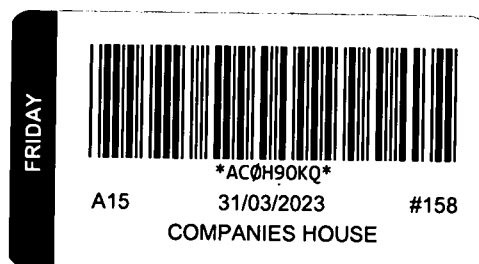


224 KHS DEVELOPMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

30 June 2022



DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 30 June 2022.

Principal activity

The company's principal activity is property related activities.

Results and dividend

The results of the year are shown in the profit and loss account on page 5.


The directors do not recommend the payment of a dividend (2021: £nil).

Directors

The directors who held office throughout the year and to the date of this report were as follows:

RP Burrow
MA Wenlock

By order of the Board.



RP Burrow
Director
31 March 2023

50 Hans Crescent
London
SW1X 0NA

PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2022

	Notes	2022 £	2021 £
Turnover		-	-
Administrative expenses		<u>(5,363)</u>	<u>(17,239)</u>
Operating loss	2	(5,363)	(17,239)
Bank interest receivable		-	5
Income from Investments		2,750,176	-
Impairment of Investments	4	<u>(3,136,432)</u>	<u>(177,620)</u>
Profit/(loss) before and after taxation	3	<u>(391,619)</u>	<u>(194,854)</u>

The above results relate entirely to continuing operations.

There are no recognised gains or losses in the year other than those set out above and consequently no separate statement of other comprehensive income is presented.

The notes on pages 8 to 11 form an integral part of these financial statements.

BALANCE SHEET
At 30 June 2022

	Notes	2022	2021
Fixed assets			
Investment in subsidiary undertakings	4	214,439	3,350,871
Current assets			
Debtors	5	611,239	614,172
Cash at bank and in hand		19,927	-
		<u>631,166</u>	<u>614,172</u>
Creditors – amounts falling due within one year	6	<u>(649,737)</u>	<u>(627,556)</u>
Net current liabilities		<u>(18,571)</u>	<u>(13,384)</u>
Total assets less current liabilities		<u>195,868</u>	<u>3,337,487</u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account		<u>195,768</u>	<u>3,337,387</u>
Shareholders' funds		<u>195,868</u>	<u>3,337,487</u>

These financial statements have been prepared in accordance with the special provisions applicable to companies' subject to the small companies' regime.

For the year ended 30 June 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors on 31 March 2023 and signed on its behalf by:



R P Burrow
 Director

The notes on pages 8 to 11 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2022

	Share capital £	Profit and loss account £	Total £
At 1 April 2020	100	3,532,241	3,532,341
Profit/(Loss) for the year	-	(194,854)	(194,854)
	<hr/>	<hr/>	<hr/>
At 30 June 2021	100	3,337,387	3,337,487
Profit/(Loss) for the year	-	(391,619)	(391,619)
Dividends distributed	-	(2,750,000)	(2,750,000)
	<hr/>	<hr/>	<hr/>
At 30 June 2022	100	195,768	195,868
	<hr/>	<hr/>	<hr/>

The notes on pages 8 to 11 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS1. ACCOUNTING POLICIES

The principal accounting policies have been applied consistently throughout the year and are set out below.

Basis of accounting

224 KHS Developments Limited is a limited liability company incorporated in the UK.

The financial statements have been prepared in accordance with applicable accounting standards and the Companies Act 2006 and under the historical cost convention. These financial statements were prepared in accordance with Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £.

Going concern

It is anticipated that the company's investment will be fully realised within the next 12 months and the Company does not intend to commence any other trade. Therefore, the Directors have taken the decision not to prepare the accounts on a going concern basis. This has had no impact other than disclosures within the financial statements.

Subsidiary undertakings

The company's investments in its subsidiary undertakings are stated at cost or, where the directors consider impairment in value has taken place, at that lower valuation.

Consolidated accounts

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

Foreign currencies

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Debtors

Debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Creditors

Short term trade creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

NOTES TO THE FINANCIAL STATEMENTS (continued)1. ACCOUNTING POLICIES (continued)Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, associates and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

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.

Related party transactions

The company has taken advantage of exemption granted by paragraph 1AC.35 of applying section 1A of FRS102 concerning 100% owned subsidiaries and other group companies and accordingly does not disclose balances and transactions with its parent undertaking and fellow wholly-owned subsidiaries.

2. OPERATING LOSS

None of the directors received any remuneration from the company during the current or prior year.

The company had no employees other than the directors in the current or prior year.

NOTES TO THE FINANCIAL STATEMENTS (continued)3. TAXATION

Analysis of charge in the year

	2022 £	2021 £
UK corporation tax	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the year

	£	£
Profit/(loss) before taxation	<u>(391,619)</u>	<u>(194,854)</u>
Current tax at 19% (2021: 19%)	(74,408)	(37,022)
Effects of:		
Tax losses for which no deferred tax recognised	-	-
Non-taxable income and non-deductible expenses	74,408	37,022
	<u>-</u>	<u>-</u>

4. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost:

At 30 June 2021 and 30 June 2022	<u>£ 81,820,895</u>
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Provision for impairment:

At 1 July 2021	78,470,024
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Provision in the year	<u>3,136,432</u>
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At 30 June 2022	<u>81,606,456</u>
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Net book value:

At 30 June 2022	<u>214,439</u>
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At 30 June 2021	<u>3,350,871</u>
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Following a review of the carrying value of investments and the value of the assets underlying those businesses, the directors have considered it appropriate to make a provision of £3,136,432 (2021: £177,620) during the year for impairment of investments.

The subsidiary undertakings held at 30 June 2022 were as follows:

	Principal activity	Percentage owned	Country of registration or incorporation	Registered office
CSSD Jersey Limited	Holding company	100%	Jersey	(1)
224 KHS General Partner Limited	General partner	65%	Jersey	(1)

(1) Registered office: 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands

NOTES TO THE FINANCIAL STATEMENTS (continued)5. DEBTORS

	2022	2021
	£	£
Amount due from group companies	610,169	613,502
Other debtors	<u>1,070</u>	<u>670</u>
	<u>611,239</u>	<u>614,172</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Amount due to related parties	500	500
Amount due to group companies	<u>649,237</u>	<u>627,056</u>
	<u>649,737</u>	<u>627,556</u>

7. CALLED UP SHARE CAPITAL

	2022 Allotted, called up and fully paid £	2021 Allotted, called up and fully paid £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

8. PARENT UNDERTAKINGS AND ULTIMATE CONTROLLING PARTY

At the balance sheet and date of this report, the immediate and ultimate parent undertaking and controlling party of the company is Dromsollen Realisations LLP, a limited liability partnership incorporated in England and Wales, registered at 50 Hans Crescent, London SW1X 0NA.