

Go Use

REGISTERED NUMBER: SC383078 (Scotland)

Strategic Report, Report of the Directors and

Audited Financial Statements

for the Year Ended 30 August 2019

for

Sava Estates Limited



Sava Estates Limited (Registered number: SC383078)

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for the Year Ended 30 August 2019

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Sava Estates Limited

Company Information
for the Year Ended 30 August 2019

DIRECTORS:

A K Lal
Mrs H B Lal

REGISTERED OFFICE:

308 Albert Drive
Pollokshields
GLASGOW
G41 5RS

REGISTERED NUMBER:

SC383078 (Scotland)

AUDITORS:

T B Dunn & Co
Statutory Auditor
308 Albert Drive
Pollokshields
GLASGOW
G41 5RS

Sava Estates Limited (Registered number: SC383078)

Strategic Report
for the Year Ended 30 August 2019

The directors present their strategic report for the year ended 30 August 2019.

REVIEW OF BUSINESS

The directors are delighted to report very encouraging results for the year ended 30 August 2019.

During the year the directors have continued to strengthen the balance sheet by improving the quality of assets within the stock and investment portfolio. This has resulted in the value of the company's stock and investment portfolio increasing by £4,956,998 to £19,488,516.

Since the year end the directors have continued to strengthen the balance sheet by selling selected properties. This has resulted in the company being in a strong position to exploit favourable market conditions in the future.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board believes the impact to the UK property market due to Covid 19 is the main risk.

ON BEHALF OF THE BOARD:



A K Lal - Director

24 August 2020

Sava Estates Limited (Registered number: SC383078)

Report of the Directors
for the Year Ended 30 August 2019

The directors present their report with the financial statements of the company for the year ended 30 August 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property development company.

DIVIDENDS

No dividends will be distributed for the year ended 30 August 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 31 August 2018 to the date of this report.

A K Lal
Mrs H B Lal

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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.

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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, T B Dunn & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



A K Lal - Director

24 August 2020

Report of the Independent Auditors to the Members of
Sava Estates Limited

Opinion

We have audited the financial statements of Sava Estates Limited (the 'company') for the year ended 30 August 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 Financial Reporting Standard 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 30 August 2019 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 Auditors' 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Sava Estates 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 Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

Auditors' 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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



Mark Blair FCCA (Senior Statutory Auditor)
for and on behalf of T B Dunn & Co
Statutory Auditor
308 Albert Drive
Pollokshields
GLASGOW
G41 5RS

Date: ²⁴ August 2020

Sava Estates Limited (Registered number: SC383078)

Income Statement
for the Year Ended 30 August 2019

	Notes	Year Ended 30.8.19 £	Period 1.9.17 to 30.8.18 £
TURNOVER		18,641,837	11,968,668
Cost of sales		14,987,429	10,913,485
GROSS PROFIT		3,654,408	1,055,183
Administrative expenses		210,895	(1,049,871)
		3,443,513	2,105,054
Other operating income		1,605,706	1,233,470
OPERATING PROFIT and PROFIT BEFORE TAXATION		5,049,219	3,338,524
Tax on profit	6	958,786	656,001
PROFIT FOR THE FINANCIAL YEAR		4,090,433	2,682,523

The notes form part of these financial statements

Sava Estates Limited (Registered number: SC383078)

Other Comprehensive Income
for the Year Ended 30 August 2019

	Notes	Year Ended 30.8.19 £	Period 1.9.17 to 30.8.18 £
PROFIT FOR THE YEAR		4,090,433	2,682,523
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>4,090,433</u>	<u>2,682,523</u>

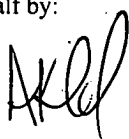
The notes form part of these financial statements

Sava Estates Limited (Registered number: SC383078)

Balance Sheet
30 August 2019

	Notes	2019	2018
		£	£
FIXED ASSETS			
Intangible assets	7	3,658	4,381
Tangible assets	8	-	479
Investment property	9	11,345,258	5,027,234
		<u>11,348,916</u>	<u>5,032,094</u>
CURRENT ASSETS			
Stocks	10	8,143,258	9,504,284
Debtors	11	744,329	473,012
Cash at bank		43,677	1,007
		<u>8,931,264</u>	<u>9,978,303</u>
CREDITORS			
Amounts falling due within one year	12	4,361,306	3,027,770
NET CURRENT ASSETS		<u>4,569,958</u>	<u>6,950,533</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>15,918,874</u>	<u>11,982,627</u>
CREDITORS			
Amounts falling due after more than one year	13	-	154,186
NET ASSETS		<u><u>15,918,874</u></u>	<u><u>11,828,441</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	100	100
Retained earnings	16	15,918,774	11,828,341
SHAREHOLDERS' FUNDS		<u><u>15,918,874</u></u>	<u><u>11,828,441</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 24 August 2020 and were signed on its behalf by:



A K Lal - Director

The notes form part of these financial statements

Sava Estates Limited (Registered number: SC383078)

Statement of Changes in Equity
for the Year Ended 30 August 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 September 2017	100	9,145,818	9,145,918
Changes in equity			
Total comprehensive income	-	2,682,523	2,682,523
Balance at 30 August 2018	100	11,828,341	11,828,441
Changes in equity			
Total comprehensive income	-	4,090,433	4,090,433
Balance at 30 August 2019	100	15,918,774	15,918,874

The notes form part of these financial statements

Sava Estates Limited (Registered number: SC383078)

Cash Flow Statement
for the Year Ended 30 August 2019

		Year Ended 30.8.19 £	Period 1.9.17 to 30.8.18 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	6,083,651	(116,508)
Tax paid		7,866	(644,791)
Net cash from operating activities		<u>6,091,517</u>	<u>(761,299)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(5,104)
Purchase of investment property		(7,196,747)	(3,540,303)
Sale of fixed asset investments		286,894	1,285,402
Sale of investment property		878,723	2,689,903
Net cash from investing activities		<u>(6,031,130)</u>	<u>429,898</u>
Cash flows from financing activities			
Amount introduced by directors		54,600	69,353
Amount withdrawn by directors		(63,158)	(13,900)
Net cash from financing activities		<u>(8,558)</u>	<u>55,453</u>
Increase/(decrease) in cash and cash equivalents		<u>51,829</u>	<u>(275,948)</u>
Cash and cash equivalents at beginning of year	2	(8,152)	267,796
Cash and cash equivalents at end of year	2	<u><u>43,677</u></u>	<u><u>(8,152)</u></u>

The notes form part of these financial statements

Sava Estates Limited (Registered number: SC383078)

Notes to the Cash Flow Statement
for the Year Ended 30 August 2019

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 30.8.19 £	Period 1.9.17 to 30.8.18 £
Profit before taxation	5,049,219	3,338,524
Depreciation charges	1,202	1,528
Profit on disposal of fixed assets	(286,894)	(1,285,402)
	<hr/>	<hr/>
Decrease/(increase) in stocks	4,763,527	2,054,650
(Increase)/decrease in trade and other debtors	1,361,026	(3,462,898)
Increase in trade and other creditors	(271,317)	355,710
	230,415	936,030
	<hr/>	<hr/>
Cash generated from operations	6,083,651	(116,508)
	<hr/>	<hr/>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 August 2019

	30.8.19 £	31.8.18 £
Cash and cash equivalents	43,677	1,007
Bank overdrafts	-	(9,159)
	<hr/>	<hr/>
	43,677	(8,152)
	<hr/>	<hr/>

Period ended 30 August 2018

	30.8.18 £	1.9.17 £
Cash and cash equivalents	1,007	267,796
Bank overdrafts	(9,159)	-
	<hr/>	<hr/>
	(8,152)	267,796
	<hr/>	<hr/>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 August 2019

1. STATUTORY INFORMATION

Sava Estates Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates.

Turnover

Turnover represents the sale of properties held for resale.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33.33% on cost

Investment property

Investment property is stated at fair value. Changes in fair value are recognised in the Statement of Comprehensive Income.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Sava Estates Limited (Registered number: SC383078)

Notes to the Financial Statements - continued
for the Year Ended 30 August 2019

3. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Debtors

Short-term debtors are measured at transaction price, less any impairment.

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 equivalent 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.

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.

4. EMPLOYEES AND DIRECTORS

	Year Ended 30.8.19 £	Period 1.9.17 to 30.8.18 £
Wages and salaries	37,876	-

The average number of employees during the year was as follows:

	Year Ended 30.8.19	Period 1.9.17 to 30.8.18
Directors	2	2
Employees	1	-
	3	2

	Year Ended 30.8.19 £	Period 1.9.17 to 30.8.18 £
Directors' remuneration	-	-

Sava Estates Limited (Registered number: SC383078)

Notes to the Financial Statements - continued
for the Year Ended 30 August 2019

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	Year Ended 30.8.19 £	Period 1.9.17 to 30.8.18 £
Depreciation - owned assets	479	805
Profit on disposal of fixed assets	(286,894)	(1,285,402)
Computer software amortisation	723	723
Auditors' remuneration	3,500	-
Other non- audit services	30,020	-
	<u> </u>	<u> </u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	Year Ended 30.8.19 £	Period 1.9.17 to 30.8.18 £
Current tax:		
UK corporation tax	958,786	656,001
	<u> </u>	<u> </u>
Tax on profit	958,786	656,001
	<u> </u>	<u> </u>

7. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 31 August 2018 and 30 August 2019	5,104
AMORTISATION	
At 31 August 2018	723
Amortisation for year	723
	<u> </u>
At 30 August 2019	1,446
NET BOOK VALUE	
At 30 August 2019	3,658
	<u> </u>
At 30 August 2018	4,381
	<u> </u>

Sava Estates Limited (Registered number: SC383078)

Notes to the Financial Statements - continued
for the Year Ended 30 August 2019

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 31 August 2018 and 30 August 2019	3,200	1,480	4,680
DEPRECIATION			
At 31 August 2018	2,721	1,480	4,201
Charge for year	479	-	479
At 30 August 2019	3,200	1,480	4,680
NET BOOK VALUE			
At 30 August 2019	-	-	-
At 30 August 2018	479	-	479

9. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 31 August 2018	5,027,234
Additions	7,196,747
Disposals	(878,723)
At 30 August 2019	11,345,258
NET BOOK VALUE	
At 30 August 2019	11,345,258
At 30 August 2018	5,027,234

Fair value at 30 August 2019 is represented by:

	£
Valuation in 2019	11,345,258

If investment property had not been revalued it would have been included at the following historical cost:

	2019 £	2018 £
Cost	11,345,258	5,027,234

Investment property was valued on an fair value basis on 30 August 2019 by the company directors.

Sava Estates Limited (Registered number: SC383078)

Notes to the Financial Statements - continued
for the Year Ended 30 August 2019

10. STOCKS			2019	2018
			£	£
Finished goods			<u>8,143,258</u>	<u>9,504,284</u>
11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2019	2018
			£	£
Trade debtors			145,172	-
Other debtors			300,865	327,137
VAT			140,145	-
Prepayments			158,147	145,875
			<u>744,329</u>	<u>473,012</u>
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			2019	2018
			£	£
Bank loans and overdrafts (see note 14)			-	9,159
Trade creditors			198,925	10,361
Tax			1,632,335	665,683
VAT			-	53,906
Other creditors			2,134,905	2,138,149
Directors' loan accounts			145,628	-
Accrued expenses			249,513	150,512
			<u>4,361,306</u>	<u>3,027,770</u>
13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			2019	2018
			£	£
Directors' loan accounts			<u>-</u>	<u>154,186</u>
14. LOANS				
An analysis of the maturity of loans is given below:				
			2019	2018
			£	£
Amounts falling due within one year or on demand:				
Bank overdrafts			<u>-</u>	<u>9,159</u>
15. CALLED UP SHARE CAPITAL				
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019	2018
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

Sava Estates Limited (Registered number: SC383078)

Notes to the Financial Statements - continued
for the Year Ended 30 August 2019

16. RESERVES

	Retained earnings £
At 31 August 2018	11,828,341
Profit for the year	4,090,433
At 30 August 2019	<u>15,918,774</u>

17. RELATED PARTY DISCLOSURES

Entities with control, joint control or significant influence over the entity

	2019 £	2018 £
Purchases	54,000	-
Amount due from related party	241,968	170,776
Amount due to related party	2,078,778	2,000,602