
DAVID CANNON PROPERTIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 NOVEMBER 2017

DAVID CANNON PROPERTIES LIMITED
REGISTERED NUMBER: 00634608

BALANCE SHEET
AS AT 30 NOVEMBER 2017

	Note	2017 £	2017 £	<i>As restated</i> 2016 £	<i>As restated</i> 2016 £
Fixed assets					
Tangible assets	5		-		149
Investment property	6		5,100,000		5,490,000
			<u>5,100,000</u>		<u>5,490,149</u>
Current assets					
Debtors: amounts falling due within one year	7	1,355,306		1,487,018	
Cash at bank and in hand	8	176,059		39,764	
		<u>1,531,365</u>		<u>1,526,782</u>	
Creditors: amounts falling due within one year	9	(157,556)		(404,325)	
Net current assets			<u>1,373,809</u>		<u>1,122,457</u>
Total assets less current liabilities			<u>6,473,809</u>		<u>6,612,606</u>
Provisions for liabilities					
Deferred tax	11	(524,935)		(628,502)	
			<u>(524,935)</u>		<u>(628,502)</u>
Net assets			<u><u>5,948,874</u></u>		<u><u>5,984,104</u></u>

DAVID CANNON PROPERTIES LIMITED
REGISTERED NUMBER: 00634608

BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		2	2
Investment property reserve	12	2,237,879	2,514,011
Profit and loss account	12	3,710,993	3,470,091
		<u>5,948,874</u>	<u>5,984,104</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 July 2018.

D G Matthey

Director

The notes on pages 4 to 11 form part of these financial statements.

DAVID CANNON PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2017

	Called up share capital	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 December 2016	2	2,514,011	3,470,091	5,984,104
Comprehensive income for the year				
Profit for the year	-	-	364,770	364,770
Total comprehensive income for the year	-	-	364,770	364,770
Dividends: Equity capital	-	-	(400,000)	(400,000)
Net fair value movements	-	(276,132)	276,132	-
Total transactions with owners	-	(276,132)	(123,868)	(400,000)
At 30 November 2017	2	2,237,879	3,710,993	5,948,874

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Called up share capital	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 December 2015	2	2,244,698	2,811,963	5,056,663
Comprehensive income for the year				
Profit for the year	-	-	927,441	927,441
Total comprehensive income for the year	-	-	927,441	927,441
Net fair value movements	-	269,313	(269,313)	-
Total transactions with owners	-	269,313	(269,313)	-
At 30 November 2016	2	2,514,011	3,470,091	5,984,104

The notes on pages 4 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

1. General information

David Cannon Properties Limited is a private company, limited by shares and incorporated in England and Wales, United Kingdom, with a registration number 00634608. The address of the registered office is Lawrence House, Goodwyn Avenue, Mill Hill, London, NW7 3RH. The principal activity of the company is that of property investment.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue represents rental and ancillary income due from properties for the period.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures & Fittings	-	15%	Reducing balance
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

2. Accounting policies (continued)

2.4 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate.

Sums received for lease extensions have been deducted from the original cost where the company owns the relevant freehold reversions until the original cost is extinguished. Sums received for subsequent lease extensions are taken directly to the profit and loss account.

2.5 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 equivalents 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.

2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2016 - 3).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

4. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	151,236	148,005
Adjustments in respect of previous periods	(7)	(156,469)
Total current tax	<u>151,229</u>	<u>(8,464)</u>
Deferred tax		
Origination and reversal of timing differences	(72,143)	67,329
Changes to tax rates	(31,425)	-
Total deferred tax	<u>(103,568)</u>	<u>67,329</u>
Taxation on profit on ordinary activities	<u>47,661</u>	<u>58,865</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 19.33% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>412,431</u>	<u>986,306</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.33% (2016 - 20%)	79,723	197,261
Effects of:		
Adjustments to tax charge in respect of prior periods	(7)	(156,469)
Other differences leading to an increase (decrease) in the tax charge	(630)	18,073
Effect of changing rate on deferred tax opening balance	(31,425)	-
Total tax charge for the year	<u>47,661</u>	<u>58,865</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

DAVID CANNON PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

5. Tangible fixed assets

	Fixtures & Fittings £
At 1 December 2016	5,427
Disposals	(5,427)
	<hr/>
At 30 November 2017	-
	<hr/>
At 1 December 2016	5,278
Disposals	(5,278)
	<hr/>
At 30 November 2017	-
	<hr/>
Net book value	
At 30 November 2017	<hr/> <hr/> -
<i>At 30 November 2016</i>	<hr/> <hr/> 149

6. Investment property

	Freehold investment property £
Valuation	
At 1 December 2016	5,490,000
Disposals	(692,225)
Surplus on revaluation	302,225
	<hr/>
At 30 November 2017	<hr/> <hr/> 5,100,000

The 2017 valuations were made by the directors, on an open market value for existing use basis.

DAVID CANNON PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

7. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	-	1,000
Other debtors	1,355,306	1,486,018
	<u>1,355,306</u>	<u>1,487,018</u>

8. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	176,059	39,764
	<u>176,059</u>	<u>39,764</u>

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Corporation tax	151,236	148,005
Other creditors	-	250,000
Accruals and deferred income	6,320	6,320
	<u>157,556</u>	<u>404,325</u>

10. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	176,059	39,764
	<u>176,059</u>	<u>39,764</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

11. Deferred taxation

	2017 £
At beginning of year	(628,503)
Charged to profit or loss	103,568
At end of year	<u>(524,935)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Fair value movements	(524,934)	(628,503)
	<u>(524,934)</u>	<u>(628,503)</u>

12. Reserves

Investment property revaluation reserve

The investment property revaluation reserve represents cumulative effects of fair value adjustments on investment properties net of deferred tax and other adjustments.

Profit & loss account

The profit and loss account represents cumulative distributable profits and losses net of dividends and other adjustments.

13. Contingent liabilities

Proceeds of properties sold in 2015 have been rolled over on the expectation that new purchases will be made. The capital gain that may arise should the claim be unsuccessful amounts to £3,090 at 30 November 2017 (2016: £3,090).

DAVID CANNON PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

14. Related party transactions

During the year the following transactions occurred:

	<i>Loans due at 30/11/2017 £</i>	<i>Loans due at 30/11/2016 £</i>
Entities with control, joint control or significant influence over the entity	700,000	451,000
	<u>700,000</u>	<u>451,000</u>

15. Controlling party

The Company's ultimate parent company is Branlink Limited, a company incorporated in England and Wales.

The ultimate controlling party is Winsyl Investments Limited, due to its majority shareholding in the ultimate parent company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

16. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 December 2015. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 December 2015

	Note	£
Equity at 1 December 2015 under previous UK GAAP		5,057,836
Transitional adjustment 1	1	(1,173)
Equity shareholders funds at 1 December 2015 under FRS 102		5,056,663

Reconciliation of equity at 30 November 2016

	Note	£
Equity at 30 November 2016 under previous UK GAAP		5,922,606
Transitional adjustment 1	1	61,498
Equity shareholders funds at 30 November 2016 under FRS 102		5,984,104

Reconciliation of profit and loss account for the year ended 30 November 2016

		£
Profit for the year under previous UK GAAP		658,129
Transitional adjustment 1	1	269,312
Profit for the year ended 30 November 2016 under FRS 102		927,441

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 The investment property was previously accounted for under FRSSE (effective January 2015) which required gains and losses on the property's open market value to be taken to a revaluation reserve via the Statement of Total Recognised Gains and Losses. Under FRS102, the property is measured at fair value and any gains or losses are reported via the profit and loss account. FRS102 also requires deferred tax to be accounted for on investment property revaluations and for the amount to be shown in the profit and loss account.

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