

Registration number 03666140

London Development Property Company Limited

Directors' report and financial statements

for the year ended 30 November 2012

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London Development Property Company Limited

Company information

Directors	Mr S Dhir Mr R Dhir
Secretary	Mr A Choudhury
Company number	03666140
Registered office	Aspect House 16 Wilmer Place Stoke Newington London N16 0LQ
Auditors	DAS, Chartered Accountants 1st Floor Windsor House 1270 London Road Norbury London SW16 4DH
Solicitors	Barnes Partners 60 Fore Street Edmonton London N18 2TT

London Development Property Company Limited

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London Development Property Company Limited

Directors' report for the year ended 30 November 2012

The directors present their report and the financial statements for the year ended 30 November 2012

Principal activity

The principal activity of the company is that of property developers and real estate

Results and dividends

Directors and their interests

The directors who served during the year and their respective interests in the company are stated below

	Class of share	30/11/12	01/12/11
Mr S Dhir	Ordinary shares	1	1
Mr R Dhir	Ordinary shares	-	-

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

London Development Property Company Limited

**Directors' report
for the year ended 30 November 2012**

continued

Auditors

DAS, Chartered Accountants are deemed to be reappointed in accordance with an elective resolution made under Section 386(1) of the Companies Act 1985 which continues in force under the Companies Act 2006

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

This report was approved by the Board on 28/08/13 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'S. Dhir', written over a horizontal line.

**Mr S Dhir
Director**

**Independent auditor's report to the shareholders of
London Development Property Company Limited**

continued

We have audited the financial statements of London Development Property Company Limited for the year ended 30 November 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out below.

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 November 2012 and of its profit for the year then ended, except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning some of the investment properties held by the company in trust
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the shareholders of
London Development Property Company Limited**

.....continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.



Pradeep Shah (senior statutory auditor)

For and on behalf of DAS, Chartered Accountants

Date: 28 August 2013

1st Floor Windsor House
1270 London Road
Norbury
London
SW16 4DH

London Development Property Company Limited

**Profit and loss account
for the year ended 30 November 2012**

		2012	2011
	Notes	£	£
Administrative expenses		(126,492)	(133,811)
Other operating income		247,024	190,498
Operating profit	2	120,532	56,687
Interest payable and similar charges		(62,573)	(64,609)
Profit/(loss) on ordinary activities before taxation		57,959	(7,922)
Tax on profit/(loss) on ordinary activities		-	-
Profit/(loss) for the year	10	57,959	(7,922)
Retained profit brought forward		641,679	490,173
Prior year adjustment (net)		-	159,428
Retained profit carried forward		699,638	<u>641,679</u>

The notes on pages 9 to 14 form an integral part of these financial statements.

London Development Property Company Limited

**Balance sheet
as at 30 November 2012**

		2012		2011	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		222,757		231,250
Investments	5		3,340,738		3,339,806
			3,563,495		3,571,056
Current assets					
Stocks		452,531		428,833	
Debtors	6	1,788,547		1,794,503	
Cash at bank and in hand		5,350		622	
		2,246,428		2,223,958	
Creditors: amounts falling due within one year	7	(7,317)		(81,576)	
Net current assets			2,239,111		2,142,382
Total assets less current liabilities			5,802,606		5,713,438
Creditors: amounts falling due after more than one year	8		(3,458,334)		(3,427,125)
Net assets			2,344,272		2,286,313
Capital and reserves					
Called up share capital	9		2		2
Revaluation reserve	10		1,644,632		1,644,632
Profit and loss account	10		699,638		641,679
Shareholders' funds			2,344,272		2,286,313

The notes on pages 9 to 14 form an integral part of these financial statements.

London Development Property Company Limited

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies

The financial statements were approved by the Board on 28/08/13 and signed on its behalf by



Mr S Dhir
Director

Registration number 03666140

The notes on pages 9 to 14 form an integral part of these financial statements.

London Development Property Company Limited

**Notes to the financial statements
for the year ended 30 November 2012**

continued

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and financial instruments, and in accordance with applicable accounting standards

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows

Land and buildings	-	Straight line over 20 years
Fixtures, fittings and equipment	-	25% reducing balance

1.3. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value

1.4. Stock

Stock is valued at the lower of cost and net realisable value

1.5. Group accounts

The company is entitled to the exemption under Section 398 of the Companies Act 2006 from the obligation to prepare group accounts

2. Operating profit

	2012	2011
	£	£
Operating profit is stated after charging		
Depreciation and other amounts written off tangible assets	10,694	10,812
Auditors' remuneration (Note 3)	1,500	1,250

London Development Property Company Limited

**Notes to the financial statements
for the year ended 30 November 2012**

3 Auditors' remuneration

	2012	2011
	£	£
Auditors' remuneration - audit of the financial statements	<u>1,500</u>	1,250

4. Tangible fixed assets	Land and buildings freehold £	Fixtures, fittings and equipment £	Total £
Cost/revaluation			
At 1 December 2011	320,000	72,659	392,659
Additions	-	2,201	2,201
At 30 November 2012	320,000	74,860	394,860
Depreciation			
At 1 December 2011	96,778	64,631	161,409
Charge for the year	8,137	2,557	10,694
At 30 November 2012	104,915	67,188	172,103
Net book values			
At 30 November 2012	215,085	7,672	222,757
At 30 November 2011	223,222	<u>8,028</u>	<u>231,250</u>

The freehold land and building refer to the company's office and headquarters. They were revalued in 2004 by £157,259 following a valuation report from a suitable qualified and independent Chartered Surveyor. The valuation was prepared on an open market value basis.

London Development Property Company Limited

**Notes to the financial statements
for the year ended 30 November 2012**

continued

5. Fixed asset investments	Subsidiary undertakings shares £	Available for sale investments £	Total £
Market value			
At 1 December 2011	100	3,339,706	3,339,806
Revaluations	-	932	932
At 30 November 2012	100	3,340,638	3,340,738
Net book values			
At 30 November 2012	100	3,340,638	3,340,738
At 30 November 2011	100	<u>3,339,706</u>	<u>3,339,806</u>

The Investment Properties were revalued in 2009 by £698,863 by a suitable qualified and independent Chartered Surveyor on an open market value basis. The company does not depreciate its investment properties as provided by the Financial Reporting Standard for Smaller Entities (effective January 2007)

5.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Heritage Construction (GB) Limited	England	Property Construction and Renovation	Ordinary	100%

London Development Property Company Limited

**Notes to the financial statements
for the year ended 30 November 2012**

continued

6. Debtors	2012	2011
	£	£
Trade debtors	823,629	828,179
Amount owed by connected companies	917,706	931,384
Other debtors	47,212	34,940
	1,788,547	1,794,503

The amounts due in more than one year refer to the balance owed by subsidiaries and associated companies, £351,537 (2011 £376,265) was owed by City Development Estates Limited (Co Reg No 4929220) and £566,169 (2011 £555,119) was owed by Liverpool Development Property Limited (Co Reg No 5315358) All two companies are controlled by Mr S Dhir and A Choudhury who are directors and have interests in the companies

Amounts falling due after more than one year and included in debtors are

Trade debtors	620,000	620,000
Other debtors	917,706	931,384
	1,537,706	1,551,384

7. Creditors. amounts falling due within one year	2012	2011
	£	£
Bank overdraft	-	44,854
Trade creditors	6,707	12,979
Corporation tax	(3,340)	2,660
Other creditors	-	6,083
Accruals and deferred income	3,950	15,000
	<u>7,317</u>	<u>81,576</u>

London Development Property Company Limited

**Notes to the financial statements
for the year ended 30 November 2012**

continued

8	Creditors: amounts falling due after more than one year	2012 £	2011 £
	Bank loan	1,625,956	1,642,365
	Directors' Loan accounts	1,832,378	1,784,760
		3,458,334	3,427,125
	Loans		
	Repayable in five years or more	(1,625,956)	(1,642,365)

The bank loans of £1,625,956 (2011 £1,642,365) are secured against the company's fixed assets, investment properties and work in progress. The directors' loan of £1,366,211 (2011 £1,318,592) and the remaining long term are unsecured and not subject to interest.

9.	Share capital	2012 £	2011 £
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	2	2
	Equity Shares		
	2 Ordinary shares of £1 each	2	2

10.	Reserves	Revaluation reserve £	Profit and loss account £	Total £
	At 1 December 2011 (restated)	1,644,632	641,679	2,286,311
	Profit for the year		57,959	57,959
	At 30 November 2012	1,644,632	699,638	2,344,270

London Development Property Company Limited

Notes to the financial statements for the year ended 30 November 2012

continued

11. Transactions with directors

The directors' and company secretary's loan of £716,135 (2011 £679,010) and £650,075 (2011 £639,582) respectively are unsecured and not subject to interest. Neither party has set a repayment date on their loans to the company. The loans are repaid as and when the company's cash flow requirements allow. The company's overdraft and loan from the banks are personally guaranteed by the directors and company secretary.

12. Related party transactions

There were number of transactions during the year between the company and its director and secretary. The trade debtors due in more than one year include an amount for £653,629 (2011 £653,629) which is due from M1 Cash and Carry Limited (Co Reg No 5095318) in respect of construction work carried out and sale of a freehold property sold to it at arms length by the company, which is controlled by Mr A Choudhury. The company owed the following amounts to connected parties: £716,135 (2011 £679,010) to Mr S Dhir as directors' loan, £650,075 (2011 £639,582) to Mr A Choudhury as secretary's loan, £156,011 (2011 £156,011) to Leviathan Limited (Reg in Gibraltar) which is controlled by a close associate of Mr A Choudhury.

13. Controlling interest

The Company is controlled by Messrs Sanjeev Dhir and Atique Choudhury who are equal shareholders, director and secretary of the company.

14. Post balance sheet events

The financial statements were authorized by the company's Finance Director Mr Sanjeev Dhir. Liverpool Development Property Limited (Co Reg No 5315358) another company owing £566,169 (2011 £555,119) was placed in Administration on the 17th November 2008. City Development Estates Limited (Co Reg No 4929220) has had a restriction placed on its assets which has restricted its capacity to generate income to repay the amounts due to the company. However, it is gradually making a contribution towards the amount outstanding.

London Development Property Company Limited

The following pages do not form part of the statutory accounts.

London Development Property Company Limited

**Detailed trading profit and loss account
and expenses schedule
for the year ended 30 November 2012**

	2012		2011	
	£	£	£	£
Cost of sales				
Opening stock	428,833		393,461	
Builders and contractors cost	9,977		28,047	
Materials, Development and construction cost	4,237		4,454	
Legal and professional fees	9,484		2,271	
Commissions fees	-		600	
	<u>452,531</u>		428,833	
Closing stock	(452,531)		(428,833)	
Administrative expenses				
Secretarial wages	5,840		-	
Ground rent, rates ,service, Mgt chg, storage rent	41,432		48,345	
Insurance	9,532		13,535	
Light and heat	3,310		4,534	
Cleaning	3,664		4,492	
Repairs and maintenance	4,078		4,491	
Printing, postage stationery & office supplies	1,827		1,367	
Telephone	6,449		5,272	
Computer, internet and website costs	676		100	
Motor, travelling and subsistence expenses	2,843		2,981	
Legal and professional	8,687		4,215	
Admin, book keeping and accountancy	20,940		29,588	
Audit fees	1,500		1,250	
Bank charges and interest	539		1,959	
Hospitality	207		230	
General expenses	4,274		640	
Depreciation on freehold property	8,137		8,137	
Depreciation on fixtures & equipment	2,557		2,675	
		<u>126,492</u>		<u>133,811</u>
Other operating income				
Rental income and Property management fees	247,024		190,498	
		<u>247,024</u>		<u>190,498</u>
Operating profit	-%	120,532	-%	56,687

Interest payable

London Development Property Company Limited

**Detailed trading profit and loss account
and expenses schedule
for the year ended 30 November 2012**

	2012		2011	
	£	£	£	£
Bank loan interest	<u>62,573</u>		<u>64,609</u>	
		(62,573)		(64,609)
Net profit/(loss) for the year		<u>57,959</u>		<u>(7,922)</u>