

Reefsouth Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 July 2022

Chisnall Comer Ismail & Co
Chartered Accountants
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BN1 5NP

Reefsouth Limited

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Reefsouth Limited

Company Information

Director	C Weatherstone
Registered office	1 English Business Park English Close Hove East Sussex BN3 7ET
Accountants	Chisnall Comer Ismail & Co Chartered Accountants Maria House 35 Millers Road Brighton BN1 5NP

Reefsouth Limited

(Registration number: 02845584)
Balance Sheet as at 31 July 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	<u>5</u>	3,080	3,080
Tangible assets	<u>6</u>	98	131
Investment property	<u>7</u>	4,417,594	4,367,594
Other financial assets	<u>8</u>	50,201	50,201
		<u>4,470,973</u>	<u>4,421,006</u>
Current assets			
Stocks	<u>9</u>	2,771,774	2,760,678
Debtors	<u>10</u>	2,432,116	2,859,099
Cash at bank and in hand		25,430	30,609
		<u>5,229,320</u>	<u>5,650,386</u>
Creditors: Amounts falling due within one year	<u>11</u>	<u>(99,992)</u>	<u>(876,268)</u>
Net current assets		<u>5,129,328</u>	<u>4,774,118</u>
Total assets less current liabilities		<u>9,600,301</u>	<u>9,195,124</u>
Creditors: Amounts falling due after more than one year	<u>11</u>	<u>(7,227,083)</u>	<u>(6,839,030)</u>
Provisions for liabilities		<u>(12,779)</u>	<u>(12,779)</u>
Net assets		<u>2,360,439</u>	<u>2,343,315</u>
Capital and reserves			
Called up share capital	<u>15</u>	202	202
Other reserves		475,725	475,725
Retained earnings		<u>1,884,512</u>	<u>1,867,388</u>
Shareholders' funds		<u>2,360,439</u>	<u>2,343,315</u>

For the financial year ending 31 July 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Reefsouth Limited

(Registration number: 02845584) Balance Sheet as at 31 July 2022

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. As permitted by section 444 (5A) of the Companies Act 2006, the director has not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the director on 31 March 2023

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C Weatherstone

Director

Reefsouth Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

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:

1 English Business Park
English Close
Hove
East Sussex
BN3 7ET

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of development properties.

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.

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.

Reefsouth Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

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
Office equipment	25% reducing balance
Motor vehicles	25% reducing balance

Investment property

Investment property is carried at fair value. Gains are recognised in the profit and loss. Deferred tax is provided on these gains at the rate expected to apply when the property is sold.

Intangible assets

Intangible assets are stated at fair value, this is seen as cost by the Director as the residual value of the asset is likely to be equal to cost.

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Stocks

Stocks are stated at the lower of cost and net realisable value.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Reefsouth Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Non-distributable reserve

The aggregate fair value adjustments relating to movements in the value of the company's investment properties are transferred at the end of each period, net of deferred tax, from the profit and loss reserve to the non-distributable reserve.

On disposal of investment property the aggregate fair value adjustment is transferred back to profit and loss reserves and the deferred tax provision is transferred to current tax liabilities.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 4 (2021 - 4).

4 Taxation charge

The tax for the period is attributable to:

Current Tax

	2022 £	2021 £
UK corporation tax	3,987	31,874
UK corporation tax adjustment to prior periods	(162)	-
Total current tax charge	3,825	31,874
Total tax charge for period	3,825	31,874

Reefsouth Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

5 Intangible assets

	Other intangible assets £	Total £
Cost or valuation		
At 1 August 2021	3,080	3,080
At 31 July 2022	3,080	3,080
Amortisation		
Carrying amount		
At 31 July 2022	3,080	3,080
At 31 July 2021	3,080	3,080

6 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 August 2021	4,375	4,375
At 31 July 2022	4,375	4,375
Depreciation		
At 1 August 2021	4,244	4,244
Charge for the year	33	33
At 31 July 2022	4,277	4,277
Carrying amount		
At 31 July 2022	98	98
At 31 July 2021	131	131

7 Investment properties

Reefsouth Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

	2022
	£
At 1 August	4,367,594
Additions	<u>50,000</u>
At 31 July	<u><u>4,417,594</u></u>

8 Other financial assets (current and non-current)

	2022	2021
	£	£
Non-current financial assets		
Financial assets at fair value through profit and loss	<u>50,201</u>	<u>50,201</u>

9 Stocks

	2022	2021
	£	£
Other inventories	<u>2,771,774</u>	<u>2,760,678</u>

10 Debtors

	2022	2021
	£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>14</u> 1,572,322	2,075,455
Prepayments	1,355	2,559
Other debtors	<u>858,439</u>	<u>781,085</u>
	<u><u>2,432,116</u></u>	<u><u>2,859,099</u></u>

Reefsouth Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

11 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	<u>12</u>	11,922	248,030
Trade creditors		2,449	6,431
Taxation and social security		22,789	47,481
Accruals and deferred income		48,207	32,838
Other creditors		14,625	541,488
		<u>99,992</u>	<u>876,268</u>

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	<u>12</u>	<u>7,227,083</u>	<u>6,839,030</u>

12 Loans and borrowings

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	<u>7,227,083</u>	<u>6,839,030</u>

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	11,458	248,030
Bank overdrafts	464	-
	<u>11,922</u>	<u>248,030</u>

Reefsouth Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

13 Dividends

	2022	2021
	£	£
Interim dividend of £Nil (2021 - £17,500.00) per ordinary share	-	17,500

14 Related party transactions

Transactions with the director

	At 1 August 2021	Advances to director	At 31 July 2022
2022	£	£	£
Directors loan from company	94,520	-	94,520

	At 1 August 2020	Repayments by director	At 31 July 2021
2021	£	£	£
Directors loan from company	94,694	(174)	94,520

Directors' remuneration

The director's remuneration for the year was as follows:

	2022	2021
	£	£
Remuneration	42,468	42,468

Summary of transactions with entities with joint control or significant interest

Stonechris Limited, a company who the Director Mr C Weatherstone is a director and shareholder. Loan due from Stonechris Limited amounts to £246,942 (2021 - £236,531)

Summary of transactions with all associates

Britannia House Developments Limited, a company wholly owned by Reefsouth Limited.
Loan due to Britannia House Developments Limited amounting to £Nil (2021 - £439,242).

Summary of transactions with other related parties

Reefsouth Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2022

Weatherstone Properties Limited, a company, in which Mr C Weatherstone is also a director and shareholder. Loan due to Weatherstone properties amounts to £1,693,302 (2021 - £2,075,455). No interest is due on the loan.

Stonerix Limited, a company in which Mr C Weatherstone is also a director and shareholder. Loan due from Stonerix amounting to £348,558 (2021 - £308,558) was due at the year end. No interest is due on the loan.

Franridge Properties Limited, a company in which Mr C Weatherstone is also a director and shareholder. Loan due from Franridge amounting to £1,392 (2021 - £87,620) was due at the year end. No interest is due on the loan.

15 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary of £1 each	202	202	202	202

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.