
PEONIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

PEONIES LIMITED
REGISTERED NUMBER: 04246659

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	2,559	3,412
Investments	5	4,600,023	5,700,023
		<u>4,602,582</u>	<u>5,703,435</u>
Current assets			
Debtors: amounts falling due within one year	6	1,538	5,300
Cash at bank and in hand	7	7,738	12,526
		<u>9,276</u>	<u>17,826</u>
Creditors: amounts falling due within one year	8	(310,121)	(239,974)
Net current liabilities		<u>(300,845)</u>	<u>(222,148)</u>
Total assets less current liabilities		<u>4,301,737</u>	<u>5,481,287</u>
Provisions for liabilities			
Deferred tax	9	(214,599)	(449,677)
		<u>(214,599)</u>	<u>(449,677)</u>
Net assets		<u><u>4,087,138</u></u>	<u><u>5,031,610</u></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	(1,274,571)	(330,099)
		<u><u>4,087,138</u></u>	<u><u>5,031,610</u></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 2017

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 March 2018.

E Marcozzi Lapenna

Director

The notes on pages 4 to 9 form part of these financial statements.

PEONIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	2,290,000	3,071,709	(330,099)	5,031,610
Comprehensive income for the year				
Loss for the year	-	-	(944,472)	(944,472)
Total comprehensive income for the year	-	-	(944,472)	(944,472)
Transfer to/from profit and loss account	-	-	-	-
At 31 December 2017	2,290,000	3,071,709	(1,274,571)	4,087,138

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	2,290,000	2,084,393	(281,029)	4,093,364
Comprehensive income for the year				
Profit for the year	-	-	938,246	938,246
Total comprehensive income for the year	-	-	938,246	938,246
Transfer to/from profit and loss account	-	987,316	(987,316)	-
At 31 December 2016	2,290,000	3,071,709	(330,099)	5,031,610

The notes on pages 4 to 9 form part of these financial statements.

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

1. General information

Peonies Limited ("the Company") is a private company limited by shares incorporated in England. 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 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.

2.4 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.

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

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 2017

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 (2016 - 1).

PEONIES LIMITED

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

4. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 January 2017	52,871
At 31 December 2017	52,871
Depreciation	
At 1 January 2017	49,459
Charge for the year on owned assets	853
At 31 December 2017	50,312
Net book value	
At 31 December 2017	2,559
<i>At 31 December 2016</i>	<i>3,412</i>

5. Fixed asset investments

	Participating interests £	Investment properties £	Total £
Cost or valuation			
At 1 January 2017	23	5,700,000	5,700,023
Revaluations	-	(1,100,000)	(1,100,000)
At 31 December 2017	23	4,600,000	4,600,023
Net book value			
At 31 December 2017	23	4,600,000	4,600,023
<i>At 31 December 2016</i>	<i>23</i>	<i>5,700,000</i>	<i>5,700,023</i>

PEONIES LIMITED

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

5. Fixed asset investments (continued)

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 of the market condition at the year end. The historic cost of the investment properties at the balance sheet date was £2,178,614 (2016 - £2,178,614).

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

6. Debtors

	2017 £	2016 £
Other debtors	-	5,300
Prepayments and accrued income	1,538	-
	<u>1,538</u>	<u>5,300</u>

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	7,738	12,526
	<u>7,738</u>	<u>12,526</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Amounts owed to group undertakings	276,726	207,437
Other creditors	20,251	26,037
Accruals and deferred income	13,144	6,500
	<u>310,121</u>	<u>239,974</u>

PEONIES LIMITED

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

9. Deferred taxation

	2017 £	2016 £
At beginning of year	(449,677)	(236,993)
Charged to profit or loss	235,078	(212,684)
At end of year	(214,599)	(449,677)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Unrealised gains on revaluation of investment property	(214,599)	(449,677)
	(214,599)	(449,677)

10. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
2,290,000 Ordinary shares of £1 each	2,290,000	2,290,000

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.

**CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY
FINANCIAL STATEMENTS OF PEONIES LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Peonies Limited for the year ended 31 December 2017 which comprise , the Statement of changes in equity and the related notes from the Company 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 director of Peonies Limited in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Peonies Limited and state those matters that we have agreed to state to the director of Peonies Limited in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Peonies Limited and its director for our work or for this report.

It is your duty to ensure that Peonies 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 or loss of Peonies Limited. You consider that Peonies Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Peonies 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.

Barnes Roffe LLP
Chartered Accountants
Leytonstone House
Leytonstone
London
E11 1GA
20 March 2018

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.