

SQUARESTONE SOUTHEND LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
Company Registration No. 06090978 (England and Wales)

SQUARESTONE SOUTHEND LIMITED

COMPANY INFORMATION

Directors	R Sloss T Barlow
Secretary	G Geaves
Company number	06090978
Registered office	Standbrook House 2-5 Old Bond Street London W1S 4PD
Accountants	DSG 45 Hoghton Street Southport Merseyside PR9 0PG

SQUARESTONE SOUTHEND LIMITED

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SQUARESTONE SOUTHEND LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investment properties	2		6,000,000		6,000,000
Current assets					
Debtors	3	352,697		270,776	
Cash at bank and in hand		32		332	
		<u>352,729</u>		<u>271,108</u>	
Creditors: amounts falling due within one year	4	<u>(10,598,537)</u>		<u>(10,354,136)</u>	
Net current liabilities			<u>(10,245,808)</u>		<u>(10,083,028)</u>
Total assets less current liabilities			<u>(4,245,808)</u>		<u>(4,083,028)</u>
Creditors: amounts falling due after more than one year	5		<u>(4,431,566)</u>		<u>(4,431,566)</u>
Net liabilities			<u><u>(8,677,374)</u></u>		<u><u>(8,514,594)</u></u>
Capital and reserves					
Called up share capital	6		10,000		10,000
Profit and loss reserves			<u>(8,687,374)</u>		<u>(8,524,594)</u>
Total equity			<u><u>(8,677,374)</u></u>		<u><u>(8,514,594)</u></u>

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 March 2017 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 Act 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.

SQUARESTONE SOUTHEND LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2017

The financial statements were approved by the board of directors and authorised for issue on 11 December 2017 and are signed on its behalf by:

R Sloss
Director

T Barlow
Director

Company Registration No. 06090978

SQUARESTONE SOUTHEND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Squarestone Southend Limited is a private company limited by shares incorporated in England and Wales. The registered office is Standbrook House, 2-5 Old Bond Street, London, W1S 4PD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "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 amounts in these financial statements are rounded to the nearest £.

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

These financial statements for the year ended 31 March 2017 are the first financial statements of Squarestone Southend Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

As noted in the Directors' Report, the company's investment property is under the control of Receivers who are collecting rents from tenants and paying out costs, and retaining funds in their own account for payment to the charge holder. The company's accounts reflect those transactions. The carrying value of the investment property has been impaired in the year following the appointment of the Receivers.

The accounts do not reflect any further adjustments that might be needed if the going concern basis of preparation was not appropriate.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable in the normal course of business, and is shown net of VAT.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Turnover represents rental income derived from the company's investment properties.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

SQUARESTONE SOUTHEND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.5 Cash at bank and in hand

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.

1.6 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.

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, loans from fellow group companies and preference shares that are classified as debt, 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.

1.7 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.

SQUARESTONE SOUTHEND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

2 Investment property

	2017 £
Fair value	
At 1 April 2016 and 31 March 2017	6,000,000

3 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	9,105	9,105
Other debtors	343,592	261,671
	<u>352,697</u>	<u>270,776</u>

4 Creditors: amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	196,119	124,999
Other creditors	10,402,418	10,229,137
	<u>10,598,537</u>	<u>10,354,136</u>

As noted in the Directors' Report, on 22 December 2014, the Bank of Ireland (UK) PLC assigned all of its rights, title, benefit and interest in the principal loan (shown under current liabilities in 2014 - £9,814,433), accrued interest and any other amounts due or becoming due, to a third party.

The debt due to the third party on assignment on 22 December 2014 was recorded at the same amount as the original debt due to the Bank of Ireland, namely £9,814,433. At the balance sheet date this debt stood at £10,001,708 (2016: £9,828,427) which is included in other creditors above. This debt is secured on the company's investment property.

Interest on the principal sum due has been charged in the year as advised by the Receiver in the sum of £477,171 (2016: £484,872).

5 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Amounts due to group undertakings	4,431,566	4,431,566

SQUARESTONE SOUTHEND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
5,000 A Ordinary shares of £1 each	5,000	5,000
5,000 B Ordinary shares of £1 each	5,000	5,000
	<u>10,000</u>	<u>10,000</u>
	<u><u>10,000</u></u>	<u><u>10,000</u></u>

7 Events after the reporting date

Subsequent to the company's year end, all of the investment property carried in the company's balance sheet at £6,000,000 has been sold for a price after costs slightly in excess of that carrying value.

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.