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REGISTERED NUMBER: 02055395 (England and Wales)

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31st December 2019
for
Secured Properties Developments Plc



Secured Properties Developments Plc

**Contents of the Consolidated Financial Statements
for the Year Ended 31st December 2019**

	Page
Company Information	1
Notice of Meeting	2
Chairman's Statements	3
Group Strategic Report	4
Report of the Directors	5
Report of the Independent Auditors	7
Consolidated Income Statement	11
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Cash Flow Statement	16
Notes to the Consolidated Financial Statements	17

Secured Properties Developments Plc

Company Information

for the Year Ended 31st December 2019

DIRECTORS:	R E France R A Shane
SECRETARY:	I H Cobden
REGISTERED OFFICE:	Unit 6 42 Orchard Road London N6 5TR
REGISTERED NUMBER:	02055395 (England and Wales)
AUDITORS:	Lubbock Fine Chartered Accountants & Statutory Auditors Paternoster House 65 St. Paul's Churchyard London EC4M 8AB
SHARE DEALING:	The Company's Ordinary shares are quoted on the NEX Exchange (formerly the ISDX market) and Persons can buy or sell shares through their stockbroker.
REGISTRARS:	Avenir Registrars Ltd 5 St. John's Lane London EC 1M 4BH ylva.baeckstrom@avenir-registrars.co.uk www.avenir-registrars.co.uk Telephone 020 7692 5500
SHARE PRICE:	The middle market price of the Ordinary shares was quoted At 31 December 2019 on the NEX (previously the IDEX Market) at 17.5 pence per share (2018: 25 pence per share) Please note with effect from 8 th June 2020 the NEX market will change its name to AQSE Growth Market with MIC Code NEXG

SECURED PROPERTY DEVELOPMENTS PLC

**Unit 6 ,Orchard Mews ,42 Orchard Road
Highgate,London N6 5TR
Tel: 020 8446 6306 Fax: 020 8446 8975**

Secured PLC Accounts Year end 31 12 19

Page 2

Notice of Meeting

NOTICE IS HEREBY GIVEN that the twenty eighth Annual General Meeting (AGM) of Secured Property Development plc will be held at Unit 6 Orchard Mews,42 Orchard Road, Highgate, London N6 5TR on 23 June 2020 at 11am for the purposes shown below.

As a result of the current environment the Company notes the restrictions on public gatherings imposed by the Government. The Company notifies its shareholders that physical attendance in person at the AGM will not be possible. The Board encourages shareholders to send in their votes by post, or to appoint the Chair of the meeting as their proxy with their voting instructions.

All valid proxy votes, whether submitted electronically or in hard copy form, will be included in the poll to be taken at the meeting.

Shareholders are urged to register their proxy appointment electronically by 11.00am on 23 June 2020.

If shareholders prefer to return a hard copy Form of Proxy (Proxy) they should do so in accordance with the instructions on the Proxy.

The Board is disappointed that they have to adopt these measures and appreciate shareholders' understanding in these unprecedented circumstances.

By Order of the Board

Ian Cobden

IH Cobden
Secretary

Date: 21 May 2020

Notes:

SECURED PROPERTY DEVELOPMENTS PLC

*Unit 6 ,Orchard Mews ,42 Orchard Road
Highgate,London N6 5TR
Tel: 020 8446 6306 Fax: 020 8446 8975*

Chairman's Statement Year End 31st December 2019

The Coronavirus pandemic is causing global turmoil and creating an uncertain outlook worldwide. On behalf of the Board we hope shareholders and their loved ones are safe and healthy.

At the time of writing the UK Government has placed increasingly strict restrictions on public gatherings and this has resulted in our having to make special arrangements for the Annual General Meeting (AGM).

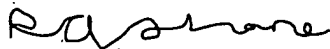
The pandemic has resulted in the Bank of England reducing interest rates and increasing money supply in order to enable HM Government to financially support individuals and companies during the economic turmoil caused by the lockdown. During the year the Board continued to search for suitable properties in which to invest. We identified a residential property for refurbishment close to the new development at the rear of Kings Cross station. We were unable to complete the purchase but continue with our search.

The political and economic uncertainty caused by the Brexit debate was partially resolved by the outcome of the General Election in December 2019. The Conservative party victory saw a return of confidence in the property market which has since been extinguished by the Coronavirus pandemic.

The Board has decided to reduce overheads wherever possible in order to preserve cash resources.

On 25th February 2020 John Townsend and John Soper resigned from office. The Board wishes to record their thanks on behalf of all shareholders to John Townsend and John Soper for their service to the company. Their detailed knowledge of the property market gained as a result of many years experience will be greatly missed.

We live in uncertain times and shareholders will be aware that buying opportunities may occur as the property market adjusts to the present market turmoil.



R.A.Shane
Chairman

Secured Properties Developments Plc

Group Strategic Report
for the Year Ended 31st December 2019

Business Model

At Secured Property Developments, we focus on maximising the return from our portfolio of properties whilst looking for new acquisitions where we can, by development, increase value and thereby create value for shareholders.

We create value by:

Acquiring properties

- We seek to acquire properties and unlock value.

Optimise Income

- Optimising income by development and carrying out improvements and good estate management.
- Employ our knowledge of occupiers' needs to let to high quality tenants from a wide range of businesses and to minimise the level of voids in our portfolio and
- Collecting our rental income on due dates.

Recycle Capital

- Identify properties for disposal where value has been optimised and dispose of those which do not fit the Group's long-term plans.

Maintain robust and flexible financing

- Negotiate flexible financing and retain a healthy level of interest cover and gearing.

PRINCIPAL RISKS AND UNCERTAINTIES

The main risks arising from the Group's financial instruments are interest rate risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

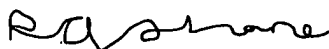
Interest rate risk

The Group has no exposure at the present time to interest rate risk however the Group's policy is to borrow at lowest rates for periods that do not carry excessive time premiums.

Liquidity risk

As regards liquidity, the Group's policy has throughout the year been to ensure that the group is able at all times to meet its financial commitments as and when they fall due.

ON BEHALF OF THE BOARD:



.....
R A Shane - Director

Date: 21 May 2020

Secured Properties Developments Plc

Report of the Directors for the Year Ended 31st December 2019

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2019.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the principal activity of Secured Property Developments Plc which is investment in commercial and residential property. The group comprises the holding company, a finance company and a second property company.

REVIEW OF BUSINESS

The results for the year are set out on page 11 of these consolidated financial statements.

The Group's investment properties have now all been sold, and all borrowings have been repaid. A review of the business is included in the Chairman's Statement set out on page 3.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2019 to the date of this report.

Director	Company	Class	Interest at 31 December 2019 Number	Interest at 31 December 2018 Number
J Townsend	SPD plc*	Ordinary shares	85,076	85,076
R France	SPD plc*	Ordinary shares	88,888	88,888
R Shane	SPD plc*	Ordinary shares	574,456	567,335
		Deferred shares	154,666	154,666
J Soper	SPD plc*	Ordinary shares	85,076	85,076

*SPD plc is used above as an abbreviation for Secured Property Developments plc.

According to the register of director's interest, no rights to subscribe for shares in or debentures of the Company or any other group company was granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Other changes in directors holding office are as follows:

J S Soper and J P Townsend ceased to be directors after 31st December 2019 but prior to the date of this report.

Substantial shareholding of ordinary shares of 20p each as at 31 December 2019

Director	Company
R France	4.51%
G Green	4.57%
R Shane	29.15%
J Townsend	4.32%
J Soper	4.32%

PROPOSED DIVIDEND AND TRANSFER TO RESERVES

The directors do not recommend the payment of a dividend (2018: £nil).

The loss for the year retained in the group is £83,902 (2018: £91,741).

EVENTS SINCE THE END OF THE YEAR

There have been no significant events since the year end

Secured Properties Developments Plc

Report of the Directors
for the Year Ended 31st December 2019

FINANCIAL INSTRUMENTS

Details of the group financial risk management objectives and policies are included in the notes to the financial statements.

FUTURE DEVELOPMENTS

Following the sale of the last of the investment properties and repayment of loans the Directors are now able to actively consider investment and development opportunities that arise.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- ensure applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, Lubbock Fine will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

ON BEHALF OF THE BOARD:

Ian Cobden
.....
I H Cobden - Secretary

Date: 21 May 2020

**Secured Property Developments Plc
Independent Audit Report
For the Year Ended 31 December 2019**

To the members of Secured Property Developments Plc,

OPINION

We have audited the consolidated financial statements of Secured Property Developments Plc (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2019, which comprise the Group Income Statement, the Group and Company Balance Sheets, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2019 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements is not appropriate; or
- the directors have not disclosed in the consolidated financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the consolidated financial statements are authorised for issue.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><i>Verification of bank balance</i></p> <p>At the balance sheet date, the balance per the bank was significantly material.</p> <p>There is a risk that this figure is not accurate and that the balance therefore does not exist.</p>	<p>Our procedures in relation to the verification of the bank balance included:</p> <ul style="list-style-type: none"> - Confirming the balance to the bank confirmation letter. - Agreeing the balance to the bank statements.

OUR APPLICATION OF MATERIALITY

The scope and focus of our audit was influenced by our assessment and application of materiality. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the consolidated financial statements.

We define financial statements materiality as the magnitude by which misstatements, including omissions, could influence the economic decisions taken on the basis of the consolidated financial statements by reasonable users.

We also determine a level of performance materiality, which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the consolidated financial statements as a whole.

- **Overall materiality** - We determine materiality for the consolidated financial statements as a whole to be £24,800. This was based on the key performance indicator, being 5% of net assets. We believe net asset values are the most appropriate bench mark due to the minimal income statement activity during the year and existence of key balance sheet items.
- **Performance materiality** - On the basis of our risk assessment, together with our assessment of the company's control environment, our judgement is that performance materiality for the consolidated financial statements should be 65% of materiality, amounting to £16,100.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole, taking into account an understanding of the structure of the group and company, its activities, the accounting processes and controls, and the industry in which they operate. Our planned audit testing was directed accordingly and was focused on areas where we assessed there to be the highest risk of material misstatement. During the audit, we reassessed and re-valuated audit risks and tailored our approach accordingly.

The audit testing included substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls and management of specific risk.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during the audit.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our Auditors' Report thereon. Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the consolidated financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the consolidated financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Group, or returns adequate for our audit have not been received from branches not visited by us; or
- the Group consolidated financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement on page 6, the directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE GROUP FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Lee Facey

Lee Facey (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine
Chartered Accountants & Statutory Auditors
3rd Floor Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB
Date: 21 May 2020

Secured Properties Developments Plc

Consolidated Income Statement
for the Year Ended 31st December 2019

	Notes	2019 £	2018 £
TURNOVER		-	-
Administrative expenses		<u>(84,870)</u>	<u>(105,648)</u>
OPERATING LOSS	4	(84,870)	(105,648)
Interest receivable and similar income		<u>968</u>	<u>13,907</u>
LOSS BEFORE TAXATION		(83,902)	(91,741)
Tax on loss	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(83,902)</u>	<u>(91,741)</u>
Loss attributable to: Owners of the parent		<u>(83,902)</u>	<u>(91,741)</u>
Earnings per share expressed in pence per share:	7		
Basic		(4.26)	(4.65)
Diluted		<u>(4.26)</u>	<u>(4.65)</u>

The company has no recognised gains or losses other than those disclosed in the Income Statement above. Consequently, no Statement of Other Comprehensive Income is presented

The notes form part of these financial statements

Secured Properties Developments Plc (Registered number: 02055395)

Consolidated Balance Sheet
for the Year Ended 31st December 2019

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors	9	5,070	6,188
Cash at bank	10	<u>514,159</u>	<u>583,997</u>
		519,229	590,185
CREDITORS			
Amounts falling due within one year	11	<u>(49,115)</u>	<u>(36,169)</u>
NET CURRENT ASSETS		<u>470,114</u>	<u>554,016</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>470,114</u>	<u>554,016</u>
CAPITAL AND RESERVES			
Called up share capital	12	418,861	418,861
Share premium		3,473	3,473
Retained earnings		<u>47,780</u>	<u>131,682</u>
SHAREHOLDERS' FUNDS		<u>470,114</u>	<u>554,016</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2020 and were signed on its behalf by:

Richard Edward France

.....
R E France - Director

R A Shane

.....
R A Shane - Director

The notes form part of these financial statements

Secured Properties Developments Plc (Registered number: 02055395)

**Company Balance Sheet
for the Year Ended 31st December 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Investments	8	4	4
CURRENT ASSETS			
Debtors	9	5,012	6,188
Cash at bank	10	<u>500,032</u>	<u>569,870</u>
		505,044	576,058
CREDITORS			
Amounts falling due within one year	11	<u>(287,413)</u>	<u>(274,525)</u>
NET CURRENT ASSETS		<u>217,631</u>	<u>301,533</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>217,635</u>	<u>301,537</u>
CAPITAL AND RESERVES			
Called up share capital	12	418,861	418,861
Share premium		3,473	3,473
Retained earnings		<u>(204,699)</u>	<u>(120,797)</u>
SHAREHOLDERS' FUNDS		<u>217,635</u>	<u>301,537</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2020 and were signed on its behalf by:

Richard Edward France

.....
R E France - Director

R A Shane

.....
R A Shane - Director

The notes form part of these financial statements

Secured Properties Developments Plc

Consolidated Statement of Changes in Equity
for the Year Ended 31st December 2019

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1st January 2018	418,861	223,423	3,473	645,757
Changes in equity				
Total comprehensive income	-	(91,741)	-	(91,741)
Balance at 31st December 2018	<u>418,861</u>	<u>131,682</u>	<u>3,473</u>	<u>554,016</u>
Changes in equity				
Total comprehensive income	-	(83,902)	-	(83,902)
Balance at 31st December 2019	<u>418,861</u>	<u>47,780</u>	<u>3,473</u>	<u>470,114</u>

The notes form part of these financial statements

Secured Properties Developments Plc

Company Statement of Changes in Equity
for the Year Ended 31st December 2019

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1st January 2018	418,861	(29,056)	3,473	393,278
Changes in equity				
Total comprehensive income	-	(91,741)	-	(91,741)
Balance at 31st December 2018	418,861	(120,797)	3,473	301,537
Changes in equity				
Total comprehensive income	-	(83,902)	-	(83,902)
Balance at 31st December 2019	418,861	(204,699)	3,473	217,635

The notes form part of these financial statements

Secured Properties Developments Plc

Consolidated Cash Flow Statement
for the Year Ended 31st December 2019

	2019	2018
	£	£
Cash flows from operating activities		
(Loss) for the financial year	(83,902)	(91,741)
Interest received	(968)	(13,907)
Decrease in debtors	1,118	579,350
Increase /(decrease) in creditors	<u>12,946</u>	<u>(28,286)</u>
Net cash flow from operating activities	<u>(70,806)</u>	<u>445,416</u>
Cash flows from investing activities		
Interest received	<u>968</u>	<u>13,907</u>
Net cash flow from investing activities	<u>(69,838)</u>	<u>459,323</u>
(Decrease) /increase in cash and cash equivalents	(69,838)	459,323
Cash and cash equivalents at beginning of year	<u>583,997</u>	<u>124,674</u>
Cash and cash equivalents at end of year	<u><u>514,159</u></u>	<u><u>583,997</u></u>

The notes form part of these financial statements

Secured Properties Developments Plc

Notes to the Consolidated Financial Statements for the Year Ended 31st December 2019

1. STATUTORY INFORMATION

Secured Property Developments plc (the "Company") is a public company limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found in the company information on page 1 of these financial statements.

These Group and parent company information statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, except for tangible fixed assets measured in accordance with the revaluation model.

Turnover

Turnover comprises revenue recognised by the Group in respect of services supplied during the year and is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2019. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

Classification of financial instruments issued by the group

In accordance with FRS 102.22, financial instruments issued by the group are treated as equity only to the extent that they meet the following two conditions:

a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and

b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

2. ACCOUNTING POLICIES - continued

Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

a) Investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and

b) no depreciation is provided in respect of investment properties applying the fair value model.

If a reliable measure is not available without undue cost or effort for an item of investment property, this item is thereafter accounted for as tangible fixed assets in accordance with section 17 FRS 102 until a reliable measure of fair value becomes available.

Current and deferred taxation

Tax on profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in period different from those in which they are recognised in the financial statements.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the asset/property. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

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 three months. Cash equivalent 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. ACCOUNTING POLICIES - continued

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that effect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. However, the nature of the estimation means that actual outcomes could differ from those estimates. There are no key sources of estimation uncertainty.

Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Creditors

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

3. EMPLOYEES AND DIRECTORS

The average number of staff during the year was nil (2018: nil) and there were no staff costs for the year ended 31 December 2019 or for year end 31 December 2018.

4. OPERATING LOSS

The operating loss is stated after charging:

	2019	2018
	£	£
Auditors' remuneration	<u>7,200</u>	<u>6,000</u>

Details of the fees charged by the Chairman and other Directors are shown in note 13 to these financial statements

Secured Properties Developments Plc

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

5. **TAXATION**

The tax charge on the profit on ordinary activities for the year was as follows:

	31.12. 19 £	31.12.18 £
Current tax:		
UK corporation tax	-	-
Tax on profit on ordinary activities	-	-
Reconciliation of effective tax rate		
(Loss) for the year	(83,902)	(91,741)
Total tax expense	-	-
(Loss) for the year excluding taxation	(83,902)	(91,741)
Tax using the UK corporation tax rate of 19% (2018: 19%)	(15,941)	(17,431)
Non-deductible expenses	-	-
Current year losses	15,941	17,431
Total tax expense included in the profit or loss	-	-

Factors that may affect future, current and total tax charges

A deferred tax asset of £69,977 (2018: £54,036) at the year-end has not been recognised due to uncertainty surrounding the Group's future taxable profits.

6. **PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the year was £83,902 (2018: £91,741 loss)

7. **EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares

The notes form part of these financial statements

Secured Properties Developments Plc

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019**

7. EARNINGS PER SHARE - continued

Reconciliations are set out below.

	earnings	2019 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(83,902)	1,970,688	(4.26)
Effect of dilutive securities	-	-	-
	<u>(83,902)</u>	<u>1,970,688</u>	<u>(4.26)</u>
Diluted EPS			
Adjusted earnings	<u>(83,902)</u>	<u>1,970,688</u>	<u>(4.26)</u>
		2018 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(91,741)	1,970,688	(4.65)
Effect of dilutive securities	-	-	-
	<u>(91,741)</u>	<u>1,970,688</u>	<u>(4.65)</u>
Diluted EPS			
Adjusted earnings	<u>(91,741)</u>	<u>1,970,688</u>	<u>(4.65)</u>

8. FIXED ASSET INVESTMENTS

	Company	
	2019 £	2018 £
Shares in group undertakings	<u>4</u>	<u>4</u>
	<u>4</u>	<u>4</u>

The following relates to ordinary shares held in subsidiary companies, Secured Property Developments (Scarborough) Limited and SPD Discount Limited, both companies registered in England and both companies being 100% owned by the holding company throughout the period.

continued...

Secured Properties Developments Plc

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019**

8. FIXED ASSET INVESTMENTS - continued

Company

**Shares in
group
undertakings
£**

COST

At 1st January 2019
and 31st December 2019

4

NET BOOK VALUE

At 31st December 2019

4

At 31st December 2018

4

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Other debtors	766	2,140	766	2,140
Prepayments and accrued income	<u>4,304</u>	<u>4,048</u>	<u>4,246</u>	<u>4,048</u>
	<u>5,070</u>	<u>6,188</u>	<u>5,012</u>	<u>6,188</u>

10. CASH AT BANK

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Cash at bank	<u>514,159</u>	<u>583,997</u>	<u>500,032</u>	<u>569,870</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	2,668	7,384	2,668	7,384
Amounts owed to group undertakings	-	-	241,178	241,178
Tax	1,932	1,874	1,932	1,932
Other creditors	27,424	8,691	24,544	5,811
Accruals and deferred income	<u>17,091</u>	<u>18,220</u>	<u>17,091</u>	<u>18,220</u>
	<u>49,115</u>	<u>36,169</u>	<u>287,413</u>	<u>274,525</u>

continued...

Secured Properties Developments Plc

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019**

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2019	2018
Number:	Class:		£	£
1,970,688	Ordinary	£0.20 p	394,138	394,138
1,236,154	Deferred	£0.02 p	24,723	24,723
			<u>418,861</u>	<u>418,861</u>

The respective rights of the shareholders are as follows:

Ordinary shares

The ordinary shares have the right to all available capital and distributable profits subject only to any right available to the deferred shares on winding up.

Deferred shares

The deferred shares have no rights to vote, receive notices, or attend general meetings, nor to any income. On the return of capital on a winding-up or otherwise the deferred shares have no entitlement until the sum of £100,000 per ordinary share shall have been distributed.

13. RELATED PARTY DISCLOSURES

During the period the company entered into transactions, in the ordinary course of the business, with other related parties. Transactions entered into, and trading balances outstanding at 31 December 2019 are as follows:

Transactions with key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including directors.

Total amounts paid to key management personnel during the year was £16,672 (2018: £38,594).

During the year, the company entered into transactions, in the ordinary course of the business, with key management personnel. Transactions entered into, and balances outstanding at 31 December 2019, are as follows:

During the year, Mr Townsend, a director received £8,336 (2018: £27,158) in respect of professional fees. The balance outstanding as at the year-end was £nil (2018: £2,084).

During the year, Mr Soper, a director received £8,336 (2018: £11,437) in respect of professional fees. The balance outstanding as at the year-end was £nil (2018: £nil).

Mr R Shane, a director of the company received £nil (2018: £160) in respect of expenses incurred on behalf of the holding company. The balance outstanding as at the year-end was £nil (2018: £nil).

Transactions with other related parties

During the year the group had the following transaction with related parties:

St James's Property Services Limited of which R Shane is a director and shareholder received £9,000 (2018: £26,845) from the holding company in respect of management services. The amount outstanding at the year-end is £nil (2018: £9,531). St James's Property Services Limited also received £8,935 (2018: £8,620) from the holding company in respect of rent and other expense

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2019

Transactions with other related parties - continued

During the prior year the holding company provided a loan to Space Property Corporation Limited of which R Shane is the sole beneficial shareholder. The loan was repaid during the prior year and the amount included in debtors at the year-end is £nil (2018: £nil) which included interest charged in the year of £nil (2018: £13,462).

Terms and conditions of transactions with related parties

14. FINANCIAL INSTRUMENTS

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Financial Liabilities				
Financial liabilities measured at amortised costs	47,241	34,295	285,481	272,593

Liquidity risk

The deferred shares have no rights to vote, receive notices, or attend general meetings, nor to any income. On the return of capital on a winding-up or otherwise the deferred shares have no entitlement until the sum of £100,000 per ordinary share shall have been distributed.

There have been no significant events since the year end.

The directors consider that there is no single controlling party