

**REGISTERED NUMBER: 02540078 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018  
FOR  
ROMANYS PROPERTIES LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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**ROMANYS PROPERTIES LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**DIRECTORS:**

M L R Pindolia  
K M L Pindolia

**REGISTERED OFFICE:**

51 Brewer Street  
Soho  
London  
W1F 9UQ

**REGISTERED NUMBER:**

02540078 (England and Wales)

**AUDITORS:**

Sterling  
Chartered Accountants  
& Statutory Auditors  
505 Pinner Road  
Harrow  
Middlesex  
HA2 6EH

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors present their report with the financial statements of the company for the year ended 31 December 2018.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of investment in properties.

**DIRECTOR**

B M Pindolia held office from 1 January 2018 until after 31 December 2018 but prior to the date of this report.

M L R Pindolia and K M L Pindolia were appointed as directors after 31 December 2018 but prior to the date of this report.

**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 of the profit or loss of the company 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;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 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 company'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 company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

M L R Pindolia - Director

14 August 2019

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROMANYS PROPERTIES LIMITED**

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### **Opinion**

We have audited the financial statements of Romanys Properties Limited (the 'company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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.

### **Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ROMANYS PROPERTIES LIMITED**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

### **Responsibilities of directors**

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

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 financial statements.

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

### **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 a Report of the Auditors 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.

Dilipkumar Doshi FCA (Senior Statutory Auditor)  
for and on behalf of Sterling  
Chartered Accountants  
& Statutory Auditors  
505 Pinner Road  
Harrow  
Middlesex  
HA2 6EH

19 August 2019

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	31/12/18 £	31/12/17 £
<b>TURNOVER</b>		298,907	285,466
Administrative expenses		<u>185,839</u>	<u>200,634</u>
		113,068	84,832
Other operating income		<u>-</u>	<u>13,793</u>
<b>OPERATING PROFIT</b>	3	113,068	98,625
Fair Value Gains and Losses	4	<u>(74,108)</u>	<u>134,425</u>
		38,960	233,050
Interest payable and similar expenses		<u>82,100</u>	<u>76,762</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(43,140)	156,288
Tax on (loss)/profit	5	<u>20,051</u>	<u>9,200</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(63,191)	147,088
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(63,191)</u>	<u>147,088</u>

The notes form part of these financial statements

**ROMANYS PROPERTIES LIMITED (REGISTERED NUMBER: 02540078)**

**BALANCE SHEET  
31 DECEMBER 2018**

	Notes	£	31/12/18 £	£	31/12/17 £
<b>FIXED ASSETS</b>					
Investments	6		532,678		418,769
Investment property	7		<u>6,170,000</u>		<u>6,170,000</u>
			6,702,678		6,588,769
<b>CURRENT ASSETS</b>					
Debtors	8	102,265		153,515	
Cash at bank		<u>31,856</u>		<u>52,391</u>	
		134,121		205,906	
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>180,446</u>		<u>177,553</u>	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(46,325)</u>		<u>28,353</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			6,656,353		6,617,122
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		(4,451,758)		(4,363,502)
<b>PROVISIONS FOR LIABILITIES</b>	12		<u>(851,906)</u>		<u>(837,740)</u>
<b>NET ASSETS</b>			<u>1,352,689</u>		<u>1,415,880</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		20,000		20,000
Fairvalue reserves			4,584,301		4,584,301
Capital contribution	14		394,835		394,835
Retained earnings			<u>(3,646,447)</u>		<u>(3,583,256)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,352,689</u>		<u>1,415,880</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 14 August 2019 and were signed on its behalf by:

M L R Pindolia - Director



**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Retained earnings £	Fairvalue reserves £	Capital contribution £	Total equity £
<b>Balance at 1 January 2017</b>	20,000	(3,686,032)	4,369,065	565,759	1,268,792
<b>Changes in equity</b>					
Total comprehensive income	-	102,776	215,236	(170,924)	147,088
<b>Balance at 31 December 2017</b>	20,000	(3,583,256)	4,584,301	394,835	1,415,880
<b>Changes in equity</b>					
Total comprehensive income	-	(63,191)	-	-	(63,191)
<b>Balance at 31 December 2018</b>	20,000	(3,646,447)	4,584,301	394,835	1,352,689

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**1. 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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Turnover**

Turnover represents rental income receivable, excluding value added tax. The rent is recognised when the company has the right to consideration.

**Investment property**

Investment property whose fair value can be measured reliably without undue cost or effort shall be measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where the investment property can not be measured without undue cost or effort, it will be measured at cost.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all temporary timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

**Equity investments**

Equity investments are recognised initially at fair value which is normally the transaction price. Subsequently, they are measured at fair value through profit or loss account.

**Financial instruments**

**Classification of financial instruments issued by the Company**

In accordance with FRS 102, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the company 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 company; and
- where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

**Trade and other debtors / creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**1. ACCOUNTING POLICIES - continued**

**Interest-bearing borrowings classified as basic financial instruments**

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

**2. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 2 (2017 - 2)

Directors remuneration during the year was £65,000 (2017 - £60,000)

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	31/12/18	31/12/17
	£	£
Auditors' remuneration	<u>5,325</u>	<u>4,000</u>

**4. FAIR VALUE GAINS AND LOSSES**

	31/12/2018	31/12/2017
Shares in subsidiary	106,146	110,349
Investment properties	-	195,000
F.V. gain/ loss on amount owed to/ by Moolsons Holdings Limited	<u>(188,017)</u>	<u>(170,924)</u>
	<u>(81,871)</u>	<u>134,425</u>

Fair value gain on shares in subsidiary is reversal of impairment due to change in net asset position of Romanys Limited.

Fair value gain on investment properties is on account of increase in the value of investment property valued at year end by the management.

Fair value loss on amount owed to Moolsons Holdings Limited is reversal of yearly discounting adopted to arrive at present value on transitions to FRS 102.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2018

5. TAXATION

**Analysis of the tax charge**

The tax charge on the loss for the year was as follows:

	31/12/18 £	31/12/17 £
Current tax:		
UK corporation tax	5,884	1,553
Deferred tax	14,167	7,647
Tax on (loss)/profit	<u>20,051</u>	<u>9,200</u>

Deferred tax is composed of £-6,044 on change in fair value of investment property and £20,167 on change in fair value of investment in shares of subsidiary.

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2018	418,769
Reversal of impairments	<u>113,909</u>
At 31 December 2018	<u>532,678</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>532,678</u>
At 31 December 2017	<u>418,769</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Romanys Limited**

Registered office: 51 Brewer Street, Soho, London, W1F 9UQ

Nature of business: Suppliers of bathrooms and allied products.

	% holding	
Class of shares:	100.00	
Ordinary		
	31/12/18	31/12/17
	£	£
Aggregate capital and reserves	532,678	327,638
Profit for the year	<u>205,040</u>	<u>50,606</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2018

## 7. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1 January 2018	
and 31 December 2018	<u>6,170,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>6,170,000</u>
At 31 December 2017	<u>6,170,000</u>

Fair value at 31 December 2018 is represented by:

	£
Valuation in 2014	500,000
Valuation in 2015	255,000
Valuation in 2016	220,000
Valuation in 2017	195,000
Cost	<u>5,000,000</u>
	<u>6,170,000</u>

Investment property was valued by the management at £6,170,000 which was confirmed by desktop valuation provided by Gerald Evc LLP (Chartered Surveyors, RICS) on 19 April 2018.

## 8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/18	31/12/17
	£	£
Trade debtors	18,585	8,730
Amounts owed by group undertakings	82,848	142,848
Other debtors	<u>832</u>	<u>1,937</u>
	<u>102,265</u>	<u>153,515</u>

## 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/18	31/12/17
	£	£
Bank loans and overdrafts	108,000	108,000
Trade creditors	1,237	1,298
Tax	5,884	1,553
VAT	9,705	9,703
Other creditors	935	-
Accruals and deferred income	<u>54,685</u>	<u>56,999</u>
	<u>180,446</u>	<u>177,553</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31/12/18	31/12/17
	£	£
Bank loans - 1-2 years	108,000	108,000
Bank loans - 2-5 years	2,275,576	2,375,337
Amounts owed to group undertakings	2,068,182	1,880,165
	<u>4,451,758</u>	<u>4,363,502</u>

The existing bank loan facility was renewed on 24th March 2016 for a period until 11th May 2021.

**11. SECURED DEBTS**

The following secured debts are included within creditors:

	31/12/18	31/12/17
	£	£
Bank loans	<u>2,491,576</u>	<u>2,591,337</u>

The above are secured by way of a legal charge over the property 52 to 56 Camden High Street, London and a cash account in which rents are received. Interest on the above loan is payable at a rate of 2.55% plus 3 month Libor rate.

**12. PROVISIONS FOR LIABILITIES**

	31/12/18	31/12/17
	£	£
Deferred tax	<u>851,906</u>	<u>837,740</u>
		Deferred tax
		£
Balance at 1 January 2018		837,740
Timing differences		14,166
Balance at 31 December 2018		<u>851,906</u>

The above deferred tax pertains to £942k of deferred tax liability on fair value gain on investment property and deferred tax asset of £90k on impairment of investment in subsidiary.

**13. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31/12/18	31/12/17
Number:	Class:	Nominal value:	£	£
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2018

14. **RESERVES**

At 1 January 2018  
and 31 December 2018

Capital  
contribution  
£

394,835

15. **CONTINGENT LIABILITIES**

A group set-off is held on current account balances of the company by HSBC bank.

16. **DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

The director has given a personal guarantee of £50,000 to secure the bank loan.

17. **RELATED PARTY DISCLOSURES**

During the year an amount of £90k (2017: £150K) was received from, and £30k (2017: £Nil) paid to, Romanys Limited, a 100% subsidiary. Balance receivable at year end from the company was £82,848 (2017: £142,848).

At the year end an amount of £2,068,182 (2017: £1,880,165) was payable to Moolsons Holdings Limited, the parent company.

Apart from salaries paid to directors as mentioned in Note 2, a salary of £95,000 was paid to Mrs. J.Pindolia, a relative of the Director.

18. **ULTIMATE CONTROLLING PARTY**

The company's immediate parent undertaking is Moolsons Holdings Limited, a company incorporated in the British Virgin Islands. Moolsons Holdings Limited is controlled by Sovereign Trust (Isle of Man) Limited.

Mr B M Pindolia, Mr M Pindolia and Mr K Pindolia are the ultimate controlling party.

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.