
HAROLD WOOD PROPERTIES LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 AUGUST 2021

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	11	15
Investment property	5	521,335	521,335
		<u>521,346</u>	<u>521,350</u>
Current assets			
Debtors: amounts falling due within one year	6	15,939	12,040
Cash at bank and in hand	7	5,259	6,362
		<u>21,198</u>	<u>18,402</u>
Creditors: amounts falling due within one year	8	(137,103)	(130,712)
Net current liabilities		<u>(115,905)</u>	<u>(112,310)</u>
Total assets less current liabilities		<u>405,441</u>	<u>409,040</u>
Creditors: amounts falling due after more than one year	9	(34,144)	(34,222)
Provisions for liabilities			
Deferred tax	11	(55,626)	(55,626)
Net assets		<u><u>315,671</u></u>	<u><u>319,192</u></u>
Capital and reserves			
Called up share capital		2	2
Non-distributable profit reserve	12	322,557	322,557
Profit and loss account	12	(6,888)	(3,367)
		<u><u>315,671</u></u>	<u><u>319,192</u></u>

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 May 2022.

Mr D J Evans
Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. General information

Harold Wood Properties Limited is a company limited by shares, incorporated in England, United Kingdom. The address of the registered office is Suite D, The Business Centre, Faringdon Avenue, Romford, Essex, RM3 8EN. The principal activity of the company was that of property investors.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.4 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Accounting policies (continued)

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Accounting policies (continued)

2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are 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.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.12 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2020 -2).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Tangible fixed assets

	Plant and Machinery £
Cost or valuation	
At 1 September 2020	355
At 31 August 2021	355
Depreciation	
At 1 September 2020	340
Charge for the year on owned assets	4
At 31 August 2021	344
Net book value	
At 31 August 2021	<u>11</u>
<i>At 31 August 2020</i>	<u><u>15</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Investment property

Long term
Leasehold
investment
property
£

Valuation

At 1 September 2020

521,335

At 31 August 2021

521,335

The 2021 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2021 £	2020 £
Historic cost	<u>143,152</u>	<u>143,152</u>

6. Debtors

	2021 £	2020 £
Prepayments and accrued income	<u>15,939</u>	<u>12,040</u>

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>5,259</u>	<u>6,362</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	91	91
Other creditors	133,340	128,785
Accruals and deferred income	3,672	1,836
	<u>137,103</u>	<u>130,712</u>

9. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	<u>34,144</u>	<u>34,222</u>

10. Loans

Analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due after more than 5 years		
Bank loans	<u>34,144</u>	<u>34,222</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Deferred taxation

	2021 £	2020 £
At beginning of year	(55,626)	(55,626)
At end of year	<u><u>(55,626)</u></u>	<u><u>(55,626)</u></u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Investment property revaluation	<u><u>(55,626)</u></u>	<u><u>(55,626)</u></u>

12. Reserves**Non-distributable profit reserve**

Non-distributable reserves relating to the unrealised gain or loss on fair value adjustment of investment properties.

Deferred tax has been provided on the revaluation of investment properties.

Profit and loss account

Includes all current and prior period retained profits and losses.

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.