

Paulsec Finance Limited (formerly Paul Securities Limited)

Unaudited Financial Statements

For Filing with Registrar

For the year ended 31 July 2020

Paulsec Finance Limited (formerly Paul Securities Limited)

Company Information

Directors	P Crocker H Crocker L S Da Costa E S Crocker
Secretary	E S 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

Paulsec Finance Limited (formerly Paul Securities Limited)

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Paulsec Finance Limited (formerly Paul Securities Limited)

Balance Sheet

As at 31 July 2020

		2020	2019
	Notes	£	£
Current assets			
Stock		11,286,001	12,456,001
Debtors falling due after more than one year	4	6,405,322	6,305,322
Debtors falling due within one year	4	415,451	278,625
Cash at bank and in hand		4,270,761	3,300,588
		<u>22,377,535</u>	<u>22,340,536</u>
Creditors: amounts falling due within one year	5	<u>(1,218,918)</u>	<u>(1,193,897)</u>
Net current assets		21,158,617	21,146,639
Provisions for liabilities		<u>(1,688,958)</u>	<u>(1,843,939)</u>
Net assets		<u>19,469,659</u>	<u>19,302,700</u>
Capital and reserves			
Called up share capital	6	40	40
Profit and loss reserves		<u>19,469,619</u>	<u>19,302,660</u>
Total equity		<u>19,469,659</u>	<u>19,302,700</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 2020 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.

Paulsec Finance Limited (formerly Paul Securities Limited)

Balance Sheet (Continued)

As at 31 July 2020

The financial statements were approved by the board of directors and authorised for issue on 15 April 2021 and are signed on its behalf by:

P Crocker
Director

H Crocker
Director

Company Registration No. 00721692

Paulsec Finance Limited (formerly Paul Securities Limited)

Notes to the Financial Statements

For the year ended 31 July 2020

1 Accounting policies

Company information

Paulsec Finance Limited (formerly 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. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of the sale in trading properties, revenue recognised by the company in respect of any rent receivable on properties held as trading stock, loan arrangement fees and loan interest charged from providing finance to other entities.

Revenue on the sale of a property is recognised when completion of the sales contract occurs during the accounting period.

Rent receivable, loan arrangement fees and loan interest charged are recognised in the period in which the income relates.

1.3 Stock

Stock comprises properties held for sale as trading stock. Stocks are valued at the lower of cost and net realisable value. Cost includes all direct costs associated with the purchase and subsequent improvement of the properties.

1.4 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.

1.5 Financial instruments

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

1.6 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.

1.7 Taxation

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

Paulsec Finance Limited (formerly Paul Securities Limited)

Notes to the Financial Statements (Continued)

For the year ended 31 July 2020

1 Accounting policies

(Continued)

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 (2019 - 4).

3 Investment property

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

4 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	443	9,160
Other debtors	415,008	269,465
	<u>415,451</u>	<u>278,625</u>
Amounts falling due after more than one year:		
Trade debtors	<u>6,405,322</u>	<u>6,305,322</u>
Total debtors	<u>6,820,773</u>	<u>6,583,947</u>

Prior year non current trade debtor amounts have been reclassified from current other debtors for consistency with the current year presentation.

Paulsec Finance Limited (formerly Paul Securities Limited)

Notes to the Financial Statements (Continued)

For the year ended 31 July 2020

4 Debtors (Continued)

5 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	-	18,543
Corporation tax	194,145	181,330
Other creditors	1,024,773	994,024
	<u>1,218,918</u>	<u>1,193,897</u>

6 Called up share capital

	2020 £	2019 £
Ordinary share capital Issued and fully paid		
40 Ordinary shares of £1 each	40	40
	<u>40</u>	<u>40</u>

7 Related party transactions

At the year end, the company owed £900,000 (2019: £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 was owed £32,410 (2019: £nil) by companies under common control which is included within other debtors. The balance is repayable on demand. No interest is accruing on these balances.

At the year end, the company was owed £6,405,322 (2019: £6,305,322) by companies under common control which is included within trade debtors due over one year. Interest of £130,447 (2019: £110,441) and arrangement fees of £1,000 (2019: £29,678) has been charged in the year.

At the year end, the company owed £49,616 (2019: £20,660) 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.

During the prior 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.