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Company Registration No. 10057254 (England and Wales)

ARCHES SOUTHALL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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ARCHES SOUTHALL LIMITED

COMPANY INFORMATION

Directors	S S Conway D O'Sullivan J Morgan
Secretary	A W Porter
Company number	10057254
Registered office	3rd Floor Sterling House Langston Road Loughton Essex IG10 3TS
Auditor	BDO LLP 55 Baker Street London United Kingdom W1U 7EU
Business address	PO Box 206 Loughton Essex IG10 1PL

ARCHES SOUTHALL LIMITED

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ARCHES SOUTHALL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company continued to be that of property development. However, following the disposal of its remaining trading stock in the year, the directors' intention is that post year-end the company will be liquidated. Accordingly, the directors have prepared the financial statements on a basis other than that of a going concern. No adjustments have been made to the financial statements as a result of financial statements being prepared on a basis other than that of a going concern. See further information in note 1.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S S Conway
D O'Sullivan
J Morgan

Statement of directors' responsibilities

The directors are responsible for preparing the annual report 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). 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 of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1 to the financial statements, the director does not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

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

Statement of disclosure to auditor

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP, who were appointed as the company's first auditors in the period, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

ARCHES SOUTHALL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

On behalf of the board

S S Conway

Director

18 December 2018

ARCHES SOUTHALL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARCHES SOUTHALL LIMITED

Opinion

We have audited the financial statements of Arches Southall Limited (the 'company') for the year ended 31 March 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 FRS 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 company's affairs as at 31 March 2018 and of its profit 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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.

Emphasis of matter- financial statements prepared on a basis other than going concern

We draw attention to note 1 to the financial statements which explains that the directors intend to cease trading and liquidate the company within the next twelve months. The directors therefore do not consider the company to be a going concern. Accordingly, the directors have prepared the financial statements on a basis other than that of going concern as described in note 1. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

ARCHES SOUTHALL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARCHES SOUTHALL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 an auditor's report 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

Thomas Edward Goodworth (Senior Statutory Auditor)
For and on behalf of BDO LLP
Statutory Auditor

18 December 2018
55 Baker Street
London
United Kingdom
W1U 7EU

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

ARCHES SOUTHALL LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

		2018 £	period from 11 March 2016 to 31 March 2017 £
	Notes		
Revenue		29,100,000	-
Cost of sales		(19,216,732)	(12,158)
Gross profit/(loss)		9,883,268	(12,158)
Administrative expenses		(2,500)	(600)
Operating profit/(loss)	2	9,880,768	(12,758)
Finance costs		(9,868,010)	-
Profit/(loss) before taxation		12,758	(12,758)
Tax on profit/(loss)		(2,424)	-
Profit/(loss) for the financial year		10,334	(12,758)

All results shown in the statement of comprehensive income are from discontinued operations.

The notes on pages 8 to 10 form part of these financial statements.

ARCHES SOUTHALL LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Trade and other receivables	3	797,741		2,001,014	
Current liabilities	4	(800,163)		(2,013,770)	
Net current liabilities			(2,422)		(12,756)
Equity					
Called up share capital	5		2		2
Retained earnings			(2,424)		(12,758)
Total equity			(2,422)		(12,756)

These financial statements have been prepared 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 18 December 2018 and are signed on its behalf by:


S S Conway
Director

Company Registration No. 10057254

The notes on pages 8 to 10 form part of these financial statements.

ARCHES SOUTHALL LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Share capital £	Retained earnings £	Total £
Balance at 11 March 2016		-	-	-
Period ended 31 March 2017:				
Loss and total comprehensive income for the period		-	(12,758)	(12,758)
Issue of share capital	5	2	-	2
Balance at 31 March 2017		2	(12,758)	(12,756)
Year ended 31 March 2018:				
Profit and total comprehensive income for the year		-	10,334	10,334
Balance at 31 March 2018		2	(2,424)	(2,422)

The notes on pages 8 to 10 form part of these financial statements.

ARCHES SOUTHALL LIMITED

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

1 Accounting policies

Company information

Arches Southall Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor, Sterling House, Langston Road, Loughton, Essex, IG10 3TS.

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. The principal accounting policies adopted are set out below.

The preparation of financial statements in compliance with FRS102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies. The following principal accounting policies have been applied:

1.2 Going concern

During the year the Company disposed of its remaining trading stock and as such the Directors intend to cease trading and liquidate the company within the next twelve months. Accordingly, the directors have prepared the financial statements on the basis other than going concern. The directors have reviewed the company's assets and considered the value of all the assets disclosed in the financial statements to be equal to their net realisable value. No adjustments have been made to the financial statements as a result of the financial statements being prepared on a basis other than going concern.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable following legal completion of developed units, 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

ARCHES SOUTHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.4 Financial instruments

Financial assets, other than investments, are initially measured at transaction price and subsequently held at cost, less any impairment.

Financial liabilities are measured initially at transaction price and subsequently at amortised cost.

Financial liabilities and equity are classified according to the substance of the instrument's contractual obligation, rather than its legal form.

Finance costs are charged to profit and loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

1.5 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.

1.6 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.7 Taxation

The tax expense for the period comprises current and deferred tax.

Current tax

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantially enacted by the reporting 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 income statement, 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.

ARCHES SOUTHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

2 Operating profit/(loss)

	2018	2017
	£	£
Operating profit/(loss) for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	2,500	600

3 Trade and other receivables

	2018	2017
	£	£
Amounts falling due within one year:		
Amounts due from shareholders	744,447	-
Amounts due from joint developers	53,292	-
Other receivables	2	2,001,014
	797,741	2,001,014

4 Current liabilities

	2018	2017
	£	£
Amount due to shareholders	-	1,196,170
Amounts due to joint developers	554,239	817,000
Corporation tax	2,424	-
Other payables	243,500	600
	800,163	2,013,770

5 Called up share capital

	2018	2017
	£	£
Ordinary share capital Issued and fully paid		
2 Ordinary share capital of £1 each	2	2
	2	2

6 Parent company

The immediate parent company is Galliard Holdings Limited, a company registered in England and Wales, and the ultimate holding company is Galliard Group Limited, a company registered in England and Wales.

Galliard Group Limited prepares group financial statements and copies can be obtained from 3rd floor Sterling House, Langston Road, Loughton, Essex IG10 3TS.

In the opinion of the directors, there is no controlling party.