

Statement of Consent to Prepare Abridged Financial Statements

All of the members of Kaudra Property Company Limited have consented to the preparation of the abridged profit and loss account and the balance sheet for the year ending 31 August 2017 in accordance with Section 444(2A) of the Companies Act 2006.

COMPANY REGISTRATION NUMBER: 03094126

Kaudra Property Company Limited
Unaudited Abridged Financial Statements
31 August 2017

Kaudra Property Company Limited

Abridged Financial Statements

Year ended 31 August 2017

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Kaudra Property Company Limited

Directors' Report

Year ended 31 August 2017

The directors present their report and the unaudited abridged financial statements of the company for the year ended 31 August 2017 .

Directors

The directors who served the company during the year were as follows:

Mr U Somaia

Mr K Somaia

Mr R Somaia

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 26 June 2018 and signed on behalf of the board by:

Mr U Somaia

Director

Registered office:

77 Grand Parade

Green Lanes

London

N4 1DX

Kaudra Property Company Limited

Abridged Profit and Loss Account

Year ended 31 August 2017

		2017	2016
	Note	£	£
Gross profit		137	35,001
Administrative expenses		(9,358)	(27,364)
Operating (loss)/profit		(9,221)	7,637
Fair value gain on investments		6,000	–
Profit/(loss) on disposal of investment properties		84,938	1,463,793
Other interest receivable and similar income		–	1,864
Interest payable and similar expenses		–	(126)
Profit before taxation		81,717	1,473,168
Tax on profit	4	(13,450)	(291,246)
Profit for the financial year and total comprehensive income		68,267	1,181,922

All the activities of the company are from continuing operations.

Kaudra Property Company Limited

Balance Sheet

31 August 2017

	Note	2017 £	£	2016 £
Fixed assets				
Tangible assets	5		—	165,000
Current assets				
Debtors	6	3,390,284		2,618,321
Investments	7	6,000		—
Cash at bank and in hand		11,355		1,049,782
		<u>3,407,639</u>		<u>3,668,103</u>
Creditors: amounts falling due within one year	8	<u>(63,460)</u>		<u>(546,996)</u>
Net current assets			3,344,179	3,121,107
Total assets less current liabilities			3,344,179	3,286,107
Provisions				
Taxation including deferred tax			—	(10,195)
Net assets			3,344,179	3,275,912

Kaudra Property Company Limited

Balance Sheet *(continued)*

31 August 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		21,000	21,000
Profit and loss account	10	3,323,179	3,254,912
Shareholders funds		3,344,179	3,275,912

These abridged financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31 August 2017 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 abridged financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of abridged financial statements .

These abridged financial statements were approved by the board of directors and authorised for issue on 26 June 2018 , and are signed on behalf of the board by:

Mr U Somaia

Director

Company registration number: 03094126

Kaudra Property Company Limited

Statement of Changes in Equity

Year ended 31 August 2017

	Called up share capital	Revaluation reserve	Profit and loss account	Total
	£	£	£	£
At 1 September 2015 (as previously reported)	21,000	1,549,355	747,420	2,317,775
Prior period adjustments	—	—	(223,785)	(223,785)
At 1 September 2015 (restated)	21,000	1,549,355	523,635	2,093,990
Profit for the year			1,181,922	1,181,922
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account	—	(1,549,355)	1,549,355	—
Total comprehensive income for the year	—	(1,549,355)	2,731,277	1,181,922
At 31 August 2016	21,000	—	3,254,912	3,275,912
Profit for the year			68,267	68,267
Total comprehensive income for the year	—	—	68,267	68,267
At 31 August 2017	21,000	—	3,323,179	3,344,179

The prior period adjustment relates to changes made on transition to FRS 102 in respect of deferred tax liability arising on the revalued investment properties (see note 12).

Kaudra Property Company Limited

Notes to the Abridged Financial Statements

Year ended 31 August 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 77 Grand Parade, Green Lanes, London, N4 1DX.

2. Statement of compliance

These abridged financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 September 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 12.

Revenue recognition

The turnover represents rents receivable from letting of investment properties during the year in accordance with the leases.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss. If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties. Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss. Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

4. Tax on profit

Major components of tax expense

	2017	2016
	£	£
Current tax:		
UK current tax expense	23,645	504,836
Deferred tax:		
Origination and reversal of timing differences	(10,195)	(213,590)
	-----	-----
Tax on profit	13,450	291,246
	-----	-----

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.58 % (2016: 20 %).

	2017	2016
	£	£
Profit on ordinary activities before taxation	81,717	1,473,168
Profit on ordinary activities by rate of tax	16,000	294,634
Indexation allowance	(8,035)	(82,453)
Tax attributable to fair value gains realised	16,855	292,655
Effect of fair value gain exempt from tax	(1,175)	—
Origination and reversal of timing difference	(10,195)	(213,590)
Tax on profit	13,450	291,246

5. Tangible assets

	£
Cost	
At 1 September 2016	165,000
Disposals	(165,000)
At 31 August 2017	—
Depreciation	
At 1 September 2016 and 31 August 2017	—
Carrying amount	
At 31 August 2017	—
At 31 August 2016	165,000

The historical cost of investment property as at 31st August 2017 was £Nil (2016: £78,921).

6. Debtors

	2017	2016
	£	£
Prepayments and accrued income	—	3,775
Other debtors	3,390,284	2,614,546
	3,390,284	2,618,321

7. Investments

	2017	2016
	£	£
Other investments	6,000	—

8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Accruals and deferred income	1,092	1,152
Corporation tax	23,646	504,837
Director loan accounts	5,170	5,170
Other creditors	33,552	35,837
	63,460	546,996

9. Deferred tax

The deferred tax included in the balance sheet is as follows:

	2017	2016
	£	£
Included in provisions	—	10,195
	----	-----

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017	2016
	£	£
Fair value adjustment of investment property	—	10,195
	----	-----

10. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses. Included in profit and loss reserve are distributable profits of £3,317,179 (2016: £3,179,028) and non-distributable profits of £6,000 (2016: £75,884) in respect of revaluation gains arising on investments and investment property.

11. Related party transactions

The following related party transactions were carried out with companies in which the directors have a material interest: Amounts owed to companies, included in other creditors due within one year: 1) £Nil (2016: £1,800) was repaid to WYZ Investments Limited. The amount payable at the balance sheet date was £31,552 (2016: £31,552). Amounts receivable from companies, included in other debtors due within one year: 1) £688,000 (2016: £1,570,000) was advanced to Zonebell London Limited. The amount receivable at the balance sheet date was £2,258,000 (2016: £1,570,000). 2) £344,000 (2016: £785,000) was advanced to Acurra Investments Limited. The amount receivable at the balance sheet date was £1,129,000 (2016: £785,000). 3) £256,389 (2016: £3,534) was repaid by Willoughby Wood LLP. The amount receivable at the balance sheet date was £1,312 (2016: £257,701).

12. Transition to FRS 102

These are the first abridged financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 September 2015.

Reconciliation of equity

	1 September 2015			31 August 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	2,452,117	–	2,452,117	165,000	–	165,000
Current assets	305,929	–	305,929	3,668,103	–	3,668,103
Creditors: amounts falling due within one year	(440,271)	–	(440,271)	(546,996)	–	(546,996)
Net current assets	(134,342)	–	(134,342)	3,121,107	–	3,121,107
Total assets less current liabilities	2,317,775	–	2,317,775	3,286,107	–	3,286,107
Provisions	– (223,785)	(223,785)	– (10,195)	(10,195)	(10,195)	
Net assets	2,317,775 (223,785)	2,093,990	3,286,107 (10,195)	3,275,912		
Capital and reserves	2,317,775 (223,785)	2,093,990	3,286,107 (10,195)	3,275,912		

Reconciliation of profit or loss for the year

	Year ended 31 August 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Gross profit	35,001	–	35,001
Administrative expenses	(27,364)	–	(27,364)
Operating (loss)/profit	7,637	–	7,637
Profit/(loss) on disposal of investment properties	1,463,793	–	1,463,793
Other interest receivable and similar income	1,864	–	1,864
Interest payable and similar expenses	(126)	–	(126)
Tax on profit	(212,181)	(79,065)	(291,246)
Extraordinary items	–	–	–
Profit for the financial year	1,260,987	(79,065)	1,181,922

Notes to the reconciliations Investment properties were previously accounted for under the Financial Reporting Standard for Smaller Entities (effective January 2015), which required gains and losses on the properties open market value to be taken to a revaluation reserve in equity. The properties are being measured at fair value under FRS 102 and fair value gains and losses are reported in profit or loss. FRS 102 also requires deferred tax to be accounted for on assets that are subject to revaluation. Consequently, deferred tax of £223,785 was recognised at 1 September 2015 to reflect the provisions of FRS 102. The deferred tax provision was reduced by £213,590 at 31 August 2016 due to investment properties sold during year ended 31 August 2016. Corporation tax of £292,655 attributable to the revaluation reserve relating to properties sold during year ended 31 August 2016 was taken to equity under the previous accounting standards. However, under FRS 102 this is now reported in profit or loss. Therefore, the effect on profit for year ended 31 August 2016 is a decrease in profit of £79,065.

Kaudra Property Company Limited

Management Information

Year ended 31 August 2017

The following pages do not form part of the abridged financial statements.

Kaudra Property Company Limited

Chartered Certified Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Abridged Financial Statements of Kaudra Property Company Limited

Year ended 31 August 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the abridged financial statements of Kaudra Property Company Limited for the year ended 31 August 2017, which comprise the abridged profit and loss account, balance sheet, statement of changes in equity 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 Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html. This report is made solely to the Board of Directors of Kaudra Property Company Limited, as a body. Our work has been undertaken solely to prepare for your approval the abridged financial statements of Kaudra Property Company Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kaudra Property Company Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Kaudra Property Company Limited has kept adequate accounting records and to prepare statutory abridged financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Kaudra Property Company Limited. You consider that Kaudra Property Company Limited 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 abridged financial statements of Kaudra Property Company Limited. 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 abridged financial statements.

MMA PARTNERSHIP LLP Chartered Certified Accountants

6 Bruce Grove London N17 6RA

26 June 2018

Kaudra Property Company Limited

Detailed Abridged Profit and Loss Account

Year ended 31 August 2017

	2017	2016
	£	£
Turnover		
Rent receivable	–	34,864
Other operating income	137	137
	----	----
Gross profit	137	35,001
Overheads		
Administrative expenses	9,358	27,364
	----	----
Operating (loss)/profit	(9,221)	7,637
Fair value gain on investments	6,000	–
Profit/(loss) on disposal of investment properties	84,938	1,463,793
Other interest receivable and similar income	–	1,864
Interest payable and similar expenses	–	(126)
	----	----
Profit before taxation	81,717	1,473,168
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Kaudra Property Company Limited

Notes to the Detailed Abridged Profit and Loss Account

Year ended 31 August 2017

	2017	2016
	£	£
Other operating income		
Commissions receivable	137	137
	----	----
Administrative expenses		
Rates	219	8,034
Light and heat	197	(1,355)
Insurance	3,852	6,832
Repairs and maintenance	65	1,110
Telephone	1,492	2,090
Sundry expenses	–	375
Cleaning	–	240
Legal and professional fees	2,240	6,748
Accountancy fees	1,092	1,272
Bank charges	201	2,018
	-----	-----
	9,358	27,364
	-----	-----
Profit/(loss) on disposal of investment properties		
Profit on disposal of investment properties	84,938	1,463,793
	-----	-----
Other interest receivable and similar income		
Other interest receivable	–	1,864
	----	-----
Interest payable and similar expenses		
Other interest payable and similar charges	–	126
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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.