

**SWEETINGS PROPERTY
MANAGEMENT LIMITED**

UNAUDITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2017**

SWEETINGS PROPERTY MANAGEMENT LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

The directors present their report and the financial statements for the year ended 31 March 2017.

Principal activity

The principal activity of the company in the year under review was that of residential property management.

Results

The profit for the year, after taxation, amounted to £252,668 (2016 - £244,649).

Directors

The directors who served during the year were:

Mr P J Sweeting
Mr S J Sweeting

This report was approved by the board on 22 May 2017 and signed on its behalf.

Mr P J Sweeting
Director

SWEETINGS PROPERTY MANAGEMENT LIMITED
REGISTERED NUMBER:03946161

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	10,000	30,000
Tangible assets	6	10,382	10,671
		<u>20,382</u>	<u>40,671</u>
Current assets			
Debtors: amounts falling due within one year	7	560,758	412,758
Cash at bank and in hand	8	122,043	173,546
		<u>682,801</u>	<u>586,304</u>
Creditors: amounts falling due within one year	9	(91,893)	(88,295)
Net current assets		<u>590,908</u>	<u>498,009</u>
Total assets less current liabilities		<u>611,290</u>	<u>538,680</u>
Provisions for liabilities			
Deferred tax		(2,077)	(2,135)
		<u>(2,077)</u>	<u>(2,135)</u>
Net assets		<u><u>609,213</u></u>	<u><u>536,545</u></u>
Capital and reserves			
Called up share capital	10	3	3
Profit and loss account	11	609,210	536,542
		<u><u>609,213</u></u>	<u><u>536,545</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 May 2017.

Mr P J Sweeting

Director

The notes on pages 3 to 10 form part of these financial statements.

SWEETINGS PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. GENERAL INFORMATION

Sweetings Property Management Limited is a private company, limited by shares, incorporated in England and Wales, registration number 03946161. The address of the registered office is 89 Bridge Road, East Moslesey, Surrey, KT8 9HH.

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 judgment in applying the Company's accounting policies (see note 3).

These financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

These financial statements for the year ended 31 March 2017 are the first financial statements that comply with FRS102 Section 1A small entities. The date of transition is 1 April 2015.

The following principal accounting policies have been applied:

2.2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A small entities. There were no material departures from that standard.

2.3 Revenue

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. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. ACCOUNTING POLICIES (CONTINUED)**2.4 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the statement of income and retained earnings over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.5 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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	33%	
			Reducing balance
Office equipment	-	15%	
			Reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income and retained earnings.

2.6 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.

2.7 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 24 hours. Cash equivalents 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. ACCOUNTING POLICIES (CONTINUED)

2.8 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of income and retained earnings.

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.

2.9 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.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. ACCOUNTING POLICIES (CONTINUED)**2.12 Interest income**

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, 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.

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.**JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The directors judge that there are no critical accounting estimates.

4. EMPLOYEES

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Directors	2	2
Staff	3	3
	<hr/>	<hr/>
	<u>5</u>	<u>5</u>

SWEETINGS PROPERTY MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. INTANGIBLE ASSETS

	Goodwill £
COST	
At 1 April 2016	200,000
At 31 March 2017	<u>200,000</u>
AMORTISATION	
At 1 April 2016	170,000
Charge for the year	<u>20,000</u>
At 31 March 2017	<u>190,000</u>
NET BOOK VALUE	
At 31 March 2017	<u><u>10,000</u></u>
At 31 March 2016	<u><u>30,000</u></u>

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office equipment £	Total £
COST OR VALUATION			
At 1 April 2016	7,245	31,553	38,798
Additions	-	1,655	1,655
At 31 March 2017	<u>7,245</u>	<u>33,208</u>	<u>40,453</u>
DEPRECIATION			
At 1 April 2016	5,906	22,221	28,127
Charge for the period on owned assets	407	1,431	1,838
Charge for the period on financed assets	-	107	107
At 31 March 2017	<u>6,313</u>	<u>23,759</u>	<u>30,072</u>
NET BOOK VALUE			
At 31 March 2017	<u><u>932</u></u>	<u><u>9,449</u></u>	<u><u>10,381</u></u>
At 31 March 2016	<u><u>1,339</u></u>	<u><u>9,332</u></u>	<u><u>10,671</u></u>

SWEETINGS PROPERTY MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. TANGIBLE FIXED ASSETS (CONTINUED)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Office equipment	<u>966</u>	<u>-</u>

7. DEBTORS

	2017 £	2016 £
Trade debtors	813	2,309
Amounts owed by joint ventures and associated undertakings	555,400	406,500
Other debtors	1,230	849
Prepayments and accrued income	3,315	3,100
	<u>560,758</u>	<u>412,758</u>

8. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	<u>122,045</u>	<u>173,547</u>

9. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Corporation tax	64,067	61,912
Other taxation and social security	21,649	23,373
Other creditors	111	51
Accruals and deferred income	6,066	2,959
	<u>91,893</u>	<u>88,295</u>

SWEETINGS PROPERTY MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

10. SHARE CAPITAL

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
3 Ordinary shares of £1 each	<u>3</u>	<u>3</u>

11. RESERVES

Profit and loss account

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

12. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £12,037 (2016 - £3,000). Contributions totalling £NIL (2016 - £NIL) were payable to the fund at the balance sheet date.

13. RELATED PARTY TRANSACTIONS

During the year under review, the company made sales to Bridge Road Properties Limited, a company under common control of £1,400 (2016 - £3,384).

The company also lent funds of £139,000 (2016 - £160,000) to Bridge Road Properties Limited. At the balance sheet date, the amount owed from Bridge Road Properties Limited was £530,500 (2016 - £391,500). This amount is interest free and repayable on demand.

In the previous year, the company provided security to Barclays Bank Plc in the form of a fixed and floating charge over all of the assets of the company, in respect of the bank borrowings of Bridge Road Properties Limited, a company under common control.

During the year under review, the company made sales of £NIL (2016 - £400) and lent funds of £9,900 (2016 - £NIL) to Sweetings & Slade Property Auctions Limited, a company under common control. At the balance sheet date, the amount owed from Sweetings & Slade Property Auctions Limited was £24,900 (2016 - £15,000). This amount is interest free and repayable on demand.

All of the above transactions took place on a normal commercial basis and are stated net of VAT.

During the year under review, total dividends paid to the directors amounted to £120,000 (2016 - £120,000).

14. CONTROLLING PARTY

During the period under review, the company was under the joint control of its directors. There is no ultimate controlling party.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

15. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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.