

GEMWALK PROPERTIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

GEMWALK PROPERTIES LIMITED

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GEMWALK PROPERTIES LIMITED
REGISTERED NUMBER:03717523

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note		2017 £	2016 £
Fixed assets				
Tangible assets	3		274	365
Investment property			837,500	750,000
			<u>837,774</u>	<u>750,365</u>
Current assets				
Debtors: amounts falling due within one year	5	6,233	6,691	
Cash at bank and in hand	6	7,450	796	
		<u>13,683</u>	<u>7,487</u>	
Creditors: amounts falling due within one year	7	(148,903)	(169,316)	
			<u>(135,220)</u>	<u>(161,829)</u>
Net current liabilities			(135,220)	(161,829)
Total assets less current liabilities			<u>702,554</u>	<u>588,536</u>
Provisions for liabilities				
Deferred tax		(27,224)	(22,683)	
			<u>(27,224)</u>	<u>(22,683)</u>
Net assets			<u>675,330</u>	<u>565,853</u>
Capital and reserves				
Called up share capital			100	100
Profit and loss account	9		675,230	565,753
			<u>675,330</u>	<u>565,853</u>

GEMWALK PROPERTIES LIMITED
REGISTERED NUMBER:03717523

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2017

The director considers 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 Companies Act 2006.

The director acknowledges his 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 by:

Mr A M Dyhouse
Director

Date: 22 August 2017

The notes on pages 4 to 11 form part of these financial statements.

GEMWALK PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2015	100	555,507	555,607
Profit for the year	-	30,246	30,246
Dividends: Equity capital	-	(20,000)	(20,000)
At 1 April 2016	100	565,753	565,853
Profit for the year	-	21,977	21,977
Revaluation gains on investment properties	-	87,500	87,500
At 31 March 2017	100	675,230	675,330

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. General information

The company is limited by shares and incorporated in the United Kingdom. The registered number is 03717523 and the address of the registered office is 113 Summercourt Way, Brixham, Devon, TQ5 0RB.

The principal activity of the company during the year continued to be that of property management and letting.

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 TURNOVER

Turnover comprises revenue recognised by the company in respect of rental and property services supplied during the year.

2.3 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model, other than investment properties, 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:

Fixtures and fittings	- 25% reducing balance
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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 the Statement of comprehensive income.

2.4 INVESTMENT PROPERTY

Investment property is carried at fair value determined annually by external valuers 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 Statement of comprehensive income.

2.5 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

2.6 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.

2.7 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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.8 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.

2.9 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.10 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 the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.11 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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 reporting 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 Statement of financial position 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 reporting date.

3. Tangible fixed assets

	Fixtures and fittings
	£
Cost or valuation	
At 1 April 2016	5,135
At 31 March 2017	<u>5,135</u>
Depreciation	
At 1 April 2016	4,770
Charge for the year on owned assets	91
At 31 March 2017	<u>4,861</u>
Net book value	
At 31 March 2017	<u>274</u>
At 31 March 2016	<u>365</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

4. Investment property	Freehold investment property	Long term leasehold investment property	Total
	£	£	£
Valuation			
At 1 April 2016	240,000	510,000	750,000
Surplus on revaluation	42,500	45,000	87,500
At 31 March 2017	<u>282,500</u>	<u>555,000</u>	<u>837,500</u>
COMPRISING			
Cost	229,752	247,488	477,240
Annual revaluation surplus/(deficit):	Annual revaluation surplus/(deficit):		
2012	10,248	262,512	272,760
2017	42,500	45,000	87,500
At 31 March 2017	<u>282,500</u>	<u>555,000</u>	<u>837,500</u>

The 2017 valuations were made by John Shepherd, Estate Agents and Surveyors, on an open market value for existing use basis.

5. Debtors	2017	2016
	£	£
Other debtors	5,718	6,200
Prepayments and accrued income	515	491
	<u>6,233</u>	<u>6,691</u>

6. Cash and cash equivalents	2017	2016
	£	£
Cash at bank and in hand	7,450	796
	<u>7,450</u>	<u>796</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

7. Creditors: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	1,591	-
Corporation tax	6,956	6,757
Other creditors	139,246	161,719
Accruals and deferred income	1,110	840
	<u>148,903</u>	<u>169,316</u>

8. Deferred taxation

	2017 £	2016 £
At beginning of year	(22,683)	(26,405)
Charged to profit or loss	(4,541)	3,722
At end of year	<u>(27,224)</u>	<u>(22,683)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(47)	(66)
Gains and losses	(27,177)	(22,617)
	<u>(27,224)</u>	<u>(22,683)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9. Reserves

Profit and loss account

The profit and loss account includes all accumulated profits totalling £314,971 and revaluation gains on the investment properties totalling £360,259.

10. Related party transactions

Included in other creditors is an amount outstanding of £134,529 (2016: £156,518) owing to Mr A M Dyehouse, the director of the company.

Included in other debtors is a balance of £1,000 (2016: £1,000) owed by Cyber Systems Security Limited, a company under common control.

11. Controlling party

The company was controlled by Mr A M Dyehouse throughout the current and previous year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 April 2015. The impact of the transition to FRS 102 is as follows:

		As previously stated 1 April 2015	Effect of transition 1 April 2015	FRS 102 (as restated) 1 April 2015	As previously stated 31 March 2016	Effect of transition 31 March 2016	FRS 102 (as restated) 31 March 2016
	Note	£	£	£	£	£	£
Tangible assets	1	750,486	(750,000)	486	750,365	(750,000)	365
Investment property	1	-	750,000	750,000	-	750,000	750,000
Current assets		28,166	-	28,166	7,487	-	7,487
Creditors: amounts falling due within one year	3	(38,862)	(157,778)	(196,640)	(37,797)	(131,518)	(169,315)
Net current liabilities		(10,696)	(157,778)	(168,474)	(30,310)	(131,518)	(161,828)
Total assets less current liabilities		739,790	(157,778)	582,012	720,055	(131,518)	588,537
Creditors: amounts falling due after more than one year	3	(157,778)	157,778	-	(131,518)	131,518	-
Provisions for liabilities	2	-	(26,405)	(26,405)	-	(22,683)	(22,683)
Net assets		582,012	(26,405)	555,607	588,537	(22,683)	565,854
Capital and reserves		582,012	(26,405)	555,607	588,537	(22,683)	565,854

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NOTES TO THE FINANCIAL STATEMENTS
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12. First time adoption of FRS 102 (continued)

		As previously stated 31 March 2016 £	Effect of transition 31 March 2016 £	FRS 102 (as restated) 31 March 2016 £
Turnover		41,354	-	41,354
Administrative expenses		41,354 (8,072)	-	41,354 (8,072)
Operating profit		33,282	-	33,282
Interest receivable and similar income		2	-	2
Taxation	2	(6,759)	3,722	(3,037)
Profit on ordinary activities after taxation and for the financial year		26,525	3,722	30,247

Explanation of changes to previously reported profit and equity:

- 1 To reclassify investment properties
- 2 Recognise deferred tax on investment property gains
- 3 To reclassify Directors loan account due within one year