

Company Registration No. 08308713 (England and Wales)

PROPERTY WEALTH CREATION LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017
PAGES FOR FILING WITH REGISTRAR

PROPERTY WEALTH CREATION LTD

COMPANY INFORMATION

Directors	D Sawyer L Sawyer	(Appointed 15 February 2017)
------------------	----------------------	------------------------------

Company number	08308713
-----------------------	----------

Registered office	216 Outwood Road Heald Green Cheadle Cheshire SK8 3JL
--------------------------	---

Accountants	M J Goldman (Chartered Accountants) Hollinwood Business Centre Albert Street Oldham Lancashire OL8 3QL
--------------------	---

PROPERTY WEALTH CREATION LTD

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 7

PROPERTY WEALTH CREATION LTD

BALANCE SHEET

AS AT 31 MAY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		602		-
Investment properties	4		270,984		537,201
			<u>271,586</u>		<u>537,201</u>
Current assets					
Debtors	5	995		1,833	
Cash at bank and in hand		395,330		133,904	
		<u>396,325</u>		<u>135,737</u>	
Creditors: amounts falling due within one year	6	(350,359)		(389,060)	
Net current assets/(liabilities)			<u>45,966</u>		<u>(253,323)</u>
Total assets less current liabilities			317,552		283,878
Provisions for liabilities			<u>(31,167)</u>		<u>(40,468)</u>
Net assets			<u>286,385</u>		<u>243,410</u>
Capital and reserves					
Called up share capital	7		1		1
Non-distributable reserves			132,632		161,872
Profit and loss reserves			<u>153,752</u>		<u>81,537</u>
Total equity			<u>286,385</u>		<u>243,410</u>

PROPERTY WEALTH CREATION LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2017

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 28 February 2018 and are signed on its behalf by:

D Sawyer
Director

Company Registration No. 08308713

PROPERTY WEALTH CREATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

Company information

Property Wealth Creation Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 216 Outwood Road, Heald Green, Cheadle, Cheshire, SK8 3JL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 financial statements have been prepared under the historical cost convention, except for modification to a fair value basis where specified in the accounting policies below.

These financial statements for the year ended 31 May 2017 are the first financial statements of Property Wealth Creation Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 8.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Rental income arising from investment properties is accounted for on a straight-line basis over the lease terms.

Income in regards to property sales is recognised upon legal completion.

Income in respects to commissions earned is recognised when and to the extent that, the company obtains the right to consideration in exchange for its performance of services.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line basis
Computer equipment	33% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

PROPERTY WEALTH CREATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets, which include debtors and cash, together with basic financial liabilities, including creditors, are initially recognised at transaction cost and not amortised as they are either receivable or payable within one year.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

PROPERTY WEALTH CREATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2016 - 3).

3 Tangible fixed assets

Plant and machinery etc
£

Cost

At 1 June 2016

-

Additions

808

At 31 May 2017

808

Depreciation and impairment

At 1 June 2016

-

Depreciation charged in the year

206

At 31 May 2017

206

Carrying amount

At 31 May 2017

602

At 31 May 2016

-

4 Investment property

2017

£

Fair value

At 1 June 2016

537,201

Additions

71,316

Disposals

(349,017)

Revaluations

11,484

At 31 May 2017

270,984

PROPERTY WEALTH CREATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

4 Investment property

(Continued)

The valuations of investment properties were made on the 31 May 2017 by the directors, on an open market basis.

On an historical basis, these would have been included at an original cost of £107,240.

5 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Other debtors	995	1,833
	<u>995</u>	<u>1,833</u>

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	1,200	8,490
Taxation and social security	21,982	7,036
Other creditors	327,177	373,534
	<u>350,359</u>	<u>389,060</u>

7 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of 1p each	1	1
	<u>1</u>	<u>1</u>

PROPERTY WEALTH CREATION LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

8 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 June 2015	31 May 2016
Notes	£	£
Equity as reported under previous UK GAAP	238,439	283,878
Adjustments arising from transition to FRS 102:		
Deferred tax provision	(36,643)	(40,468)
Equity reported under FRS 102	<u>201,796</u>	<u>243,410</u>

Reconciliation of profit for the financial period

Notes	2016 £
Profit as reported under previous UK GAAP	26,315
Adjustments arising from transition to FRS 102:	
Fair value movements	19,124
Taxation	(3,825)
Profit reported under FRS 102	<u>41,614</u>

Notes to reconciliations on adoption of FRS 102

1. Investment property

Prior to applying FRS 102 and in line with UK GAAP at the time, the company treated any revaluations on investment properties as an increase or decrease to the revaluation reserve.

FRS 102 requires that any movement on investment property valuations are recognised as a pre-taxation item, on the face of the profit and loss account. The revalued amount in respect of these properties has therefore been transferred to the profit and loss account on transition to FRS 102.

In addition, prior to FRS 102, the company did not have to provide for deferred taxation in respect of investment properties carried at fair value. FRS 102 requires the recognition of deferred taxation on the difference between each property's fair value and its base cost for taxation purposes.

The date of the above to take effect is the date of transition, 1 June 2015.

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.