

STANHOPE GARDENS LIMITED

**UNAUDITED
FINANCIAL STATEMENTS**

31 DECEMBER 2016



ArmstrongWatson®
Accountants, Business & Financial Advisers

STANHOPE GARDENS LIMITED
REGISTERED NUMBER: 01884773

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

| | Note | 2016 £ | 2015 £ |
|--|------|-----------------|-----------------|
| Fixed assets | | | |
| Investments | | 265,021 | 265,021 |
| | | <u>265,021</u> | <u>265,021</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 5 | 185,086 | 193,198 |
| Cash at bank and in hand | | 1,173 | 1,725 |
| | | <u>186,259</u> | <u>194,923</u> |
| Creditors: amounts falling due within one year | 6 | (277,575) | (267,338) |
| Net current liabilities | | <u>(91,316)</u> | <u>(72,415)</u> |
| Net assets | | <u>173,705</u> | <u>192,606</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 2 | 2 |
| Profit and loss account | | 173,703 | 192,604 |
| | | <u>173,705</u> | <u>192,606</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 by:



M J W Scriven

Director

Date: 27 September 2017

The notes on pages 2 to 5 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

The company is a limited liability company incorporated and domiciled in the United Kingdom. It trades from Holes Beck House, Hartlington, Skipton, North Yorkshire, BD23 5EE.

The principal activity of the company is investing in overseas property for rental purposes.

These financial statements have been presented in Round Sterling as this is the currency of the primary economic environment in which the company operates.

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 accounting policies.

The following principal accounting policies have been applied:

2.2 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.3 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.

2.4 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.

2.5 Financial instruments

The Company only enters into basic financial instruments 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.

2.6 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2.8 Taxation

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 reporting 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 Statement of financial position 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 reporting date.

3. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2015 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

4. Taxation

Factors that may affect future tax charges

The company has capital losses of approximately £26,600 (2015 - £26,600) which are available to utilise against future chargeable gains.

The company has excess management expenses of approximately £161,000 (2015 - £142,000) available to carry forward against future taxable profits.

5. Debtors

| | 2016 £ | 2015 £ |
|------------------------------------|----------------|----------------|
| Amounts owed by group undertakings | 115,188 | 88,300 |
| Other debtors | 69,898 | 104,898 |
| | <u>185,086</u> | <u>193,198</u> |

6. Creditors: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------------------|----------------|----------------|
| Amounts owed to group undertakings | 139,552 | 158,552 |
| Other creditors | 138,023 | 108,786 |
| | <u>277,575</u> | <u>267,338</u> |

7. Share capital

| | 2016 £ | 2015 £ |
|------------------------------------|-----------|-----------|
| Shares classified as equity | | |
| Allotted, called up and fully paid | | |
| 2 Ordinary shares of £1 each | <u>2</u> | <u>2</u> |

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

8. Related party transactions

Included within debtors, amounts falling due within one year is an amount of £64,688 (2015 - £99,688) due from Elvaston Investments Limited. Elvaston Investments Limited is a wholly owned subsidiary of Halley Investment Company Limited. The 12th Earl of Harrington is the sole life tenant of the Stanhope Trust which owns 100% of the share capital of Halley Investment Company Limited. M J W Scriven and Viscount Petersham are directors of Elvaston Investments Limited. The balance is interest free and repayable on demand.

Included within debtors, amounts falling due within one year is an amount of £115,188 (2015 - £88,300) due from a subsidiary undertaking, Stanhope Properties, S.L. The balance is interest free and repayable on demand.

Included within creditors, amounts falling due within one year is an amount due to the parent undertaking, Doublard Investment Company Limited, of £139,552 (2015 - £158,552). The balance is interest free and repayable on demand.

Included within creditors, amounts falling due within one year, is an amount of £132,253 (2015 - £103,017) due to The Earl of Harrington. The balance is interest free and repayable on demand.

9. Controlling party

The company is a wholly owned subsidiary of Doublard Investment Company Limited. Doublard Investment Company Limited is incorporated and registered in Bermuda.

The 12th Earl of Harrington is the sole life tenant of the Chesterfield Trust which owns 100% of the Share Capital of Doublard Investment Company Limited.

10. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.