

Registered number: 3527607

ARUN PROPERTY INVESTMENTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021



ARUN PROPERTY INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	P A Rooney C Rooney C A Coxon (appointed 19 March 2021)
Company secretary	C A Coxon
Registered number	3527607
Registered office	St Leonard's House North Street Horsham West Sussex RH12 1RJ
Independent auditors	Warrener Stewart Chartered Accountants & Statutory Auditors Harwood House 43 Harwood Road London SW6 4QP

ARUN PROPERTY INVESTMENTS LIMITED

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ARUN PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their report and the financial statements for the year ended 30 September 2021.

Directors

The directors who served during the year were:

P A Rooney
C Rooney
C A Coxon (appointed 19 March 2021)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 to 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Warrener Stewart, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

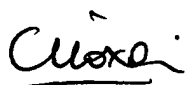
ARUN PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



C A Coxon
Secretary

Date: 13th March 2022

ARUN PROPERTY INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARUN PROPERTY INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Arun Property Investments Limited (the 'Company') for the year ended 30 September 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2021 and of its profit 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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

ARUN PROPERTY INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARUN PROPERTY INVESTMENTS LIMITED (CONTINUED)

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 is 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 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

ARUN PROPERTY INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARUN PROPERTY INVESTMENTS LIMITED (CONTINUED)

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after consideration of the following:

- a high level of review of key performance and similar indicators;
- a high level of informed management within the finance function; and
- the general absence of individuals with opportunity and authority to override controls; and

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- review of control accounts and journal entries for large, unusual or unauthorised entries;
- analytical review of the detailed profit and loss account for variances that are either unexpected or felt not to be in accordance with our understanding of the business during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Company for previously unreported related party transactions; and
- a review of transactions and journals for any indication of fraud or management override.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. 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.



Colin Edney (Senior Statutory Auditor)

for and on behalf of
Warrener Stewart

Chartered Accountants
Statutory Auditors

Harwood House
43 Harwood Road
London
SW6 4QP

Date: 14 March 2022

ARUN PROPERTY INVESTMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 £	2020 £
Turnover		257,255	258,822
Administrative expenses		(5,483)	(9,365)
Profit before tax	4	251,772	249,457
Tax on profit	6	(48,684)	(46,987)
Profit for the financial year		203,088	202,470

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 9 to 15 form part of these financial statements.

ARUN PROPERTY INVESTMENTS LIMITED


REGISTERED NUMBER:3527607

BALANCE SHEET**AS AT 30 SEPTEMBER 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	7	3,483,153	3,483,153
		<u>3,483,153</u>	<u>3,483,153</u>
Current assets			
Debtors: amounts falling due within one year	8	7,757	8,283
Creditors: amounts falling due within one year	9	(1,724,944)	(1,929,508)
Net current liabilities		<u>(1,717,187)</u>	<u>(1,921,225)</u>
Total assets less current liabilities		<u>1,765,966</u>	<u>1,561,928</u>
Provisions for liabilities			
Deferred tax	11	(2,950)	(2,000)
Net assets		<u><u>1,763,016</u></u>	<u><u>1,559,928</u></u>
Capital and reserves			
Called up share capital	12	1	1
Revaluation reserve	13	987,343	987,343
Profit and loss account	13	775,672	572,584
		<u><u>1,763,016</u></u>	<u><u>1,559,928</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



C A Coxon
 Director

Date: **1st MARCH 2022**

The notes on pages 9 to 15 form part of these financial statements.

ARUN PROPERTY INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 October 2019	1	987,343	370,114	1,357,458
Comprehensive income for the year				
Profit for the year	-	-	202,470	202,470
At 1 October 2020	1	987,343	572,584	1,559,928
Comprehensive income for the year				
Profit for the year	-	-	203,088	203,088
At 30 September 2021	1	987,343	775,672	1,763,016

The notes on pages 9 to 15 form part of these financial statements.

ARUN PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. General information

Arun Property Investments Limited is a limited liability company incorporated in England. The Registered Office is St Leonard's House, North Street, Horsham, West Sussex, RH12 1RJ.

The principal activity of the Company is the letting of properties to group companies.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue recognition

Rental income:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Freehold property	- Nil
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The assets' projected residual values, expected useful lives and depreciation methods are reviewed and adjusted annually if appropriate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Given the useful lives of the Company's freehold properties and the high standard to which they are maintained, it is the opinion of the directors that the residual values are sufficiently high to make any depreciation charge immaterial.

ARUN PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.4 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year fair value less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the profit or loss for the year.

2.5 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.

2.6 Financial instruments

The Company only enters into basic financial instrument 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 ordinary shares.

2.7 Creditors

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

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

ARUN PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.8 Current and deferred taxation (continued)

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. 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 affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of revision and future years if the revision affects both current and future years.

Management considers the key estimates and judgements made in the financial statements to be related to:

Valuation of freehold property

The Company maintains a portfolio of investment properties for letting to other group companies. It is a matter of management judgement as to the carrying value of each individual property asset at the balance sheet date.

The appropriateness of the carrying value is assessed by reference to valuations provided by qualified individuals and is reviewed by management on a periodic basis.

4. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Auditors' remuneration	2,150	2,050

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2020 - £NIL).

ARUN PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

6. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	47,837	47,500
Adjustments in respect of previous periods	(103)	(513)
Total current tax	47,734	46,987
Origination and reversal of timing differences	950	-
Taxation on profit on ordinary activities	48,684	46,987

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	251,772	249,457
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	47,837	47,397
Effects of:		
Adjustments to tax charge in respect of prior periods	(103)	(513)
Over provision for the year	-	103
Deferred tax	950	-
Total tax charge for the year	48,684	46,987

ARUN PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 October 2020	3,483,153
At 30 September 2021	<u>3,483,153</u>
Net book value	
At 30 September 2021	<u>3,483,153</u>
At 30 September 2020	<u>3,483,153</u>

The Company's property portfolio was professionally valued at 30 September 2019 by a firm of Chartered Surveyors in each property location. The valuations showed that there was no material change since the last valuation was carried out in September 2016.

	2021 £	2020 £
Freehold property included at valuation		
Cost	2,495,810	2,495,810
Cumulative valuations to market value at 30 September 2019	987,343	987,343
	<u>3,483,153</u>	<u>3,483,153</u>

8. Debtors

	2021 £	2020 £
Trade debtors	<u>7,757</u>	<u>8,283</u>

ARUN PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	1,610,614	1,813,611
Corporation tax	47,837	47,500
Other taxation and social security	2,035	4,059
Accruals and deferred income	64,458	64,338
	<u>1,724,944</u>	<u>1,929,508</u>

10. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>7,757</u>	<u>8,283</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>1,677,107</u>	<u>1,882,008</u>

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings, other taxation and social security, accruals and deferred income.

ARUN PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

11. Deferred taxation

	2021 £	2020 £
At 1 October 2020	2,000	2,000
Charged to the profit and loss account	950	-
At 30 September 2021	2,950	2,000

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Surplus on revaluation of freehold properties	2,950	2,000

12. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1 (2020 - 1) Ordinary share of £1.00	1	1

13. Reserves

Revaluation reserve

The revaluation reserve arises from the revaluation of freehold properties to market value.

Profit & loss account

The profit and loss account consists of accumulated profits, net of dividends paid.

14. Controlling party

The ultimate parent undertaking is Arun Estate Agencies Limited, a company registered in England. The ultimate controlling party is P A Rooney, who owns 100% of the ordinary share capital in Arun Estate Agencies Limited.