

Dawnsnow Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2018

J.D. Bregman & Co Limited
Chartered Accountants
Churchill House
120 Bunns Lane
London
NW7 2AS

Dawnsnow Limited

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Dawnsnow Limited

Company Information

Directors	E Dangoor R Samra
Registered office	81 Kensington Gardens Square, London, W2 4DJ
Accountants	J.D. Bregman & Co Limited Chartered Accountants Churchill House 120 Bunns Lane London NW7 2AS

Dawnsnow Limited

(Registration number: 05006181)

Balance Sheet as at 31 May 2018

	Note	2018 £	2017 £
Fixed assets			
Investment property	<u>3</u>	30,000,000	22,300,000
Current assets			
Cash at bank and in hand		179,183	199,106
Creditors: Amounts falling due within one year	<u>4</u>	<u>(4,183,840)</u>	<u>(4,233,733)</u>
Net current liabilities		<u>(4,004,657)</u>	<u>(4,034,627)</u>
Total assets less current liabilities		25,995,343	18,265,373
Creditors: Amounts falling due after more than one year	<u>4</u>	<u>(2,210,286)</u>	<u>(2,797,427)</u>
Provisions for liabilities		<u>(2,952,655)</u>	<u>(1,489,655)</u>
Net assets		<u>20,832,402</u>	<u>13,978,291</u>
Capital and reserves			
Called up share capital	<u>5</u>	90	90
Other reserves		16,866,166	10,629,166
Profit and loss account		<u>3,966,146</u>	<u>3,349,035</u>
Total equity		<u>20,832,402</u>	<u>13,978,291</u>

For the financial year ending 31 May 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 4 December 2018 and signed on its behalf by:

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R Samra
Director

The notes on pages 4 to 7 form an integral part of these financial statements.
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Statement of Changes in Equity for the Year Ended 31 May 2018

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 June 2017	90	10,629,166	3,349,035	13,978,291
Profit for the year	-	-	6,854,111	6,854,111
Other comprehensive income	-	6,237,000	(6,237,000)	-
Total comprehensive income	-	6,237,000	617,111	6,854,111
At 31 May 2018	90	16,866,166	3,966,146	20,832,402

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 June 2016	90	10,629,166	2,738,719	13,367,975
Profit for the year	-	-	610,316	610,316
Total comprehensive income	-	-	610,316	610,316
At 31 May 2017	90	10,629,166	3,349,035	13,978,291

The notes on pages 4 to 7 form an integral part of these financial statements.
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Notes to the Financial Statements for the Year Ended 31 May 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:
81 Kensington Gardens Square,
London,
W2 4DJ

These financial statements were authorised for issue by the Board on 4 December 2018.

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.

Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Judgements in respect of valuation of investment properties have had the most significant effects on amounts recognised in the financial statements.

Revenue recognition

Turnover comprises revenue recognised by the company in respect of rent receivable in the year.

Tax

The tax expense for the period comprises current and deferred 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Dawnsnow Limited

Notes to the Financial Statements for the Year Ended 31 May 2018

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

No depreciation is provided on investment properties.

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 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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

3 Investment properties

	2018
	£
At 1 June	22,300,000
Fair value adjustments	<u>7,700,000</u>
At 31 May	<u><u>30,000,000</u></u>

Dawnsnow Limited

Notes to the Financial Statements for the Year Ended 31 May 2018

The investment properties which have a historical cost of £10,181,179 were revalued by the directors on 31 May 2018 on an open market basis at £30,000,000.

The properties are secured by legal charges, see note 6.

There has been no valuation of investment property by an independent valuer.

4 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	6	589,212	538,619
Amounts owed to group undertakings and undertakings in which the company has a participating interest	7	3,551,207	3,587,710
Taxation and social security		38,421	103,404
Accruals and deferred income		5,000	4,000
		<u>4,183,840</u>	<u>4,233,733</u>

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	6	<u>2,210,286</u>	<u>2,797,427</u>

5 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	90	90	90	90
	<u>90</u>	<u>90</u>	<u>90</u>	<u>90</u>

During the year the Company and the Group undertook a group reconstruction in which the shares of its directors in the company were exchanged for shares in its parent company The Cleveland Group Limited

6 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Bank borrowings	<u>2,210,286</u>	<u>2,797,427</u>

Dawnsnow Limited

Notes to the Financial Statements for the Year Ended 31 May 2018

	2018 £	2017 £
Current loans and borrowings		
Bank borrowings	<u>589,212</u>	<u>538,619</u>

Bank borrowings

Bank loans is denominated in Sterling with a nominal interest rate of Nationwide LIBOR %, and the final instalment is due on 27 May 2023. The carrying amount at year end is £2,799,498 (2017 - £3,336,045).

The bank loan is secured by a legal mortgage over the investment properties.

7 Related party transactions

Summary of transactions with other related parties

The company received rent of £820,000 (2016: £820,000) from a related company.

Loans from related parties

	Parent £	Other related parties £
2018		
At start of period	2,631,403	956,308
Advanced	376,655	539,929
Repaid	<u>(953,088)</u>	<u>-</u>
At end of period	<u>2,054,970</u>	<u>1,496,237</u>

8 Parent and ultimate parent undertaking

The company's immediate parent is The Cleveland Group Limited, incorporated in England and Wales.

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.