
PEONIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

PEONIES LIMITED
REGISTERED NUMBER: 04246659

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	1,919	2,559
Investments	5	4,600,023	4,600,023
		<u>4,601,942</u>	<u>4,602,582</u>
Current assets			
Debtors: amounts falling due within one year	6	1,252	1,538
Cash at bank and in hand	7	29,466	7,738
		<u>30,718</u>	<u>9,276</u>
Creditors: amounts falling due within one year	8	(57,030)	(310,121)
Net current liabilities		<u>(26,312)</u>	<u>(300,845)</u>
Total assets less current liabilities		<u>4,575,630</u>	<u>4,301,737</u>
Provisions for liabilities			
Deferred tax	9	(214,599)	(214,599)
		<u>(214,599)</u>	<u>(214,599)</u>
Net assets		<u>£ 4,361,031</u>	<u>£ 4,087,138</u>
Capital and reserves			
Called up share capital	10	2,290,000	2,290,000
Revaluation reserve	11	3,071,709	3,071,709
Profit and loss account	11	(1,000,678)	(1,274,571)
		<u>£ 4,361,031</u>	<u>£ 4,087,138</u>

The director considers 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 director acknowledges her 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 comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

PEONIES LIMITED
REGISTERED NUMBER: 04246659

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 September 2019.

E Marcozzi Lapenna

Director

The notes on pages 3 to 9 form part of these financial statements.

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

1. General information

Peonies Limited ("the Company") is a private company limited by shares incorporated in England and Wales. The registered office of the company is situated at Leytonstone House, 3 Hanbury Drive, London E11 1GA.

The principal activity of the company is that of property investment.

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 following principal accounting policies have been applied:

2.2 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	- 25% reducing balance
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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 comprehensive income.

2.3 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.4 Investment property

Investment property is carried at fair value determined annually by the director based on her knowledge and expertise of the current market condition, adjusted if necessary for any difference in the nature, location or condition of the property. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

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

2. Accounting policies (continued)

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 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.

2.7 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 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 the 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.

2.8 Creditors

Short term creditors are measured at the transaction price.

2.9 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

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

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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 reporting 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 Statement of financial position 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 reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2017 - 1).

PEONIES LIMITED

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

4. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 January 2018	52,871
At 31 December 2018	52,871
Depreciation	
At 1 January 2018	50,312
Charge for the year on owned assets	640
At 31 December 2018	50,952
Net book value	
At 31 December 2018	£ 1,919
<i>At 31 December 2017</i>	£ 2,559

PEONIES LIMITED

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

5. Fixed asset investments

	Participating interests £	Investment property £	Total £
Cost or valuation			
At 1 January 2018	23	4,600,000	4,600,023
At 31 December 2018	23	4,600,000	4,600,023
Net book value			
At 31 December 2018	£ 23	£ 4,600,000	£ 4,600,023
At 31 December 2017	£ 23	£ 4,600,000	£ 4,600,023

The investment property has been revalued at the year end to its open market value by Mrs E M Lapenna, a director of the company based on her experience and knowledge the market condition at the year end. The historic cost of the investment properties at the balance sheet date was £2,178,614 (2017 - £2,178,614).

The company has not let out the investment properties during the current and prior years.

6. Debtors

	2018 £	2017 £
Prepayments and accrued income	1,252	1,538
	£ 1,252	£ 1,538

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	29,466	7,738
	£ 29,466	£ 7,738

PEONIES LIMITED

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

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	-	276,726
Other creditors	51,108	20,251
Accruals and deferred income	5,922	13,144
	<u>£ 57,030</u>	<u>£ 310,121</u>

9. Deferred taxation

	2018 £	2017 £
At beginning of year	(214,599)	(449,677)
Charged to profit or loss	-	235,078
At end of year	<u>£ (214,599)</u>	<u>£ (214,599)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Unrealised gains on revaluation of investment property	(214,599)	(214,599)
	<u>£ (214,599)</u>	<u>£ (214,599)</u>

10. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
2,290,000 Ordinary shares of £1.00 each	<u>£ 2,290,000</u>	<u>£ 2,290,000</u>

PEONIES LIMITED

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

11. Reserves

Revaluation reserve

The revaluation reserve represents the cumulative effect of revaluations of investment properties.

Profit & loss account

The profit and loss account represents accumulated profits and losses of the company since incorporation less dividends paid.

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