

Paul Securities Limited

Unaudited Financial Statements

For Filing with Registrar

For the year ended 31 July 2019

Company Registration No. 00721692 (England and Wales)

Paul Securities Limited

Company Information

Directors	P Crocker H Crocker L S Da Costa E Crocker
Secretary	E Crocker
Company number	00721692
Registered office	Devonshire House 60 Goswell Road London EC1M 7AD
Accountants	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Business address	3rd Floor 44 Great Marlborough Street London W1F 7JL

Paul Securities Limited

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Paul Securities Limited

Balance Sheet

As at 31 July 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Investment properties	3		-	13,056,001	
Investments	4		-	80	
			<u>-</u>	<u>13,056,081</u>	
Current assets					
Stock	5	12,456,001	-		
Debtors	6	6,583,947	6,277,648		
Cash at bank and in hand		3,300,588	3,388,239		
		<u>22,340,536</u>	<u>9,665,887</u>		
Creditors: amounts falling due within one year	7	<u>(1,193,897)</u>	<u>(1,526,715)</u>		
Net current assets		<u>21,146,639</u>		<u>8,139,172</u>	
Total assets less current liabilities		<u>21,146,639</u>		<u>21,195,253</u>	
Provisions for liabilities		<u>(1,843,939)</u>		<u>(1,906,520)</u>	
Net assets		<u>19,302,700</u>		<u>19,288,733</u>	
Capital and reserves					
Called up share capital	8		40		40
Profit and loss reserves		19,302,660		19,288,693	
Total equity		<u>19,302,700</u>		<u>19,288,733</u>	

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

For the financial year ended 31 July 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

Paul Securities Limited

Balance Sheet (Continued)

As at 31 July 2019

The financial statements were approved by the board of directors and authorised for issue on 28 April 2020 and are signed on its behalf by:

P Crocker
Director

H Crocker
Director

Company Registration No. 00721692

Paul Securities Limited

Notes to the Financial Statements

For the year ended 31 July 2019

1 Accounting policies

Company information

Paul Securities Limited is a private company limited by shares incorporated in England and Wales. The registered office is Devonshire House, 60 Goswell Road, London, EC1M 7AD.

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 pound.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover comprises loan arrangement fees and loan interest charged from providing finance to other entities and rent receivable on properties.

Revenue is recognised in the period to which the income relates.

1.3 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Stock

Stock is properties held for sale, previously held as investment properties in the prior year. These have been transferred to stock at fair value as at 1 August 2018.

1.6 Cash at bank and in hand

Cash at bank and in hand 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.

Paul Securities Limited

Notes to the Financial Statements (Continued)

For the year ended 31 July 2019

1 Accounting policies

(Continued)

1.7 Financial instruments

Basic financial instruments are held at cost. The company has no other financial instruments or basic financial instruments measured at fair value.

1.8 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.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end 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 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2018 - 5).

3 Investment property

2019
£

Fair value

At 1 August 2018	13,056,001
Transfers	(13,056,001)
	<hr/>
At 31 July 2019	-
	<hr/> <hr/>

Paul Securities Limited

Notes to the Financial Statements (Continued)

For the year ended 31 July 2019

3 Investment property

(Continued)

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

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2019 £	2018 £
Cost	-	1,546,428
Accumulated depreciation	-	-
Carrying amount	-	1,546,428

4 Fixed asset investments

	2019 £	2018 £
Investments	-	80

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 August 2018	80
Disposals	(80)
At 31 July 2019	-
Carrying amount	
At 31 July 2019	-
At 31 July 2018	80

Paul Securities Limited

Notes to the Financial Statements (Continued)

For the year ended 31 July 2019

5 Stock

	2019 £	2018 £
Stock of properties held for sale	12,456,001	-

Having reviewed market conditions and development opportunities, in July 2015 the directors made the decision to realise all of the company's properties into cash, and initially lend that cash out to other companies under common control for property development, investment and trading activities. Therefore, since July 2015 the company's principal activity has changed from that of property investment for rental income and capital growth, to selling down its properties and trading as a finance company. Accordingly, the directors have reclassified all of the company's properties, which are now held for sale as trading stock, from investment property to stock at fair value as at 1 August 2018. If properties were held at historical cost basis rather than fair value, the amounts included in stock would have been £1,538,194.

6 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	9,160	10,058
Other debtors	6,574,787	6,267,590
	6,583,947	6,277,648

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	18,543	4,650
Corporation tax	181,330	545,000
Other creditors	994,024	977,065
	1,193,897	1,526,715

8 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
40 Ordinary shares of £1 each	40	40
	40	40

Paul Securities Limited

Notes to the Financial Statements (Continued)

For the year ended 31 July 2019

9 Related party transactions

At the year end, the company owed £900,000 (2018: £900,000) to a director of the company which is included within other creditors due within one year. The balance is repayable on demand. No interest is accruing on these balances.

At the year end, the company owed £20,660 (2018: £nil) to companies under common control which is included within other creditors due within one year. The balance is repayable on demand. No interest is accruing on these balances.

At the year end, the company was owed £6,305,322 (2018: £5,583,537) by companies under common control which is included within other debtors. The balance is repayable on demand. No interest is accruing on these balances.

During the year the company made available facilities totalling a maximum of £2,000,000 to a company under common control. At the balance sheet date, £nil of this facility had been drawn and was outstanding.

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.