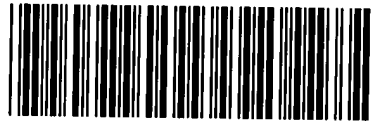


**REPORT OF THE DIRECTORS AND  
AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018  
FOR  
SUSD ASSET MANAGEMENT (HOLDINGS) LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2018

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**SUSD ASSET MANAGEMENT (HOLDINGS) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2018**

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**DIRECTORS:** M I Laurie  
P A F Harris  
I G Robinson

**SECRETARY:** C W Lawes

**REGISTERED OFFICE:** 21 Marina Court  
Castle Street  
Hull  
HU1 1TJ

**REGISTERED NUMBER:** 05535356 (England and Wales)

**AUDITORS:** BDO LLP  
55 Baker Street  
London  
W1U 7EU

**SOLICITORS:** Fieldfisher  
Riverbank House  
2 Swan Lane  
London  
EC4R 3TT

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present their report with the financial statements of the Company and the Group for the year ended 31 March 2018.

**PRINCIPAL ACTIVITIES**

The Group's principal activities are property development and investment, development management and the provision of architectural and design services.

**REVIEW OF BUSINESS**

The Group's results for the year to 31 March 2018 are set out on page 7.

Group turnover for the period was £365,597 (2017: £2,161,105). No developments were completed in the year.

SUSD Limited, the Company's subsidiary, has continued to provide high quality commercial, project management services to subsidiaries and their respective developments. SUSD Limited is also undertaking a number of projects for a variety of third party clients, including project management and project monitoring roles.

During the period under review, the Group continued to be involved in some large-scale schemes and developments in the leisure sector, including a £70m luxury hotel development in central London.

The Group's unlisted investments are carried at fair value through profit or loss. In the year, adjustments to the carrying values resulted in a charge of £776,816 (2017: gain of £400,000).

With no developments completed during the period, the lower level of turnover together with the adjustments to the fair values of the Group's unlisted investments have resulted in a reported loss for the year of £1,464,876 (2017: profit of £876).

During the year, the Group acquired the non-controlling interest in SUSD Limited through the issue of shares by SUSD Asset Management (Holdings) Limited. A further share issue for cash raised £1.25m.

Cash held at the period end was £281,287 (2017: £273,012).

One of the Group's key metrics is net assets, which were £4,572,138 at 31 March 2018 compared to £4,790,329 at 31 March 2017.

The outlook for the Group remains positive, albeit tempered by the ongoing challenges in the London property markets, and concerns over accessibility and cost of finance, from the perspective of both developers and ultimate purchasers.

The Group's track records in the development of high end residential property and larger scale projects in the leisure sector are continuing to lead to new opportunities commensurate with its professional services and its extensive network of connections in the London market.

Principal risks and uncertainties are shown below.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

M I Laurie  
P A F Harris  
I G Robinson

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

All businesses face degrees of risk from normal commercial operations. The specific operational risks to which the Directors consider the Group is subject are set out below:

**Funding**

In order to be able to undertake development projects, the Group needs access to funding. There is no guarantee that such funding will be available, or that the terms and rates applicable to funding will facilitate acceptable returns.

Any delays in the development process, whether due to regulatory, construction or other factors will potentially delay repayments and increase the cost of any debt funding, reducing the return to the Group.

Cost overruns could result in the need to extend funding facilities, and the required extensions may not be available.

Property sales are also often dependant on the availability to purchasers of mortgage lending or similar credit funding, and there is no guarantee that such facilities will be available.

**Property development**

There are a number of risks associated with property development projects, including:

- The Group needs to identify and incept property development opportunities, which are suitable by reference to a broad range of factors including cost, the level of resources available to the Group, the levels of funding required, the complexity and timing of the development, planning and regulatory matters, and the attractiveness to the market;
- There is no guarantee that the Group will be able to source suitable developments within acceptable timescales and costs;
- Counterparties, including other participants in a development, contractors and marketing agents, may fail to meet their obligations, leading to delay and expense;
- On site work must be carefully monitored and controlled to prevent defects, time delays and cost overruns;
- Costs in respect of a development may exceed estimates due to unforeseen factors, which could mean that expenses exceed the funding available for a development project. In addition, it may not be possible to increase the price to compensate for the increase in costs, which could reduce the return to the Group, or even render the completion of the project unviable.

**Market conditions**

The Group's developments are primarily, but not exclusively, in the London residential property markets. The values that are ultimately realised are dependent on general economic and market conditions, as well as more localised supply and demand factors. This may mean that completed development properties do not sell at the anticipated valuation or within the expected timescale.

**Regulation**

The Group's ability to profit from developments can depend on national and local regulatory factors. These include both national and regional requirements to obtain the necessary planning permissions, building and related regulations. Changes to particular requirements, and/or to the process, could add to the length of time and amount of resources required to establish and obtain regulatory and planning approvals. Government policies on taxation, such as stamp duty and VAT, also influence returns that affect the costs of a development, and the realisable value when completed.

**Key personnel**

The Group employs only a small number of personnel, and is therefore heavily reliant on their services for the delivery of development projects. The loss of the services of any key personnel could delay or disrupt development projects and damage the business. Equally the ability to attract new employees with the appropriate expertise and skills cannot be guaranteed. The Group may experience difficulties in recruiting appropriate employees and the failure to do so may have a detrimental effect upon the trading performance of the Group.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

**AUDITORS**

Under section 487(2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts, whichever is the earlier.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**FOR AND ON BEHALF OF THE BOARD:**



P A F Harris - Director

17 December 2018

**Opinion**

We have audited the financial statements of SUSU Asset Management (Holdings) Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2018 which comprise the Consolidated Income Statement, Consolidated Balance Sheet, Company Balance Sheet and Notes to the Financial Statements, 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 Group's and of the Parent Company's affairs as at 31 March 2018 and of the Group's loss 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors 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 Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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 Report of the Directors and from the requirement to prepare a Strategic report.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SUSD ASSET MANAGEMENT (HOLDINGS) LIMITED**

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**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities, 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 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 Group's and the Parent 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 Group or the Parent 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 a Report of the Auditors 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**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 a Report of the Auditors 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.

BDO LLP

Geraint Jones (Senior Statutory Auditor)  
for and on behalf of BDO LLP, Statutory Auditor  
55 Baker Street  
London  
W1U 7EU

17 December 2018

BDO LLP is a limited liability partnership registered in England and Wales  
(with registered number OC305127)



**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	31.3.18 £	31.3.17 £
<b>TURNOVER</b>		365,597	2,161,105
Cost of sales		<u>27,958</u>	<u>1,520,306</u>
<b>GROSS PROFIT</b>		337,639	640,799
Administrative expenses		<u>1,027,988</u>	<u>1,039,825</u>
		(690,349)	(399,026)
Other gains and losses		<u>(777,006)</u>	<u>399,902</u>
<b>OPERATING (LOSS)/PROFIT</b>		(1,467,355)	876
Interest receivable and similar income		<u>70</u>	<u>-</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(1,467,285)	876
Tax on (loss)/profit		<u>-</u>	<u>-</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<u>(1,467,285)</u>	<u>876</u>
(Loss)/profit attributable to:			
Owners of the parent		(1,467,285)	(89,228)
Non-controlling interests		<u>-</u>	<u>90,104</u>
		<u>(1,467,285)</u>	<u>876</u>

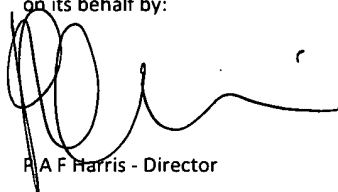
The notes on pages 10 to 18 form part of these financial statements

**CONSOLIDATED BALANCE SHEET**  
**31 MARCH 2018**

	Notes	31.3.18 £	31.3.17 £
<b>FIXED ASSETS</b>			
Intangible assets	6	119,753	239,503
Tangible assets	7	-	7,242
Investments	8	<u>3,522,628</u>	<u>3,710,037</u>
		3,642,381	3,956,782
<b>CURRENT ASSETS</b>			
Stocks		202,487	87,301
Debtors	9	587,442	620,484
Investments	10	555	745
Cash at bank		<u>281,287</u>	<u>273,012</u>
		1,071,771	981,542
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>144,423</u>	<u>147,995</u>
<b>NET CURRENT ASSETS</b>		<u>927,348</u>	<u>833,547</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,569,729</u>	<u>4,790,329</u>
<b>NET ASSETS</b>		<u>4,569,729</u>	<u>4,790,329</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	3,921,560	2,137,250
Retained earnings		<u>648,169</u>	<u>1,853,232</u>
<b>SHAREHOLDERS' FUNDS</b>		4,569,729	3,990,482
<b>NON-CONTROLLING INTERESTS</b>	13	-	<u>799,847</u>
<b>TOTAL EQUITY</b>		<u>4,569,729</u>	<u>4,790,329</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Board of Directors on 17 December 2018 and were signed on its behalf by:



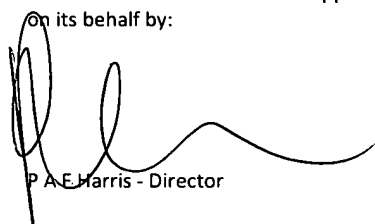
P A F Harris - Director

**COMPANY BALANCE SHEET**  
**31 MARCH 2018**

	Notes	31.3.18 £	£	31.3.17 £	£
<b>FIXED ASSETS</b>					
Intangible assets	6		-		-
Tangible assets	7		-		-
Investments	8		<u>807,625</u>		<u>270,000</u>
			807,625		270,000
<b>CURRENT ASSETS</b>					
Debtors	9	3,950,253		2,803,282	
Investments	10	555		745	
Cash at bank		<u>23,037</u>		<u>1,829</u>	
		3,973,845		2,805,856	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>48,323</u>		<u>32,455</u>	
<b>NET CURRENT ASSETS</b>			<u>3,925,522</u>		<u>2,773,401</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>4,733,147</u>		<u>3,043,401</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12	3,921,560		2,137,250	
Retained earnings		<u>811,587</u>		<u>906,151</u>	
<b>SHAREHOLDERS' FUNDS</b>			<u>4,733,147</u>		<u>3,043,401</u>
Company's loss for the financial year			<u>(94,564)</u>		<u>(91,353)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Board of Directors on 17 December 2018 and were signed on its behalf by:



P A E Harris - Director

The notes on pages 10 to 18 form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**1. STATUTORY INFORMATION**

SUSD Asset Management (Holdings) Limited is a private company, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Basis of consolidation**

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the purchase method of accounting to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of the minority interest. The excess of the cost of acquisition over the fair value of the Group's share of identifiable assets is recorded as goodwill.

Transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed (where necessary) to ensure consistency with the policies adopted by the Group.

**Investments in associates and unlisted companies**

An associate is an entity over which the Group is in a position to exercise significant influence, but not control or joint control, over the financial and operating policies, generally accompanying a holding of 20% or more of the voting rights.

Investments in unlisted company shares have been classified as fixed asset investments as the Group intends to hold them on a continuing basis.

Both investments in associates and investments in unlisted company shares are re-measured to fair value at each balance sheet date.

Gains or losses arising from re-measurement are recognised in profit or loss for the period.

The Group establishes fair value by using valuation techniques including the use of recent arm's length transactions, prospective information and market inputs.

**Revenue recognition**

Revenue comprises sales of trading properties, fees and rental income. It is recognised to the extent that it is probable that economic benefits will flow to the Group and that the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, net of discounts and excluding Value Added Tax and other duties.

Sales of assets, such as trading properties, development sites and completed developments which have previously been held in inventories, are regarded as sold upon the transfer of the risks and rewards of ownership to the purchaser. This occurs on an exchange of unconditional contracts, on satisfaction of any and all conditions on a conditional contract or on completion of the contract on a conditional sale where those conditions are satisfied at completion.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**2. ACCOUNTING POLICIES - continued**

Rental income is recognised on a straight line basis over the period to which the income relates.

Revenue derived from contracts for services is recognised to reflect the accrual of the right to consideration as contract activity progresses, by reference to the value of the work performed, subject to any uncertainties as to amounts recoverable.

**Goodwill**

Goodwill on acquisition is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the separately identifiable assets, liabilities and contingent liabilities of a subsidiary at the date of acquisition. On acquisition, any goodwill acquired is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash generating units that are expected to benefit from the business combination in which the goodwill arose. Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Previously, in accordance with IFRS 3 Business Combinations, goodwill was not amortised but reviewed annually for impairment and was stated at cost less any provision for impairment of value. With effect from 1 April 2014, as set out in note 6, goodwill is amortised over a period of 5 years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 100% on cost and Straight line over 4 years

Tangible fixed assets, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure which 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.

Repairs and maintenance are charged to profit and loss during the period in which they are incurred.

**Stocks**

Trading properties and developments held for sale are stock and are included in the balance sheet at the lower of cost and net realisable value. Cost includes all costs directly associated with the acquisition and development of a specific site. Net realisable value is the estimated selling price less estimated costs to completion and the estimated costs of making the sale.

The specific borrowing costs associated with expenditure on properties under development are capitalised. The interest is capitalised at the rates charged on the financing for the development. Interest is capitalised from the commencement of the development until completion of the work.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

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**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Pension costs and other post-retirement benefits**

The pension cost charged in the financial statements represents the defined contributions payable by the Group in the period.

**Financial assets**

The Group classifies its financial assets at fair value through the profit or loss account. Management determines the classification of its financial assets at initial recognition.

The value of financial assets reflects shares issued by listed and non-listed companies and any adjustment to the fair value of those assets impacts the profitability and performance of the Group as a whole and reflects on the business performance during the year. Any adjustments to the fair value are recognised in the statement of comprehensive income for the period.

Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within 'other gains and losses' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of other income when the Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, making maximum use of market inputs and relying as little as possible on entity specific inputs.

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements requires the use of certain estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually reviewed and are based on historical experience and other factors, including expectations of future events which are believed to be reasonable under the circumstances.

The management of the Group has used its judgement and knowledge of the business in making the following judgements and estimates:

**Goodwill and intangible assets**

The Group's management has used its judgement and knowledge of the business in determining the apportionment between goodwill and an appropriate fair value for intangible assets acquired in relation to its acquisitions of new businesses and in estimating an appropriate useful life for any intangible assets.

Goodwill on consolidation, arising from the purchase of a business in 2010, is amortised from 1 April 2014, being the first period of transition to FRS 102. Management has assessed the period of amortisation as 5 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

## CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued

**Tangible fixed assets**

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset, and projected disposal values.

**Impairment of tangible and intangible assets**

The Group's management determine whether there are any indicators of impairment of the Group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.

**Inventories**

Inventories comprise developments and trading properties held for sale, and are carried at the lower of cost and net realisable value. A number of judgements and estimates are required in the assessment of net realisable value, primarily of costs and time required to complete developments, the costs of making the sale and the prospective sale value.

**Assets held at fair value through profit and loss**

The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each financial period end date. For listed entities, market mid-prices have been used for valuations. For investments that are not traded in active markets, the Group has used recent arms length transactions where these are available. Where these are not available, the Group has used other data, including net assets and reported results as a basis for valuation, taking into account factors such as market conditions and the absence of liquidity.

4. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 10 (2017 - 12).

5. **INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

6. **INTANGIBLE FIXED ASSETS**

<b>Group</b>	Goodwill £
<b>COST</b>	
At 1 April 2017	
and 31 March 2018	<u>598,753</u>
<b>AMORTISATION</b>	
At 1 April 2017	359,250
Charge for year	<u>119,750</u>
At 31 March 2018	<u>479,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u><u>119,753</u></u>
At 31 March 2017	<u><u>239,503</u></u>

Goodwill arose on the acquisition of SUSD Limited and subsidiaries in 2010. It is being amortised over its estimated finite useful life of 5 years from 1 April 2014, being the date of transition to FRS 102.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

## 7. TANGIBLE FIXED ASSETS

Group	Plant and machinery etc £
<b>COST</b>	
At 1 April 2017 and 31 March 2018	<u>90,038</u>
<b>DEPRECIATION</b>	
At 1 April 2017	82,796
Charge for year	<u>7,242</u>
At 31 March 2018	<u>90,038</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>-</u>
At 31 March 2017	<u>7,242</u>

## 8. FIXED ASSET INVESTMENTS

Group	Unlisted investments £
<b>COST OR VALUATION</b>	
At 1 April 2017	3,710,037
Additions	589,407
Revaluations	<u>(776,816)</u>
At 31 March 2018	<u>3,522,628</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>3,522,628</u>
At 31 March 2017	<u>3,710,037</u>

Unlisted investments are recorded at fair value through profit or loss. The historic cost of the investments are £2,070,494 (2017 - £1,481,087).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

8. FIXED ASSET INVESTMENTS - continued

Group Company	Shares in group undertakings £
<b>COST</b>	
At 1 April 2017	270,000
Additions	<u>537,625</u>
At 31 March 2018	<u>807,625</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>807,625</u>
At 31 March 2017	<u>270,000</u>

The Group or the Company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiaries**

**SUSD Limited**

Registered office: 28 All Saints Road, London, W11 1HG  
Nature of business: Property Development

Class of shares:	% holding
Ordinary A	100.00

**SUSD Victoria Avenue Limited**

Registered office: 28 All Saints Road, London, W11 1HG  
Nature of business: Property Development

Class of shares:	% holding
Ordinary	100.00

**SUSD House Limited**

Registered office: 28 All Saints Road, London, W11 1HG  
Nature of business: Property Development

Class of shares:	% holding
Ordinary	100.00

**SUSD Hereford Road Limited**

Registered office: 28 All Saints Road, London, W11 1HG  
Nature of business: Property development

Class of shares:	% holding
Ordinary	100.00

**SUSD Notting Hill Limited**

Registered office: 28 All Saints Road, London, W11 1HG  
Nature of business: Property Development

Class of shares:	% holding
Ordinary	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

## 8. FIXED ASSET INVESTMENTS - continued

**SUSD Westbourne Grove Limited**

Registered office: 28 All Saints Road, London, W11 1HG

Nature of business: Property development

Class of shares:	%
Ordinary	holding 100.00

**SUSD Clapham Limited**

Registered office: 28 All Saints Road, London, W11 1HG

Nature of business: Property development

Class of shares:	%
Ordinary	holding 100.00

During the year the Company purchased the 45% equity of SUSD Limited which it did not already hold. The acquisition of the non-controlling interest has been treated as an equity transaction with owners.

The interest in SUSD Limited is held by the Company. Other companies are wholly owned subsidiaries of SUSD Limited.

## 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Trade debtors	16,800	26,442	-	-
Amounts owed by group undertakings	-	-	3,945,085	2,798,677
Other debtors	<u>570,642</u>	<u>594,042</u>	<u>5,168</u>	<u>4,605</u>
	<u>587,442</u>	<u>620,484</u>	<u>3,950,253</u>	<u>2,803,282</u>

## 10. CURRENT ASSET INVESTMENTS

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Unlisted investments	<u>555</u>	<u>745</u>	<u>555</u>	<u>745</u>

Financial assets are held at fair value through profit and loss.

## 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Trade creditors	83,648	75,190	25,979	10,110
Taxation and social security	39,253	37,502	1,344	1,345
Other creditors	<u>21,522</u>	<u>35,303</u>	<u>21,000</u>	<u>21,000</u>
	<u>144,423</u>	<u>147,995</u>	<u>48,323</u>	<u>32,455</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31.3.18	31.3.17
Number:	Class:		£	£
392,146	Ordinary	£10	<u>3,921,560</u>	<u>2,137,250</u>

During the year, the Company issued 53,431 Ordinary Shares of £10 each at par in connection with the acquisition of the non-controlling interest in SUSD Limited, and 125,000 Ordinary Shares of £10 each for cash at par.

13. NON-CONTROLLING INTERESTS

	31.3.18
	£
At 1 April 2017	(799,847)
Acquisition of non controlling interest during the period	<u>799,847</u>
At 31 March 2018	<u>-</u>

14. RELATED PARTY DISCLOSURES

**SUSD Limited**

A subsidiary of the Company

During the year, the Company and its subsidiaries have incurred administrative expenses which relate wholly or partly to other members of the Group. In addition, the Company and subsidiaries have made payments to settle trading liabilities of other Group members, and corporation tax liabilities through group relief arrangements. The Company has also provided working capital finance to SUSD Limited. These amounts have been settled through intercompany accounts. At the year end, the amount owed to the Company by SUSD Limited was £3,945,085 (2017: £2,798,677).

**SUSD Goring Limited**

A company in which SUSD Limited is a shareholder

During the year, SUSD Limited has received remittances and made payments on behalf of SUSD Goring Limited. Other debtors at 31 March 2018 includes an amount outstanding to SUSD Limited by SUSD Goring Limited of £115,538 (2017: £59,484).

**Deacon Street Partners Limited**

A company of which Mr I G Robinson is a director

Mr I G Robinson, a director of the Company, is also a director of Deacon Street Partners Limited. During the year, the Company was charged £10,000 (2017: £10,000) by Deacon Street Partners Limited in respect of the services of Mr I G Robinson. At 31 March 2018, £3,000 was outstanding to Deacon Street Partners Limited (2017: £nil).

**GHG London Realty Limited**

A company of which Mr P A F Harris was a director

SUSD Limited, a subsidiary of the Company, has been engaged, on normal commercial terms, to provide development management services to GHG London Realty Limited in respect of a luxury hotel development in central London.

During the period, SUSD Limited has charged GHG London Realty Limited £101,125 (2016 £109,341) in respect of these services. At 31 March 2018 there were no amounts owed to SUSD Limited by GHG London Realty (2017: £10,057).

**Mr P A F Harris**

A director of the Company

During the previous period SUSD Limited advanced £76,231 to Mr P A F Harris. No interest was payable in respect of the amounts advanced, which were repaid in full on 29 September 2017.

**15. POST BALANCE SHEET EVENTS**

Subsequent to the period end, on 8 November 2018, SUSD Limited subscribed £299,999 for 299,999 ordinary shares of £1 each in the share capital of SUSD Victoria Avenue Limited. At the same time, a third party subscribed £900,000 for 900,000 ordinary shares of £1 each in SUSD Victoria Avenue Limited, a holding of 75%. With this change of control, SUSD Victoria Avenue Limited is not considered to be a subsidiary of SUSD Limited from that date.

**16. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Michael Ashcroft.