

Company Registration No. 04190306 (England and Wales)

RWS PROPERTIES LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

RWS PROPERTIES LIMITED

COMPANY INFORMATION

Directors	S. Marco R.P. Beaumont
Secretary	S. Marco
Company number	04190306
Registered office	34 Teignmouth Road London NW2 4HN
Accountants	HW Fisher Acre House 11-15 William Road London NW1 3ER United Kingdom
Business address	34 Teignmouth Road London NW2 4HN
Bankers	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA

RWS PROPERTIES LIMITED

CONTENTS

	Page
Directors' report	1
Chartered Accountants' report	2
Profit and loss account	3
Balance sheet	4 - 5
Statement of changes in equity	6
Notes to the financial statements	7 - 12

RWS PROPERTIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The directors present their report and financial statements for the year ended 31 August 2020.

Principal activities

The principal activity of the company is the holding and managing of investment properties.

Directors

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

S. Marco

R.P. Beaumont

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

S. Marco

Director

16 October 2020

RWS PROPERTIES LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF RWS PROPERTIES LIMITED FOR THE YEAR ENDED 31 AUGUST 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of RWS Properties Limited for the year ended 31 August 2020 set out on pages 3 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of RWS Properties Limited, as a body, in accordance with the terms of our engagement letter dated 17 October 2018. Our work has been undertaken solely to prepare for your approval the financial statements of RWS Properties Limited and state those matters that we have agreed to state to the Board of Directors of RWS Properties Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than RWS Properties Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that RWS Properties Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of RWS Properties Limited. You consider that RWS Properties Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of RWS Properties Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

HW Fisher

Chartered Accountants

Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

20 October 2020

RWS PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
Turnover		1,180,795	1,115,219
Cost of sales		(343,989)	(344,633)
Gross profit		836,807	770,586
Administrative expenses		(49,467)	(31,161)
Operating profit		787,340	739,425
Interest receivable and similar income		475	645
Interest payable and similar expenses		(35,214)	(38,186)
Fair value gains and losses on investment properties	6	-	(259,984)
Profit before taxation		752,602	441,900
Tax on profit	4	(378,462)	(102,729)
Profit for the financial year		374,140	339,171

RWS PROPERTIES LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	5		14,387		9,730
Investment properties	6		20,395,770		20,217,250
			<u>20,410,157</u>		<u>20,226,980</u>
Current assets					
Debtors	7	30,241		40,411	
Cash at bank and in hand		171,350		219,544	
		<u>201,591</u>		<u>259,955</u>	
Creditors: amounts falling due within one year	8	(421,485)		(440,812)	
Net current liabilities			<u>(219,894)</u>		<u>(180,857)</u>
Total assets less current liabilities			20,190,263		20,046,123
Creditors: amounts falling due after more than one year	9		(1,000,000)		(1,000,000)
Provisions for liabilities	10		(2,280,000)		(2,010,000)
Net assets			<u>16,910,263</u>		<u>17,036,123</u>
Capital and reserves					
Called up share capital	11		1,001		1,001
Share premium account			4,008,513		4,008,513
Equity reserve			326,926		326,926
Investment property reserves	12		10,811,640		11,081,640
Profit and loss reserves			1,762,183		1,618,043
Total equity			<u>16,910,263</u>		<u>17,036,123</u>

RWS PROPERTIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2020

For the financial year ended 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 16 October 2020 and are signed on its behalf by:

S. Marcu

Director

Company Registration No. 04190306

RWS PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2020

	Share capital	Share premium account	Equity reserve	Investment property reserves	Profit and loss reserves	Total
	£	£	£	£	£	£
Balance at 1 September 2018	1,001	4,008,513	326,926	11,326,624	1,513,888	17,176,952
Year ended 31 August 2019:						
Profit and total comprehensive income for the year	-	-	-	-	339,171	339,171
Dividends	-	-	-	-	(480,000)	(480,000)
Fair value losses net of deferred tax	-	-	-	(244,984)	244,984	-
Balance at 31 August 2019	1,001	4,008,513	326,926	11,081,640	1,618,043	17,036,123
Year ended 31 August 2020:						
Profit and total comprehensive income for the year	-	-	-	-	374,140	374,140
Dividends	-	-	-	-	(500,000)	(500,000)
Deferred tax	-	-	-	(270,000)	270,000	-
Balance at 31 August 2020	1,001	4,008,513	326,926	10,811,640	1,762,183	16,910,263

RWS PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Company information

RWS Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 34 Teignmouth Road, London, NW2 4HN.

1.1 Accounting convention

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.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have considered the effect of the Covid-19 outbreak, which has caused little disruption to the company's business for the year reported. The directors consider it likely that a prolonged outbreak will cause significant disruption. Although, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents rental income and service charges receivable.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The gain or loss on valuation is recognised in profit or loss and is subsequently transferred within equity to the "investment property reserve" together with the associated deferred tax.

1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

RWS PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.7 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 balance sheet 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.

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.

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 payments 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.

1.8 Equity instruments

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

1.9 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 profit and loss account 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.

RWS PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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 in the profit and loss account, 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.

1.10 Investment property reserve

The investment property reserve comprises the fair value uplift on the company's investment property net of the associated deferred tax. Any movement in the fair value of the investment property and/or the deferred tax associated with it during the year is transferred from the profit and loss account into this reserve as a reserve movement in the Statement of Changes in Equity. The reserve is non-distributable.

2 Employees

During the current and comparative year there were 2 employees.

3 Directors' remuneration

	2020	2019
	£	£
Remuneration paid to directors	177,737	169,162

Unpaid fees at 31 August 2020, included in the total, amounted to £9,872 (2019: £5,135) for the two directors.

4 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	108,462	117,729
Deferred tax		
Origination and reversal of timing differences	270,000	(15,000)
Total tax charge	378,462	102,729

RWS PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5	Tangible fixed assets	Furniture, fixture and fittings £
		Cost or valuation
		At 1 September 2019 32,666
		Additions 16,682
		Disposals (13,273)
		At 31 August 2020 36,075
		Depreciation and impairment
		At 1 September 2019 22,936
		Depreciation charged in the year 12,025
		Eliminated in respect of disposals (13,273)
		At 31 August 2020 21,688
		Carrying amount
		At 31 August 2020 14,387
		At 31 August 2019 9,730
6	Investment property	2020 £
		Fair value
		At 1 September 2019 20,217,250
		Additions 178,520
		At 31 August 2020 20,395,770

The directors believe that the investment properties are held at market value.

The COVID-19 situation has adversely impacted market activity and the directors, in carrying out their responsibilities in valuing the properties for the accounts, have been faced with an unprecedented set of circumstances on which to base a judgement. The directors, in line with guidance given in respect of formal valuations from the RICS, advise that the valuation of the properties are subject to material valuation uncertainty and that a higher degree of caution should be attached to them than would otherwise be the case.

If revalued freehold investment properties were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been £7,304,128 (2019: £7,125,608).

RWS PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7	Debtors	2020	2019
		£	£
	Amounts falling due within one year:		
	Trade debtors	19,612	26,767
	Prepayments and accrued income	10,629	13,644
		<u>30,241</u>	<u>40,411</u>
		<u><u>30,241</u></u>	<u><u>40,411</u></u>
8	Creditors: amounts falling due within one year	2020	2019
		£	£
	Corporation tax	108,462	117,729
	Other creditors	234,943	238,343
	Accruals and deferred income	78,080	84,740
		<u>421,485</u>	<u>440,812</u>
		<u><u>421,485</u></u>	<u><u>440,812</u></u>
9	Creditors: amounts falling due after more than one year	2020	2019
		£	£
	Building society loan	1,000,000	1,000,000
		<u>1,000,000</u>	<u>1,000,000</u>
		<u><u>1,000,000</u></u>	<u><u>1,000,000</u></u>
	The loan is secured by a charge on certain properties.		
10	Provisions for liabilities	2020	2019
		£	£
	Deferred tax liabilities	2,280,000	2,010,000
		<u>2,280,000</u>	<u>2,010,000</u>
		<u><u>2,280,000</u></u>	<u><u>2,010,000</u></u>
	Deferred tax arises on the gain of the revaluation of the investment property at a rate of 19% (2019: 17%)		

RWS PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
10,000,000 Ordinary A Shares of 0.01p each	1,000	1,000
1 Ordinary B Share of £1	1	1
	<u>1,001</u>	<u>1,001</u>

The trustees of the Rebecca Webber 1965 Settlement trust currently hold all the shares. Whilst the trustees have an interest in any of the A shares, the B share gives them exclusive voting rights. Once the trustees have no interest in any A shares, voting rights belong exclusively to the A shares and the holder of the B share has no right to vote.

12 Capital reserve

Profits arising on the disposal of properties, net of tax, are transferred each year to a capital reserve.

13 Related party transactions

Transactions with related parties

At 31 August 2020, £119,779 (2019: £119,779) was owed to a shareholder, in respect of funding provided. During the year, dividends of £500,000 (2019: £480,000) were paid to the shareholder.

During the year £43,440 (2019: £34,830) was charged by a company in which a director has an interest. Of these costs, £20,394 (2019: £10,740) have been capitalised as part of investment property additions.

14 Directors' transactions

The two directors rent a part of a property from the company at an open market rent. During the year, rent of £3,000 (2019: £3,000) was payable to the company.

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.