u>56,585,751</u>

The directors have considered the fair value of the investment properties and the fair value has been decreased by £250,000 (2018 increased by: £2,385,199).

6. Debtors

	2019 £	2018 £
Trade debtors	180,372	186,994
Other debtors	113,015	174,105
	<u>293,387</u>	<u>361,099</u>

7. Creditors: Amounts Falling due Within One Year

	2019 £	2018 £
Bank loans and overdrafts	2,889,910	16,038,873
Trade creditors	1,158,248	688,675
Social security and other taxes	259,050	401,687
Other creditors	294,585	344,640
	<u>4,601,793</u>	<u>17,473,875</u>

The bank holds a first legal charge over Red Scar Industrial estate and its associated assets and by way of legal mortgage the property known as Tustin Heights, St Andrew's Road, Lytham St Annes.

8. Creditors: Amounts Falling due after More than One Year

	2019 £	2018 £
Bank loans and overdrafts	15,000,000	—
Other creditors	2,800	36,400
	<u>15,002,800</u>	<u>36,400</u>

Tustin Developments Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 May 2019

8. Creditors: Amounts Falling due after More than One Year *(continued)*

The bank holds a first legal charge over Red Scar Industrial estate and its associated assets and by way of legal mortgage the property known as Tustin Heights, St Andrew's Road, Lytham St Annes. The other creditor represents a loan from Tustin Developments Limited Directors Pension Scheme, the loan is repayable at £33,600 per annum and bears interest at 3% above the Bank of England base rate. The loan is due for repayment on 30 June 2020.

9. Other Financial Commitments

The total amount of commitments, guarantees and contingencies is £nil (2018: £36,019).

10. Related Party Transactions

At the year end the company owed £36,400 (2018: £70,000) to the Tustin Developments Ltd Directors Pension Scheme. Interest of £1,961 (2018: £2,931) was charged on this loan. See Note 8 for further details of this loan.

During the year dividends of £705,875 (2018: £558,500) were paid to certain directors and trusts in which certain of the directors were trustees.

At 31 May 2019 £20,000 (2018: £90,000) was owed to directors, G H Ghiassi £nil (2018: £5,000); S L Ghiassi £nil (2018: £15,000); S M Ghiassi £20,000 (2018: £60,000) and Z Dye £nil (2018: £10,000). The loans are unsecured, interest free and repayable on demand.