

REGISTERED NUMBER: 04565701 (England and Wales)

**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**  
**FOR**  
**SGDN LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**SGDN LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**DIRECTORS:**

A R Harle  
T E J Jones  
A D Neal

**SECRETARY:**

Ms C L Cox

**REGISTERED OFFICE:**

Stuart House  
City Road  
Peterborough  
PE1 1QF

**REGISTERED NUMBER:**

04565701 (England and Wales)

**AUDITORS:**

Martin and Company Audit Limited  
Chartered Accountants  
and Statutory Auditors  
25 St Thomas Street  
Winchester  
Hampshire  
SO23 9HJ

**BANKERS:**

National Westminster Bank plc  
Millbank Branch  
Horseferry Road  
London  
SW1P 2AZ

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors present their report with the financial statements of the company for the year ended 31 December 2017.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

A R Harle

T E J Jones

A D Neal

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

Martin and Company Audit Limited were appointed as the Company's auditors during the year and will be proposed for re-appointment at the forthcoming Annual General Meeting.

The prior period financial statements were audited by Saffery Champness LLP.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

A D Neal - Director

28 September 2018

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SGDN LIMITED**

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### **Opinion**

We have audited the financial statements of SGDN Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SGDN LIMITED**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

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 a Report of the Auditors 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.

James Angus Burnett (Senior Statutory Auditor)  
for and on behalf of Martin and Company Audit Limited  
Chartered Accountants  
and Statutory Auditors  
25 St Thomas Street  
Winchester  
Hampshire  
SO23 9HJ

28 September 2018

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

		<b>31.12.17</b>	<b>31.12.16</b>
	Notes	£	£
<b>TURNOVER</b>	3	<b>820,480</b>	550,771
Cost of sales		<u><b>721,705</b></u>	<u>504,880</u>
<b>GROSS PROFIT</b>		<b>98,775</b>	45,891
Administrative expenses		<u><b>95,012</b></u>	<u>55,416</u>
<b>OPERATING PROFIT/(LOSS) and PROFIT/(LOSS) BEFORE TAXATION</b>		<b>3,763</b>	(9,525)
Tax on profit/(loss)	6	<u>-</u>	<u>-</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>3,763</b>	(9,525)
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><b>3,763</b></u>	<u>(9,525)</u>

The notes form part of these financial statements

**BALANCE SHEET**  
**31 DECEMBER 2017**

		<b>31.12.17</b>	<b>31.12.16</b>
	Notes	£	£
<b>CURRENT ASSETS</b>			
Debtors	7	<b>167,859</b>	301,875
Cash at bank		<b>15,047</b>	27,209
		<b>182,906</b>	329,084
<b>CREDITORS</b>			
Amounts falling due within one year	8	<b>181,481</b>	331,422
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>1,425</b>	(2,338)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,425</b>	(2,338)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	<b>3,000</b>	3,000
Retained earnings	11	<b>(1,575)</b>	(5,338)
<b>SHAREHOLDERS' FUNDS</b>		<b>1,425</b>	(2,338)

The financial statements were approved by the Board of Directors on 28 September 2018 and were signed on its behalf by:

A D Neal - Director

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2016</b>	3,000	4,187	7,187
<b>Changes in equity</b>			
Total comprehensive income	-	(9,525)	(9,525)
<b>Balance at 31 December 2016</b>	<u>3,000</u>	<u>(5,338)</u>	<u>(2,338)</u>
<b>Changes in equity</b>			
Total comprehensive income	-	3,763	3,763
<b>Balance at 31 December 2017</b>	<u>3,000</u>	<u>(1,575)</u>	<u>1,425</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. STATUTORY INFORMATION**

SGDN Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion, when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its Financial Instruments.

Financial Instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, where there is a legally 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.

**Basic financial assets**

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interests method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017****2. ACCOUNTING POLICIES - continued****Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**3. TURNOVER**

The turnover and profit (2016 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	31.12.17	31.12.16
	£	£
Estate management services	<u>820,480</u>	<u>550,771</u>
	<u>820,480</u>	<u>550,771</u>

An analysis of turnover by geographical market is given below:

	31.12.17	31.12.16
	£	£
United Kingdom	<u>820,480</u>	<u>550,771</u>
	<u>820,480</u>	<u>550,771</u>

**4. EMPLOYEES AND DIRECTORS**

	31.12.17	31.12.16
	£	£
Wages and salaries	<u>22,741</u>	<u>11,234</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017****4. EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

	31.12.17	31.12.16
Directors	<u>3</u>	<u>3</u>
Directors' remuneration	<u>£ 22,741</u>	<u>£ 11,234</u>

**5. OPERATING PROFIT/(LOSS)**

The operating profit (2016 - operating loss) is stated after charging:

	31.12.17	31.12.16
Auditors' remuneration	<u>£ 4,216</u>	<u>£ 4,500</u>

**6. TAXATION****Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2017 nor for the year ended 31 December 2016.

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.17	31.12.16
Profit/(loss) before tax	<u>£ 3,763</u>	<u>£ (9,525)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2016 - 20%)	715	(1,905)
Effects of:		
Utilisation of tax losses	(715)	-
Unutilised tax losses carried forward	<u>-</u>	<u>1,905</u>
Total tax charge	<u>-</u>	<u>-</u>

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.17	31.12.16
Trade debtors	<u>£ 167,859</u>	<u>£ 301,875</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2017****8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.17	31.12.16
	£	£
Trade creditors	165,157	307,030
VAT	2,128	691
Accrued expenses	14,196	23,701
	<u>181,481</u>	<u>331,422</u>

**9. FINANCIAL INSTRUMENTS**

The carrying amount of financial assets as at 31st December 2017 is £167,859 (2016: £301,875) and are all made up of debt instruments measured at amortised cost.

The carrying amount of financial liabilities as at 31st December 2017 is £165,157 (2016: £307,030) and are all made up of financial liabilities measured at amortised cost.

**10. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.17	31.12.16
			£	£
3,000	Ordinary	1	<u>3,000</u>	<u>3,000</u>

Each share is entitled to one vote in any circumstances and equal entitlement to dividend payments and capital distributions. They do not confer any rights of redemption.

**11. RESERVES**

	Retained earnings £
At 1 January 2017	(5,338)
Profit for the year	<u>3,763</u>
At 31 December 2017	<u>(1,575)</u>

**12. RELATED PARTY DISCLOSURES**

The company engaged in transactions with Savills (UK) Limited which is a related party as it owns 51% of the issued share capital of the company and it is considered to be the parent entity. The registered office of Savills (UK) Limited is 33 Margaret Street, London W1G 0JD.

The nature of the transactions was the purchase of services which totalled £636,529 (2016: £459,034). The amount due to Savills (UK) Limited, included within trade creditors as trading balances, was £137,432.14 (2016: £263,479).

The company also engaged in transactions with Carter Jonas LLP which is a related party because the partners in Carter Jonas LLP own 49% of the issued share capital of the company.

The nature of the transactions was the purchase of services which totalled £85,176 (2016: £45,846). The amount due to Carter Jonas LLP, included within trade creditors as trading balances, was £16,678.68 (2016: 23,895).

During the year, a total of key management personnel compensation of £ 22,741 (2016 - £ 11,234 ) was paid.

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.