

Surplus Property Solutions Limited

Registered number: 05740895

Annual Report

For the year ended 31 December 2017

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SURPLUS PROPERTY SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	F Colhoun J Colhoun A Foster
Company secretary	J Coutts
Registered number	05740895
Registered office	53 Welbeck Street London England W1G 9XR
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 100 Queen Street Glasgow G1 3DN
Bankers	Bank of Scotland The Mound Edinburgh EH1 1YZ
Solicitors	Wright, Johnstone & Mackenzie LLP 302 St Vincent Street Glasgow G2 5RZ

SURPLUS PROPERTY SOLUTIONS LIMITED

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SURPLUS PROPERTY SOLUTIONS LIMITED
REGISTERED NUMBER: 05740895

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	3,550	-
Current assets			
Debtors: amounts falling due within one year	5	565,805	1,593,433
Cash and cash equivalents	6	425,770	128,643
		<u>991,575</u>	<u>1,722,076</u>
Creditors: amounts falling due within one year	7	(126,826)	(71,142)
Net current assets		864,749	1,650,934
Net assets		<u>868,299</u>	<u>1,650,934</u>
Capital and reserves			
Called up share capital		2,200	2,200
Profit and loss account		866,099	1,648,734
		<u>868,299</u>	<u>1,650,934</u>

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.

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

14 JUNE 2018



F Colhoun
Director

The notes on pages 2 to 7 form part of these financial statements.

SURPLUS PROPERTY SOLUTIONS LIMITED

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

1. General information

Surplus Property Solutions Limited is a Company limited by shares and registered in England and Wales.

The registered office is:

53 Welbeck Street
London
W1G 9XR

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

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 following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

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

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

SURPLUS PROPERTY SOLUTIONS LIMITED

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

2. Accounting policies (continued)

2.3 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	- 25% straight line
Office equipment	- 25% straight line

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.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectability.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 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

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

2. Accounting policies (continued)

2.6 Financial instruments (continued)

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.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.9 Taxation

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.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Employees

The average monthly number of employees, including the Directors, during the year was 4 (2016 - 5).

SURPLUS PROPERTY SOLUTIONS LIMITED

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

4. Tangible fixed assets

	Fixtures & fittings £	Office equipment £	Total £
Cost			
At 1 January 2017	6,101	16,422	22,523
Additions	-	4,733	4,733
At 31 December 2017	<u>6,101</u>	<u>21,155</u>	<u>27,256</u>
Depreciation			
At 1 January 2017	6,101	16,422	22,523
Charge for the year on owned assets	-	1,183	1,183
At 31 December 2017	<u>6,101</u>	<u>17,605</u>	<u>23,706</u>
Net book value			
At 31 December 2017	<u>-</u>	<u>3,550</u>	<u>3,550</u>
At 31 December 2016	<u>-</u>	<u>-</u>	<u>-</u>

SURPLUS PROPERTY SOLUTIONS LIMITED

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

5. Debtors

	2017 £	2016 £
Amounts owed by group undertakings (Note 8)	504,705	1,587,858
Amounts owed by related undertakings (Note 8)	60,000	-
Other debtors	-	4,475
Prepayments and accrued income	1,100	1,100
	<u>565,805</u>	<u>1,593,433</u>

6. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>425,770</u>	<u>128,643</u>

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,146	1,582
Corporation tax	34,069	43,265
Other taxation and social security	51,317	4,887
Accruals and deferred income	40,294	21,408
	<u>126,826</u>	<u>71,142</u>

8. Related party transactions

The Company has taken advantage of the exemption within FRS 102 not to disclose transactions entered into by two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

At the reporting date there is an amounting outstanding of £60,000 (2016 - £nil) from Ian Baxter Discretionary Trust, a party under common control. Included within revenue in the year is £4,500 (2016 - £30,000) in relation to management charges payable to the Company by the Trust. In addition, during the year the Company waived a loan of £nil (2016: £30,000) due from the Trust.

SURPLUS PROPERTY SOLUTIONS LIMITED

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

9. Controlling party and parent undertaking

The Company's ultimate parent undertaking is Surplus Property Solutions Holdings Limited, a Company incorporated in Scotland.

The Directors are of the opinion that there is no ultimate controlling party.

10. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2017 was unqualified.

The audit report was signed on 21 June 2018 by Fiona Martin (Senior Statutory Auditor) on behalf of Mazars LLP.