Company Registration No. 05167482 (England and Wales)

Tusan Limited

Unaudited Financial Statements

For The Year Ended 31 December 2018

TUSAN LIMITED

CONTENTS

TUSAN LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Current assets					
Stocks		77,250		561,000	
Debtors	3	7,551		7,604	
Cash at bank and in hand		9,666		2,639	
		94,467		571,243	
Creditors: amounts falling due within one year	4	(59,738)		(77,425)	
Net current assets			34,729		493,818
Creditors: amounts falling due after more than one year	5		(918,845)		(1,292,887)
Net liabilities			(884,116)		(799,069)
Capital and reserves					
Called up share capital			1,000		1,000
Profit and loss reserves			(885,116)		(800,069)
Total equity			(884,116)		(799,069)

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 20 March 2019 and are signed on its behalf by:

Mr W E Clark
Director

Company Registration No. 05167482

1 Accounting policies

Company information

Tusan Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2, Therm Road, New Cleveland Street, Hull, HU8 7BF.

1.1 Accounting convention

These financial statements have been prepared in accordance with "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company continues to receive the support of its main lenders, with repayments broadly scheduled around the receipt of monies from property sales as they complete. The directors believe that the best value can be obtained for all stakeholders by adhering to a strategy of carefully managing the timing of sales to homebuyers, as opposed to a number of practical alternatives, one of which could have been an irrational "fire-sale" stance. Additionally the company has taken steps to rent completed properties on short term leases. This enables income to be generated from the properties during the ongoing marketing period whilst still allowing for sale with vacant possession when a purchaser is secured. By adhering to these strategies, the directors are confident that the company's debts will continue to be met as and when they fall due, and it is their belief therefore that the financial statements should continue to be prepared on a going concern basis.

1.3 Turnover

Turnover is recognised on property sales upon exchange of contracts, provided that, if the exchange is conditional, all material conditions have been satisfied shortly thereafter.

Turnover from property rentals is recognised on an accruals basis.

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.5 Cash and cash equivalents

Cash at bank and in hand 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.

1 Accounting policies **(Continued)**

1.6 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 balance sheet 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, when 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 and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

1 Accounting policies **(Continued)**

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.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2017 - 2).

3 Debtors

	2018	2017
Amounts falling due within one year:	**£**	**£**
Trade debtors	100	200
Other debtors	7,451	7,404
	7,551	7,604

4 Creditors: amounts falling due within one year

	2018	2017
	£	**£**
Bank loans and overdrafts	-	22,296
Other creditors	59,738	55,129
	59,738	77,425

5 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	-	89,042
Other creditors	918,845	1,203,845
	918,845	1,292,887

6 Related party transactions

No guarantees have been given or received.

Mr W E Clark, a director and 50% shareholder of this company, is also the controlling party of Teddy Clark Group Limited, the ultimate parent company of Teddy Clark Limited (TCL). Included within other creditors due after one year is an amount of £345 (2017 - £284,345) due to TCL. The loan bears interest at 2% over bank base rate. Included within other creditors due within one year is £53,288 (2017 - £48,301) accrued interest in respect of this loan. In addition, £459,500 (2017 - £460,000) is owed to TCL and is included within other creditors due after more than one year. This loan bears no interest.

During the year, the company charged management expenses of £3,500 (2017 - £4,500) to Greystones Management (Scarborough) Limited, a company in which Mr W E Clark and Mr G Thorpe are directors. During the year the company also paid £3,539 (2017 - £5,536) to Greystones for managing the properties that Tusan owns. The balance due from this company at the year end is £6,820 (2017 - £3,949) and is included within debtors due within one year.