

Company Registration No. 3461881 (England and Wales)

SPRINGWATER DEVELOPMENTS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

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SPRINGWATER DEVELOPMENTS LIMITED

COMPANY INFORMATION

Directors	Mr R J Livingstone Mr R N Luck	(Appointed 8 February 2017)
Secretary	Mr R N Luck	
Company number	3461881	
Registered office	Quadrant House, Floor 6 4 Thomas More Square London E1W 1YW	

SPRINGWATER DEVELOPMENTS LIMITED

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SPRINGWATER DEVELOPMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present their annual report and financial statements for the year ended 30 September 2016.

Principal activities

The company owns a residential property and acted as a property investment company during the year. The director considered the financial position and future prospects at 30 September 2016 to be satisfactory.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R J Livingstone

Mr R N Luck

(Appointed 8 February 2017)

Results and dividends

The results for the year are set out on page 3.

The director does not recommend the payment of a dividend (2015: £nil).

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Statement of directors' responsibilities

The director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

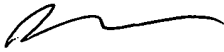
SPRINGWATER DEVELOPMENTS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The Directors' Report has been prepared in accordance with the special provisions relating to small companies within s414B of the Companies Act 2006 and the company is therefore exempt from the requirement to prepare a Strategic Report.

By order of the board



.....
Mr R N Luck

Secretary

15/6/17

SPRINGWATER DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	2016 £	2015 £
Turnover		6,101	14,142
Administrative expenses		(732)	(6,915)
Operating profit		<u>5,369</u>	<u>7,227</u>
Interest payable and similar expenses		(18,289)	(13,495)
Loss on ordinary activities before taxation		<u>(12,920)</u>	<u>(6,268)</u>
Tax on profit on ordinary activities	4	-	-
Loss for the financial year		<u>(12,920)</u>	<u>(6,268)</u>
Total comprehensive income for the year		<u><u>(12,920)</u></u>	<u><u>(6,268)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

SPRINGWATER DEVELOPMENTS LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investment properties	5		515,000		515,000
Current assets					
Debtors	6	1,000		1,000	
Creditors: amounts falling due within one year	7	(6,569)		(6,569)	
Net current liabilities			(5,569)		(5,569)
Total assets less current liabilities			509,431		509,431
Creditors: amounts falling due after more than one year	8		(550,651)		(537,731)
Net liabilities			(41,220)		(28,300)
Capital and reserves					
Called up share capital	9		1,000		1,000
Retained deficit			(42,220)		(29,300)
Total equity			(41,220)		(28,300)


For the financial year ended 30 September 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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 have been prepared 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 15/6/17 and are signed on its behalf by:



Mr R N Luck
Director

Company Registration No. 3461881

SPRINGWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

General information

Springwater Developments Limited is a private company limited by shares incorporated in England and Wales. The registered office is Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW.

1.1 Statement of compliance

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.

1.2 Basis of preparation and summary of significant accounting policies

These financial statements have been prepared in accordance with applicable accounting standards, under the historical cost convention, modified to include investment properties fair value. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

These financial statements for the year ended 30 September 2016 are the first financial statements of Springwater Developments Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

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 £.

1.3 Cash flow exemption

The company has taken advantage of the exemption from preparing a statement of cash flows available to small companies reporting under section 1A of FRS102 and paragraph 7.1(b).

1.4 Turnover

Turnover comprises rental income. Rental income is recognised over the term of the lease on a straight line basis.

Deferred income

Rental income is allocated in the year to which it relates, with payments received in advance held as deferred income and credited to the profit and loss account.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised through profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible assets.

SPRINGWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

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 statement of financial position 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 company after deducting all of its liabilities.

SPRINGWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 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 statement of comprehensive income 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.

SPRINGWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of investment properties

Investment properties are professionally valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

3 Directors' remuneration

The director did not receive any emoluments in respect of his services to the company (2015: £nil).

4 Taxation

No tax has been provided for due to the taxable losses made in the year (2015: £nil).

Factors affecting tax charge for the year

From 1 April 2015 the rate of corporation tax has reduced from 21% to 20%, giving average rate for the comparative year of 20.5%.

SPRINGWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

4 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the loss for the year and the standard rate of tax as follows:

	2016 £	2015 £
Loss before taxation	(12,920)	(6,268)
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.50%)	(2,584)	(1,285)
Tax losses carried forward	2,584	1,285
Tax expense for the year	-	-

Factors that may affect future tax charges

With effect from 1 April 2017 and 1 April 2020, the UK corporation tax rate will be reduced to 19% and 17% respectively. These changes, which were announced in March 2015 budget and affirmed in March 2016 budget, will have no significant impact on these financial statements.

5 Investment property

2016
£

Fair value

At 1 October 2015 and 30 September 2016 515,000

The director considers the market value of the investment properties to be not materially different from cost.

6 Debtors

2016
£

2015
£

Other debtors 1,000 1,000

7 Creditors: amounts falling due within one year

2016
£

2015
£

Other creditors 6,569 6,569

SPRINGWATER DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

8 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Other creditors	550,651	537,731

Amounts due to related party undertakings are repayable on 28 July 2018, unsecured and bear interest at 2.5% per annum over the UK base rate.

9 Called up share capital

	2016 £	2015 £
Ordinary share capital		
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Issued and fully paid		
1,000 ordinary shares of £1 each	1,000	1,000

10 Related party transactions

As at 30 September 2016 the company owed £550,651 (2015: £537,731) to London and Regional Properties Limited, which is ultimately controlled 50% by I M Livingstone.

11 Parent company

The ultimate controlling party is I M Livingstone.