

# Freehold Securities Limited

Unaudited Financial Statements  
for the Year Ended 31 October 2018

Landmark Accountants Limited

Chartered Accountants

Leavesden Park

5 Hercules Way

Watford

Hertfordshire

WD25 7GS

# **Freehold Securities Limited**

## **Contents**

Company Information	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Financial Statements	<u>3 to 7</u>

# **Freehold Securities Limited**

## **Company Information**

**Directors** R Steinhouse  
J Jackson-Shilling

**Company secretary** S Whybrow

**Registered office** Leavesden Park  
Suite 1  
5 Hercules Way  
Watford  
Hertfordshire  
WD25 7GS

**Accountants** Landmark Accountants Limited  
Chartered Accountants  
Leavesden Park  
5 Hercules Way  
Watford  
Hertfordshire  
WD25 7GS

**Freehold Securities Limited**  
**(Registration number: 02928601)**  
**Balance Sheet as at 31 October 2018**

	Note	2018	2017
		£	£
<b>Fixed assets</b>			
Other financial assets	<u>5</u>	25,000	938
<b>Current assets</b>			
Stocks	<u>6</u>	1,169,872	1,254,419
Debtors	<u>7</u>	3,722,355	675,778
Cash at bank and in hand		<u>1,030,313</u>	<u>2,796,550</u>
		5,922,540	4,726,747
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	<u>(2,785,271)</u>	<u>(430,087)</u>
<b>Net current assets</b>		<u>3,137,269</u>	<u>4,296,660</u>
<b>Net assets</b>		<u><u>3,162,269</u></u>	<u><u>4,297,598</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>3,162,169</u>	<u>4,297,498</u>
<b>Total equity</b>		<u><u>3,162,269</u></u>	<u><u>4,297,598</u></u>

For the financial year ending 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 26 July 2019 and signed on its behalf by:

.....

R Steinhouse  
Director

The notes on pages 3 to 7 form an integral part of these financial statements.  
Page 2

# **Freehold Securities Limited**

## **Notes to the Financial Statements for the Year Ended 31 October 2018**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Leavesden Park  
Suite 1  
5 Hercules Way  
Watford  
Hertfordshire  
WD25 7GS  
United Kingdom

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in sterling, which is the functional currency of the company and rounded to the nearest £.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for ground rent, lease extensions, fees, insurance premiums and freehold sales. Ground rent and insurance premiums are recognised in the period to which they relate. Fees are recognised when the service is performed. Freehold sales and lease extensions are recognised when the transaction is completed. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

# Freehold Securities Limited

## Notes to the Financial Statements for the Year Ended 31 October 2018

### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% straight line
Computer equipment	33% straight line

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### Stocks

Stocks of ground rents are acquired and held with the intention of resale and are valued at the lower of cost and net realisable value.

Net realisable value is based on estimate selling price less further costs to completion and disposal.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

# Freehold Securities Limited

## Notes to the Financial Statements for the Year Ended 31 October 2018

### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 3 (2017 - 3).

### 4 Tangible assets

	<b>Furniture, fittings and equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 November 2017	19,775	19,775
Disposals	(19,775)	(19,775)
At 31 October 2018	-	-
<b>Depreciation</b>		
At 1 November 2017	19,775	19,775
Eliminated on disposal	(19,775)	(19,775)
At 31 October 2018	-	-
<b>Carrying amount</b>		
At 31 October 2018	-	-
At 31 October 2017	-	-

# Freehold Securities Limited

## Notes to the Financial Statements for the Year Ended 31 October 2018

### 5 Other financial assets (current and non-current)

	Financial assets at cost less impairment £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 November 2017	938	938
Additions	25,000	25,000
Disposals	(938)	(938)
At 31 October 2018	25,000	25,000
<b>Carrying amount</b>		
At 31 October 2018	25,000	25,000
At 31 October 2017	938	938

The investment is comprised of £938 relating to 50,000 units in 'Holt Investment Trust 1' (acquired on 03 September 2007 for £21,834) and £25,000 relating to 10% investment in 'Moment Pebble Ltd' (acquired on 19 October 2018 for £25,000)

The directors assessed the investments for the year and considered the revised fair values to be £nil (2017 - £938) for 'Holt Investment Trust 1' and £25,000 (2017 - £nil) for 'Moment Pebble Ltd'. Receipts of £nil (2017 - £nil) were received in the year.

### 6 Stocks

	2018 £	2017 £
Freehold property stock	1,169,872	1,254,419

### 7 Debtors

	2018 £	2017 £
Trade debtors	124,889	40,898
Amounts owed by group undertakings	143,703	386,460
Other debtors	3,453,763	248,420
	3,722,355	675,778



## Freehold Securities Limited

### Notes to the Financial Statements for the Year Ended 31 October 2018

#### 8 Creditors

	2018 £	2017 £
<b>Due within one year</b>		
Trade creditors	-	3,247
Amounts owed to group undertakings	2,512,144	-
Taxation and social security	241,497	236,409
Other creditors	31,630	190,431
	<u>2,785,271</u>	<u>430,087</u>

#### 9 Financial commitments, guarantees and contingencies

##### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £3,640 (2017 - £Nil).

#### 10 Related party transactions

The company has taken advantage of the exemption under FRS 102 Section 1AC.35 from disclosing transactions with other group companies wholly owned within the group.

At the year end, the company was owed £18,638 (2017 - £nil) by companies related by virtue of being controlled by director's close family members.

At the year end, the company was owed £1,132,337 (2017 - £79,181) by companies related by virtue of having directors and shareholders in common.

As at year end, the directors owed the company £2,300,929 (2017: £Nil). The interest rate on the loan is 3% and the loan is repayable on demand.

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.