

**Registered number: 01635057**

**Warrprop Limited**

**Unaudited**

**Financial statements**

**Information for filing with the registrar**

**For the year ended 31 December 2018**

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**Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Warrprop Limited for the year ended 31 December 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Warrprop Limited for the year ended 31 December 2018 which comprise the balance sheet and the related notes 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.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Warrprop Limited, as a body, in accordance with the terms of our engagement letter dated 1 March 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Warrprop Limited and state those matters that we have agreed to state to the board of directors of Warrprop Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Warrprop Limited and its board of directors, as a body, for our work or for this report.

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

We have not been instructed to carry out an audit or review of the financial statements of Warrprop Limited. 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 financial statements.

**Kreston Reeves LLP**

Chartered Accountants  
37 St Margaret's Street  
Canterbury  
Kent  
CT1 2TU  
16 July 2019

**Balance sheet**  
**As at 31 December 2018**

	<b>Note</b>	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
<b>Fixed assets</b>			
Tangible assets	4	398,466	500,421
Investment property	5	1,154,699	1,100,032
		<u>1,553,165</u>	<u>1,600,453</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	6,483	2,186
Cash at bank and in hand		5,158	13,880
		<u>11,641</u>	<u>16,066</u>
Creditors: amounts falling due within one year	7	(59,551)	(47,836)
<b>Net current liabilities</b>		<u>(47,910)</u>	<u>(31,770)</u>
<b>Total assets less current liabilities</b>		<u>1,505,255</u>	<u>1,568,683</u>
Creditors: amounts falling due after more than one year	8	(659,966)	(800,136)
<b>Provisions for liabilities</b>			
Deferred tax	10	(4,145)	(5,554)
<b>Net assets</b>		<u><u>841,144</u></u>	<u><u>762,993</u></u>
<b>Capital and reserves</b>			
Called up share capital		40,000	40,000
Revaluation reserve	11	347,314	292,647
Profit and loss account	11	453,830	430,346
		<u><u>841,144</u></u>	<u><u>762,993</u></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 income and retained earnings 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 16 July 2019.

**Mr D N Warren**  
Director

**Warrprop Limited**  
**Registered number: 01635057**

**Balance sheet (continued)**  
**As at 31 December 2018**

The notes on pages 4 to 10 form part of these financial statements.

**Notes to the financial statements**  
**For the year ended 31 December 2018**

**1. General information**

Warrprop Limited (company number 01635057) is a private company limited by shares and incorporated in South East of England. The address of the company's principal place of business is Channel View Road, Dover, Kent. CT17 9TP.

**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 financial statements are rounded to the nearest pound.

The following principal accounting policies have been applied:

**2.2 Going concern**

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

**2.3 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

**2.5 Interest income**

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

**Notes to the financial statements**  
**For the year ended 31 December 2018**

**2. Accounting policies (continued)**

**2.6 Finance costs**

Finance costs are charged to the statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.7 Borrowing costs**

All borrowing costs are recognised in the statement of income and retained earnings in the year in which they are incurred.

**2.8 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, 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.

**2.9 Tangible fixed assets**

Tangible fixed assets under the cost model, other than freehold property, 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.

**Notes to the financial statements**  
**For the year ended 31 December 2018**

**2. Accounting policies (continued)**

**2.9 Tangible fixed assets (continued)**

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Work Boat	-	33%
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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 income and retained earnings.

**2.10 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, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of income and retained earnings.

**2.11 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.12 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.

**2.13 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of income and retained earnings in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**2.14 Financial instruments**

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade creditors or trade debtors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a



**Notes to the financial statements**  
**For the year ended 31 December 2018**

**2. Accounting policies (continued)**

**2.14 Financial instruments (continued)**

rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring an impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**3. Employees**

The average monthly number of employees, including directors, during the year was 4 (2017 - 4).

**Notes to the financial statements**  
**For the year ended 31 December 2018**

**4. Tangible fixed assets**

	<b>Other fixed assets £</b>
<b>Cost or valuation</b>	
At 1 January 2018	626,864
At 31 December 2018	<u>626,864</u>
<b>Depreciation</b>	
At 1 January 2018	126,443
Charge for the year	101,955
At 31 December 2018	<u>228,398</u>
<b>Net book value</b>	
At 31 December 2018	<u><u>398,466</u></u>
At 31 December 2017	<u><u>500,421</u></u>

**5. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 January 2018	1,100,032
Surplus on revaluation	54,667
<b>At 31 December 2018</b>	<u><u>1,154,699</u></u>

The 2018 valuations were made by the directors in conjunction with Pearson Gore Estate Agents, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	<b>2018 £</b>	<b>2017 £</b>
Historic cost	<u><u>906,066</u></u>	<u><u>906,066</u></u>

**6. Debtors**

<b>2018 £</b>	<b>2017 £</b>
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**Notes to the financial statements**  
**For the year ended 31 December 2018**

**6. Debtors (continued)**

Trade debtors	<b>6,483</b>	-
Amounts owed by related undertakings	-	2,186
	<b><u>6,483</u></b>	<b><u>2,186</u></b>

**7. Creditors: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>858</b>	(105)
Corporation tax	-	5,711
Other creditors	-	1,614
Accruals and deferred income	<b>58,693</b>	40,616
	<b><u>59,551</u></b>	<b><u>47,836</u></b>

**8. Creditors: Amounts falling due after more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other loans	<b><u>659,966</u></b>	<b><u>800,136</u></b>

The above loans comprise shareholders loans of £158,500 (2017: £163,818) and £501,466 (2017: £636,818) owing to Messrs P and D Warren which attract interest at 7.5% and 10% p.a. respectively payable quarterly from 1 January 2017. The loans are partly secured over the company's tangible fixed assets and although payable on demand, the directors will not require payment until the company is in funds to do so.

**9. Loans**

Analysis of the maturity of loans is given below:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due 2-5 years</b>		
Other loans	<b><u>659,966</u></b>	<b><u>800,136</u></b>

**10. Deferred taxation**

**Notes to the financial statements**  
**For the year ended 31 December 2018**

**10. Deferred taxation (continued)**

	2018 £	2017 £
At beginning of year	(5,554)	(7,461)
Charged to profit or loss	1,410	1,907
<b>At end of year</b>	<b>(4,144)</b>	<b>(5,554)</b>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(22,270)	(30,229)
Tax losses carried forward	18,126	24,675
	<b>(4,144)</b>	<b>(5,554)</b>

**11. Reserves**

**Share capital**

This reserve represents the nominal value of shares that have been issued.

**Revaluation reserve**

The company previously used the revaluation model for the measurement of its freehold property. All of the company's properties are now included within investment properties and revalued accordingly. This reserve records the revaluation surplus recognised less the related provision for deferred tax.

**Profit & loss account**

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

**12. Related party transactions**

Burgess Marine Limited, a related company was charged rental of £387 (2017: £59,996).

Included in other creditors due after more than one year are amounts owing to the directors, Messrs P and D Warren of £158,500 and £501,466 respectively (2017: £163,318 and £636,818 respectively).

**13. Controlling party**

The company is under the control of the Warren family which comprises, Mr and Mrs D N Warren, who are directors of the company and Messrs N and P Warren.



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.