
KIMBERLEY SECURITIES LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 30 JUNE 2018



KIMBERLEY SECURITIES LIMITED
REGISTERED NUMBER: 02891750

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	193,101	3,738
Investments	5	(628,452)	(637,347)
Investment property	6	12,948,424	12,948,424
		<u>12,513,073</u>	<u>12,314,815</u>
Current assets			
Work in progress	7	2,464,787	2,967,550
Debtors: amounts falling due within one year	8	2,211,127	1,008,689
Cash at bank and in hand	9	2,292,139	1,653,457
		<u>6,968,053</u>	<u>5,629,696</u>
Creditors: amounts falling due within one year	10	(2,093,222)	(764,610)
Net current assets		<u>4,874,831</u>	<u>4,865,086</u>
Total assets less current liabilities		<u>17,387,904</u>	<u>17,179,901</u>
Creditors: amounts falling due after more than one year	11	(9,057,263)	(9,125,000)
Provisions for liabilities			
Deferred taxation		(590,439)	(580,239)
Net assets		<u><u>7,740,202</u></u>	<u><u>7,474,662</u></u>
Capital and reserves			
Called up share capital		40,000	40,000
Capital redemption reserve		20,000	20,000
Profit and loss account		7,680,202	7,414,662
Equity attributable to owners of the parent Company		<u><u>7,740,202</u></u>	<u><u>7,474,662</u></u>

KIMBERLEY SECURITIES LIMITED
REGISTERED NUMBER: 02891750

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2018

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 consolidated 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 17 January 2019.



HMB Caseley
Director



PM Pearce
Director

The notes on pages 5 to 18 form part of these financial statements.

KIMBERLEY SECURITIES LIMITED
REGISTERED NUMBER: 02891750

COMPANY BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 £	2017 £
Fixed assets			
Investments	5	60,026	60,026
		<u>60,026</u>	<u>60,026</u>
Current assets			
Debtors: amounts falling due within one year	8	1,006,983	901,047
Cash at bank and in hand	9	1,067	1,068
		<u>1,008,050</u>	<u>902,115</u>
Creditors: amounts falling due within one year	10	(333,063)	(312,936)
Net current assets		<u>674,987</u>	<u>589,179</u>
Total assets less current liabilities		<u>735,013</u>	<u>649,205</u>
Net assets		<u><u>735,013</u></u>	<u><u>649,205</u></u>
Capital and reserves			
Called up share capital		40,000	40,000
Capital redemption reserve		20,000	20,000
Profit and loss account		675,013	589,205
		<u>735,013</u>	<u>649,205</u>

KIMBERLEY SECURITIES LIMITED
REGISTERED NUMBER: 02891750

COMPANY BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2018

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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HMB Caseley
Director



PM Pearce
Director

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KIMBERLEY SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. General information

The company is a private limited company, registered in England (No. 02891750).

The address of the principal place of business and registered office is;

33 St.James's Street
London
SW1A 1HD

The principal activity of the company is that of a holding company. The principal activities of the Group are property development, property investment and consultancy.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentational and functional currency is GBP.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

On the basis that the Group is small and qualifies for exemption, a statement of cash flows has not been prepared and presented.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 July 2014.

The basis of recognition in the Group financial statements of the results and financial position of joint ventures is detailed in note 2.15.

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

2. Accounting policies (continued)

2.3 Going concern

The directors have reviewed projections and the financial commitments and available resources of the company for the foreseeable future and accordingly prepared the financial statements on the going concern basis.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 Group 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.

Turnover comprises revenue recognised in respect of development projects, professional fees for other services and rents receivable from investment properties.

Development activities

In respect of long term contracts turnover is stated at cost appropriate to the contracts's stage of completion plus attributable profits, less amounts recognised in prior years.

Turnover in respect of other services is recognised in the period in which contractual delivery is completed.

Investment activity

Rental income is recognised in the period for which it is receivable.

2.5 Operating leases: the Group as lessee

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

2.6 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income 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.

2.8 Borrowing costs

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

KIMBERLEY SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.12 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.

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation 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:

Short term leasehold property	- Over the life of the lease
Motor vehicles	- 25% straight line
Fixtures & fittings	- 10% straight line
Office equipment	- 25% straight line

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 Consolidated statement of comprehensive income.

2.13 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 Consolidated statement of comprehensive income.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in joint venture undertakings are stated at the Group share of net assets/(liabilities).

KIMBERLEY SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2. Accounting policies (continued)

2.15 Joint ventures

A joint venture is an arrangement by which the Group is party to a contractual agreement with another party to undertake an economic activity subject to joint control, in which the beneficial ownership or equity interest is 50%.

Joint venture companies

Investments in joint venture undertakings in which the Group has a 50% equity interest, are stated at the Group share of net assets/(liabilities). The share of profits or losses of the joint venture undertakings is included in the statement of comprehensive income using the equity accounting basis.

Joint arrangements with no entity

The Group share of profits and losses from its investments in unincorporated arrangements are accounted for on a direct basis and included in the statement of comprehensive income under relevant categories of income and expenditure. The Group share of the carrying values of investments properties, work in progress and other assets and liabilities are recognised within the appropriate balance sheet categories.

2.16 Work in progress

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account. Excess payments on account are included in creditors.

In accordance with guidance, pre-contract costs, significant costs incurred in initial processes and before a contract is secured where recoverability is uncertain, are written off to profit and loss account as incurred.

Short term work in progress is valued at the lower of cost and net realisable value after making due allowance for amounts not recoverable. Costs include all direct costs incurred in development projects.

2.17 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.

KIMBERLEY SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2. Accounting policies (continued)

2.18 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.

2.19 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.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Consolidated statement of comprehensive income in the year that the Group 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.

2.21 Financial instruments

The Group 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.

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 Group would receive for the asset if it were to be sold at the balance sheet date.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.22 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Management	2	2
Administration	1	1
	<u>3</u>	<u>3</u>

4. Tangible fixed assets

Group

	S/Term Leasehold Property £	Motor vehicles £	Office equipment £	Total £
Cost or valuation				
At 1 July 2017	1,776	48,132	40,196	90,104
Additions	-	202,904	-	202,904
At 30 June 2018	<u>1,776</u>	<u>251,036</u>	<u>40,196</u>	<u>293,008</u>
Depreciation				
At 1 July 2017	-	48,132	38,234	86,366
Charge for the year on owned assets	-	12,681	860	13,541
At 30 June 2018	<u>-</u>	<u>60,813</u>	<u>39,094</u>	<u>99,907</u>
Net book value				
At 30 June 2018	<u>1,776</u>	<u>190,223</u>	<u>1,102</u>	<u>193,101</u>
At 30 June 2017	<u>1,776</u>	<u>-</u>	<u>1,962</u>	<u>3,738</u>

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

5. Fixed asset investments

Group

	Investment in joint ventures £
Cost or valuation	
At 1 July 2017	(637,347)
Additions	8,895
At 30 June 2018	<u>(628,452)</u>
Net book value	
At 30 June 2018	<u><u>(628,452)</u></u>
At 30 June 2017	<u><u>(637,347)</u></u>

The movements of £8,895 represents the group share (50%) of joint venture companies' aggregate net profits after taxation for the year.

KIMBERLEY SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

5. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2017	60,026
At 30 June 2018	<u>60,026</u>
Net book value	
At 30 June 2018	<u>60,026</u>
At 30 June 2017	<u>60,026</u>

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

6. Investment property

Group

	Freehold investment property £
Valuation	
At 1 July 2017	12,948,424
At 30 June 2018	<u>12,948,424</u>

The 2018 valuations were by the directors, taking account of recent relevant external valuations. Property valuations are on an open market value, 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:

	2018 £	2017 £
Historic cost	<u>7,485,094</u>	<u>7,485,094</u>

7. Work in progress

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Work in progress contract balances	<u>2,464,787</u>	<u>2,967,550</u>	<u>-</u>	<u>-</u>

Impairment losses of £99,593 (2017 - £105,391) were recognised against work in progress balances in respect of write down to net realisable value, based upon current valuations or similar evidence, and early or speculative project costs that are unlikely to be recovered.

The group share (50%) of impairment losses of joint venture undertakings was £nil (2017: £nil).

Direct costs charged to the Statement of Comprehensive Income in respect of work in progress were £824,992 (2017 - £5,224,579).

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

8. Debtors

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Trade debtors	1,692,227	3,991	-	-
Amounts owed by group undertakings	-	-	1,006,982	891,047
Amounts owed by joint ventures and associated undertakings	-	626,749	-	10,000
Other debtors	145,135	45,754	-	-
Prepayments and accrued income	373,765	332,195	1	-
	<u>2,211,127</u>	<u>1,008,689</u>	<u>1,006,983</u>	<u>901,047</u>

9. Cash and cash equivalents

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Cash at bank and in hand	2,292,139	1,653,457	1,067	1,068

10. Creditors: Amounts falling due within one year

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Trade creditors	1,286,285	53,732	-	-
Amounts owed to group undertakings	-	-	312,910	312,910
Amounts owed to joint ventures	743	743	-	-
Corporation tax	82,108	282,809	20,127	-
Other taxation and social security	59,374	7,871	-	-
Obligations under finance lease and hire purchase contracts	152,526	-	-	-
Other creditors	121,976	31,079	26	26
Accruals and deferred income	390,210	388,376	-	-
	<u>2,093,222</u>	<u>764,610</u>	<u>333,063</u>	<u>312,936</u>

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

11. Creditors: Amounts falling due after more than one year

	Group 2018 £	<i>Group 2017 £</i>	Company 2018 £	<i>Company 2017 £</i>
Bank loans	7,996,000	8,100,000	-	-
Trade creditors	96,263	-	-	-
Accruals and deferred income	965,000	1,025,000	-	-
	<u>9,057,263</u>	<u>9,125,000</u>	<u>-</u>	<u>-</u>

Secured loans

The bank loan falls due for repayment in April 2021 and is secured by a first legal charge over property assets, a floating charge over other assets and a group cross guarantee.

Creditors falling due after more than 5 years

Deferred income relates to a lease premium received which is being amortised over the term of the lease. The amounts due after more than 5 years totals £725,000 (2017: £785,000).

12. Loans

Analysis of the maturity of loans;

	Group 2018 £	<i>Group 2017 £</i>	Company 2018 £	<i>Company 2017 £</i>
Amounts falling due 2-5 years				
Bank loans	<u>7,996,000</u>	<u>8,100,000</u>	<u>-</u>	<u>-</u>

13. Pension commitments

The group operates a defined contribution pension scheme. The pension cost charge represents contributions payable by the group to the fund and amounted to £nil (2017: £nil). No contributions to the fund were outstanding at the balance sheet date.

KIMBERLEY SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

14. Commitments under operating leases

At 30 June 2018 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2018 £	Group 2017 £
Not later than 1 year	51,584	51,584
Later than 1 year and not later than 5 years	151,980	203,564
	<u>203,564</u>	<u>255,148</u>

15. Auditors' information

The auditors' report on the financial statements for the year ended 30 June 2018 was unqualified.

The audit report was signed on 21 January 2019 by Vicky Szulist (Senior Statutory Auditor) for Crowe U.K. LLP.