

Southern Properties (Norwood) Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 October 2020



Lucraft Hodgson & Dawes LLP
Ground Floor
19 New Road
Brighton
East Sussex
BN1 1UF

Southern Properties (Norwood) Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	<u>4</u> to <u>9</u>

Southern Properties (Norwood) Limited

Company Information

Directors	Mr William Ormiston Mr Paul Betts
Registered office	Ground Floor 19 New Road Brighton East Sussex BN1 1UF
Accountants	Lucraft Hodgson & Dawes LLP Ground Floor 19 New Road Brighton East Sussex BN1 1UF

Southern Properties (Norwood) Limited

(Registration number: 06993362)

Balance Sheet as at 31 October 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	293,251	297,782
Current assets			
Stocks	<u>5</u>	216,354	182,275
Debtors		249	250
Cash at bank and in hand		9,498	321
		226,101	182,846
Creditors: Amounts falling due within one year	<u>6</u>	(425,847)	(422,068)
Net current liabilities		(199,746)	(239,222)
Total assets less current liabilities		93,505	58,560
Creditors: Amounts falling due after more than one year	<u>6</u>	(84,393)	(56,143)
Net assets		9,112	2,417
Capital and reserves			
Called up share capital		6	6
Profit and loss account		9,106	2,411
Total equity		9,112	2,417

For the financial year ending 31 October 2020 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 29 October 2021 and signed on its behalf by:

Southern Properties (Norwood) Limited

(Registration number: 06993362)

Balance Sheet as at 31 October 2020

.....

Mr William Ormiston
Director

.....

Mr Paul Betts
Director

Southern Properties (Norwood) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

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:

Ground Floor
19 New Road
Brighton
East Sussex
BN1 1UF
United Kingdom

These financial statements were authorised for issue by the Board on 29 October 2021.

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.

The financial statements are presented in Sterling, which is the functional currency of the company.

Going concern

These accounts have been prepared on a going concern basis notwithstanding the company's net liability position at the balance sheet date. The director is confident that with his continued support, the company can remain in operational existence for the foreseeable future.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current 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.

Southern Properties (Norwood) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

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.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold Property	1% on cost
Fixtures and fittings	15% on reducing balance
Computer equipment	25% on reducing balance

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 debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Southern Properties (Norwood) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

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 Staff numbers

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2020 No.	2019 No.
Administration and support	1	1
	1	1

Southern Properties (Norwood) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 November 2019	321,157	44,826	365,983
At 31 October 2020	321,157	44,826	365,983
Depreciation			
At 1 November 2019	32,113	36,088	68,201
Charge for the year	3,212	1,319	4,531
At 31 October 2020	35,325	37,407	72,732
Carrying amount			
At 31 October 2020	285,832	7,419	293,251
At 31 October 2019	289,044	8,738	297,782

Included within the net book value of land and buildings above is £285,832 (2019 - £289,044) in respect of freehold land and buildings.

5 Stocks

	2020 £	2019 £
Work in progress	216,354	182,275

Southern Properties (Norwood) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

6 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>7</u>	398,209	395,779
Trade creditors		1,116	1,093
Social security and other taxes		12,422	13,256
Other payables		10,580	10,581
Accrued expenses		1,180	1,180
Corporation tax liability		2,340	179
		425,847	422,068
Due after one year			
Loans and borrowings	<u>7</u>	84,393	56,143

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>7</u>	84,393	56,143

7 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Other borrowings	84,393	56,143
	84,393	56,143
Current loans and borrowings		
Other borrowings	398,209	395,779

Southern Properties (Norwood) Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

8 Related party transactions

Summary of transactions with other related parties

Loans from related parties

	Key management £	
2020		
At start of period	395,779	
Advanced	2,430	
<hr/>		
At end of period	398,209	
<hr/>		
	Key management £	Total £
2019		
At start of period	303,937	303,937
Advanced	100,000	100,000
Repaid	(8,158)	(8,158)
At end of period	395,779	395,779

Terms of loans from related parties

During the year the directors made funds available to the company to assist with the provision of working capital. The loan was interest free, unsecured, and repayable on demand.

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.