

Balkan Properties Limited

UNAUDITED FINANCIAL STATEMENTS

for the year ended
30 September 2018

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Company Registration No. 09761199

Balkan Properties Limited

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BALANCE SHEET

As at 30 September 2018

	Notes	2018 £	2017 £
INVESTMENTS	1	431,939	431,939
CURRENT ASSETS			
Debtors	2	6,237,747	6,173,384
Cash at bank and in hand		233	993
		6,237,980	6,174,377
CREDITORS: Amounts falling due within one year			
Creditors	3	(7,926,742)	(7,101,680)
NET CURRENT LIABILITIES		(1,688,762)	(927,303)
TOTAL ASSETS LESS CURRENT LIABILITIES		(1,256,823)	(495,364)
CAPITAL AND RESERVES			
Called up share capital	4	200	200
Profit and loss account		(1,257,023)	(495,564)
SHAREHOLDERS' DEFICIT		(1,256,823)	(495,364)

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

For the period ending 30 September 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities;

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

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the directors and authorised for issue on 2 May 2019 and were signed on its behalf by:

JP Mitchell
Director

Balkan Properties Limited

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 30 September 2018

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. The principal accounting policies adopted are set out below.

GOING CONCERN

The financial statements have been prepared on a going concern basis, notwithstanding the net liabilities of the company, as the shareholders have undertaken to provide such financial support as is necessary to enable the company, to meet its liabilities as they fall due.

CASH & CASH EQUIVALENTS

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Balkan Properties Limited

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for the period ended 30 September 2018

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

DEFERRED TAXATION

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.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1 INVESTMENTS

Investments
in subsidiaries

At 1 October 2017 & 30 September 2018

431,939

Details of the company's investments are as follows:

Name	Nature of business	Class of share	
<i>Subsidiaries</i>			100%
Poslovni park Zagreb d.o.o	Property development	Ordinary	

Poslovni park Zagreb d.o.o prepares its financial statements to 31 March. The aggregate amount of capital and reserves, and the results for this undertaking for the last relevant financial period were as follows:

Name	Country of incorporation	Capital & Reserves 2018 £	Profit / (loss) for the period 2018 £
<i>Subsidiaries</i>			
Poslovni park Zagreb d.o.o	Croatia	18,971,007	2,100,507

2 DEBTORS

2018
£

2017
£

Balkan Properties Limited
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for the period ended 30 September 2018

Loans to subsidiary undertakings	6,237,747	6,173,384
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6,237,747	6,173,384
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3	CREDITORS: Amounts falling due within one year	2018	2017
		£	£

Amounts owed to related parties	7,926,742	7,101,680
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7,926,742	7,101,680
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4	SHARE CAPITAL	2018	2017
		£	£

Allotted and issued: 20,000 Ordinary shares of 10p each	200	200
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5 ULTIMATE PARENT COMPANY

No party has overall control of the company.

6 RELATED PARTY TRANSACTIONS

Included within debtors at the 30 September 2018 are loans to Poslovni park Zagreb d.o.o of €7,000,000 (2017: €7,000,000). No interest was charged on this loan.

Included within creditors at the 30 September 2018 are the following loans:

1. €7,757,956 (2017: €7,028,326) due to London & Regional Overseas Limited. €729,630 interest was charge on this loan during the year.
2. €588,980 (2017: €533,587) due to Mitchell & Orange Services Limited. €55,393 interest was charged on this loan during the year.
3. £488,730 (2017: £432,738) due to Mitchell & Orange Services Limited. No interest was charged on this loan during the year.

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.