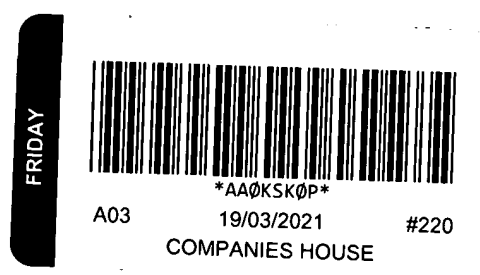


Company Registration No. 08403359 (England and Wales)

PILI PALA PROPERTIES LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020
PAGES FOR FILING WITH REGISTRAR



PILI PALA PROPERTIES LTD

CONTENTS

	Page
Accountants' report	1
Balance sheet	2 - 3
Notes to the financial statements	4 - 8

PILI PALA PROPERTIES LTD

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF PILI PALA PROPERTIES LTD FOR THE YEAR ENDED 31 JULY 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Pili Pala Properties Ltd for the year ended 31 July 2020 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Pili Pala Properties Ltd, as a body, in accordance with the terms of our engagement letter dated 31 March 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Pili Pala Properties Ltd and state those matters that we have agreed to state to the Board of Directors of Pili Pala Properties Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Pili Pala Properties Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Pili Pala Properties Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Pili Pala Properties Ltd. You consider that Pili Pala Properties Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Pili Pala Properties Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Williams Ross Limited

Chartered Accountants

9 February 2021

4 Ynys Bridge Court
Gwaelod y Garth
Cardiff
CF15 9SS

PILI PALA PROPERTIES LTD

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	2		207		1,627
Investment properties	3		750,355		750,355
			<u>750,562</u>		<u>751,982</u>
Current assets					
Cash at bank and in hand		2,844		2,157	
Creditors: amounts falling due within one year	4	(189,913)		(187,142)	
Net current liabilities			(187,069)		(184,985)
Total assets less current liabilities			563,493		566,997
Creditors: amounts falling due after more than one year	5		(398,745)		(418,196)
Provisions for liabilities			(7,906)		(8,176)
Net assets			<u>156,842</u>		<u>140,625</u>
Capital and reserves					
Called up share capital	6		10		10
Revaluation reserve	7		36,798		36,798
Profit and loss reserves			120,034		103,817
Total equity			<u>156,842</u>		<u>140,625</u>

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

For the financial year ended 31 July 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her 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.

PILI PALA PROPERTIES LTD

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
--	-------	-----------	---	-----------	---

The financial statements were approved by the board of directors and authorised for issue on 9 February 2021 and are signed on its behalf by:

Mrs SM Griffiths
Director



Company Registration No. 08403359

PILI PALA PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Company information

Pili Pala Properties Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Bryn Ysgafn Farm, Gelli Haf, NP12 2RH.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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 it is probable will be recovered.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% straight line
--------------------------------	-------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

PILI PALA PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

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. Changes in fair value are recognised in profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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.

1.7 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.

PILI PALA PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

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.

1.8 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.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

PILI PALA PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

2 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 August 2019 and 31 July 2020	7,098
Depreciation and impairment	
At 1 August 2019	5,471
Depreciation charged in the year	1,420
At 31 July 2020	6,891
Carrying amount	
At 31 July 2020	207
At 31 July 2019	1,627

3 Investment property

	2020 £
Fair value	
At 1 August 2019 and 31 July 2020	750,355

Investment property comprises of two freehold properties held for long term investment. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 2 May 2016 by Lloyds Bank, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

4 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	19,920	19,443
Amounts Due to Connected Company	164,900	161,572
Corporation tax	4,074	4,088
Other creditors	1,019	2,039
	189,913	187,142

5 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	398,745	418,196

PILI PALA PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

6 Called up share capital

	2020 £	2019 £
Ordinary share capital Issued and fully paid		
10 Ordinary of £1 each	10	10
	<u>10</u>	<u>10</u>

7 Revaluation reserve (Non Distributable Reserve)

	2020 £	2019 £
At beginning and end of year	36,798	36,798
	<u>36,798</u>	<u>36,798</u>

8 Related party transactions

During the year ended 31 July 2020 rent of £40,000 (2019 £40,000) was received from The Laurels Morganstown Ltd. At the year end an amount of £164,900 (2019 £161,572) was due to The Laurels Morganstown Ltd on an outstanding loan. The Laurels Morganstown Ltd is an associated company under the same common control.