

Davies Johnson Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 28 February 2017

MG Group (Professional Services) Ltd
Chartered Accountants
166 College Road
Harrow
Middlesex
HA1 1BH

Davies Johnson Ltd

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Davies Johnson Ltd

Company Information

Director Kate Davics

Company secretary Nick Johnson

Registered office 20-22 Wenlock Road
London
N1 7GU

Accountants MG Group (Professional Services) Ltd
Chartered Accountants
166 College Road
Harrow
Middlesex
HA1 1BH

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory
Accounts of
Davies Johnson Ltd
for the Year Ended 28 February 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Davies Johnson Ltd for the year ended 28 February 2017 as set out on pages 3 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icacw.com/cn/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Davies Johnson Ltd, as a body, in accordance with the terms of our engagement letter dated 27 February 2009. Our work has been undertaken solely to prepare for your approval the accounts of Davies Johnson Ltd and state those matters that we have agreed to state to the Board of Directors of Davies Johnson Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Davies Johnson Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Davies Johnson Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Davies Johnson Ltd. You consider that Davies Johnson Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Davies Johnson Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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MG Group (Professional Services) Ltd
Chartered Accountants
166 College Road
Harrow
Middlesex
HA1 1BH

20 November 2017

Davies Johnson Ltd

(Registration number: 05723532) Balance Sheet as at 28 February 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>4</u>	-	479
Investment property	<u>5</u>	860,000	1,500,000
		<u>860,000</u>	<u>1,500,479</u>
Current assets			
Cash at bank and in hand		107	31,441
Creditors: Amounts falling due within one year	<u>6</u>	(1,094,379)	(1,468,736)
Net current liabilities		<u>(1,094,272)</u>	<u>(1,437,295)</u>
Total assets less current liabilities		(234,272)	63,184
Provisions for liabilities		-	(287)
Net (liabilities)/assets		<u>(234,272)</u>	<u>62,897</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(234,273)	62,896
Total equity		<u>(234,272)</u>	<u>62,897</u>

For the financial year ending 28 February 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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; and
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 20 November 2017

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Kate Davies

Director

The notes on pages 4 to 9 form an integral part of these financial statements.

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Davies Johnson Ltd

Notes to the Financial Statements for the Year Ended 28 February 2017

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

20-22 Wenlock Road

London

N1 7GU

England

The principal place of business is:

2nd Floor

145-157 St John Street

London

EC1V 4PY

United Kingdom

These financial statements were authorised for issue by the director on 20 November 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Davies Johnson Ltd

Notes to the Financial Statements for the Year Ended 28 February 2017

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% straight line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Development costs	10% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Davies Johnson Ltd

Notes to the Financial Statements for the Year Ended 28 February 2017

3 Intangible assets

	Development costs £	Total £
Cost or valuation		
At 1 March 2016	4,807	4,807
At 28 February 2017	4,807	4,807
Amortisation		
At 1 March 2016	4,807	4,807
At 28 February 2017	4,807	4,807
Carrying amount		
At 28 February 2017	-	-

4 Tangible assets

	Fixtures and fittings £	Total £
Cost or valuation		
At 1 March 2016	10,878	10,878
At 28 February 2017	10,878	10,878
Depreciation		
At 1 March 2016	10,399	10,399
Charge for the year	479	479
At 28 February 2017	10,878	10,878
Carrying amount		
At 28 February 2017	-	-
At 29 February 2016	479	479

Davies Johnson Ltd

Notes to the Financial Statements for the Year Ended 28 February 2017

5 Investment properties

	2017
	£
At 1 March	1,500,000
Additions	251,743
Disposals	(906,294)
Fair value adjustments	14,551
	<hr/>
At 28 February	<u>860,000</u>

The freehold investment property was acquired on 1st June 2012, The property was revalued at open market value of £860,000 by Simon Aldous MRICS for and on behalf of Savills - Chartered Surveyors on 27 February 2017.

6 Creditors

Creditors: amounts falling due within one year

	2017	2016
	£	£
Due within one year		
Trade creditors	-	1,800
Taxation and social security	3	3,276
Accruals and deferred income	2,400	-
Other creditors	1,091,976	1,463,660
	<hr/>	<hr/>
	<u>1,094,379</u>	<u>1,468,736</u>

7 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary share of £1 each	1	1	1	1
	<hr/>	<hr/>	<hr/>	<hr/>

Davies Johnson Ltd

Notes to the Financial Statements for the Year Ended 28 February 2017

8 Related party transactions

Other related party transactions

During the year the company made the following related party transactions:

Nick Johnson

(Company secretary)

During the year Nick Johnson provided further loans of £338,220 to the company. During the year, the company transferred one of the Investment Properties - Plot 7 Lakeshore Reserve, Lower Mill Estate to Nick Johnson (secretary) and Kate Davies (director) at an open market value of £700,000 which was valued by Christopher Poole MRICS from Savills. This transfer took place as part of the repayment of the outstanding loan balance due to Nick Johnson from the company. During the year, Interest was payable by the company at an annual rate of 8% to Nick Johnson. The maximum amount outstanding to Nick Johnson during the year was £1,754,810. At the balance sheet date, the amount due to Nick Johnson was £1,091,976 (2015 - £1,463,660).

During the year, Nick Johnson rented one of the investment properties - 107 Sussex Gardens, London from the company at an open market rental value of £1,800 per month.

9 Transition to FRS 102

Balance Sheet at 1 March 2015

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Intangible assets	1,440	-	-	1,440
Investment property	1,288,876	-	(268,876)	1,020,000
	<u>1,290,316</u>	<u>-</u>	<u>(268,876)</u>	<u>1,021,440</u>
Capital and reserves				
Profit and loss account	282,375	-	(268,876)	13,499
Total equity	<u>282,375</u>	<u>-</u>	<u>(268,876)</u>	<u>13,499</u>

Davies Johnson Ltd

Notes to the Financial Statements for the Year Ended 28 February 2017

Balance Sheet at 29 February 2016

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Intangible assets	959	-	(959)	-
Investment property	1,484,460	-	15,540	1,500,000
	<u>1,485,419</u>	<u>-</u>	<u>14,581</u>	<u>1,500,000</u>
Capital and reserves				
Profit and loss account	48,315	-	14,581	62,896
Total equity	<u>48,315</u>	<u>-</u>	<u>14,581</u>	<u>62,896</u>

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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.