
RIDLEY VILLAS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

RIDLEY VILLAS LIMITED
REGISTERED NUMBER: 02843329

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	51,219	57,108
Investment property	5	310,500	310,500
		<u>361,719</u>	<u>367,608</u>
Current assets			
Debtors: amounts falling due within one year	6	9,233,153	8,994,753
Cash at bank and in hand		117,759	127,252
		<u>9,350,912</u>	<u>9,122,005</u>
Creditors: amounts falling due within one year	7	(6,596,218)	(6,641,982)
Net current assets		<u>2,754,694</u>	<u>2,480,023</u>
Total assets less current liabilities		<u>3,116,413</u>	<u>2,847,631</u>
Provisions for liabilities			
Deferred tax	8	(324,794)	(48,154)
Pension asset		1,456,000	-
Net assets		<u><u>4,247,619</u></u>	<u><u>2,799,477</u></u>
Capital and reserves			
Called up share capital		2	2
Revaluation reserve		226,927	226,927
Profit and loss account		4,020,690	2,572,548
		<u><u>4,247,619</u></u>	<u><u>2,799,477</u></u>

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 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.

RIDLEY VILLAS LIMITED
REGISTERED NUMBER: 02843329

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2018

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 14 February 2019.

C Spires

Director

The notes on pages 3 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. General information

Ridley Villas Limited ("the Company") is a private company limited by shares, incorporated in England and Wales. Its registered office is First Floor, Kirkdale House, Kirkdale Road, Leytonstone, London, E11 1HP.

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 represents amounts invoiced during the year, exclusive of Value Added Tax.

2.3 Investment property

Investment property is carried at fair value determined annually 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 and loss account.

2.4 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, using the straight-line method.

Depreciation is provided on the following basis:

Long leasehold improvements	- Term of the lease
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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.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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.

2.7 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 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 the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

2.8 Creditors

Short term creditors are measured at the transaction price.

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

2. Accounting policies (continued)

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company operates a defined benefits pension scheme and the pension charge is based on the latest actuarial valuation.

The amount charged to the Profit and loss account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost is included within other finance costs.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the other comprehensive income.

A pension scheme asset is recognised on the Balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the pension scheme trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

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 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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

2. Accounting policies (continued)

2.12 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 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.

3. Employees

The average monthly number of employees, including directors, during the year was 19 (2017 - 20).

RIDLEY VILLAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

4. Tangible fixed assets

	Long leasehold improvements £
Cost or valuation	
At 1 September 2017	164,946
At 31 August 2018	164,946
Depreciation	
At 1 September 2017	107,838
Charge for the year on owned assets	5,889
At 31 August 2018	113,727
Net book value	
At 31 August 2018	51,219
At 31 August 2017	57,108

RIDLEY VILLAS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

5. Investment property

	Freehold investment property £
Valuation	
At 1 September 2017	310,500
At 31 August 2018	<u><u>310,500</u></u>

The 2018 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:

	2018 £	2017 £
Historic cost	<u><u>35,419</u></u>	<u><u>35,419</u></u>

The company has provided a guarantee against the above property as additional security for a loan by H Smith Holdings Limited, a company under common control.

6. Debtors

	2018 £	2017 £
Trade debtors	108,732	88,242
Amounts owed by group undertakings	360,695	360,695
Other debtors	8,756,678	8,534,996
Prepayments and accrued income	7,048	10,820
	<u><u>9,233,153</u></u>	<u><u>8,994,753</u></u>

RIDLEY VILLAS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	29,583	-
Amounts owed to group undertakings	6,447,146	6,568,327
Corporation tax	64,292	28,229
Other taxation and social security	36,348	30,978
Other creditors	8,498	6,549
Accruals and deferred income	10,351	7,899
	<u>6,596,218</u>	<u>6,641,982</u>

8. Deferred taxation

	2018 £	2017 £
At beginning of year	48,154	51,113
Charged to profit or loss	-	(2,959)
Charged to other comprehensive income	276,640	-
At end of year	<u>324,794</u>	<u>48,154</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Unrealised gain on revaluation of investment property	48,154	48,154
Pension surplus	276,640	-
	<u>324,794</u>	<u>48,154</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. Pension commitments

Defined contribution pension scheme

The Company operates a Defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,912 (2017 - £713). Contributions totalling £1,912 (2017 - £172) were payable to the fund at the balance sheet date.

Defined benefit pension scheme

The Company also operates a Defined benefit pension scheme, which is funded.

The assets are held in a separately administered fund from those of the Company, being invested in cash and property.

The pension cost and asset for the year ended 31 August 2018 are based on the advice of a professionally qualified actuary using the projected unit method on the basis of triennial valuations as a minimum. The most recent formal valuation was prepared on 31 August 2018. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in pensions. It was assumed that the investment returns would be 1% - 6% per year and that present and future pensions must increase in line with the Consumer Price Index.

Reconciliation of present value of plan liabilities/assets:

	2018 £	2017 £
Reconciliation of present value of plan liabilities		
At the beginning of the year	1,481,000	1,208,000
Current service cost	-	105,000
Interest cost	37,000	25,000
Actuarial (gains)/losses	(172,000)	143,000
At the end of the year	1,346,000	1,481,000

Reconciliation of present value of plan assets:

	2018 £	2017 £
At the beginning of the year	1,481,000	1,208,000
Interest income	37,000	25,000
Actuarial gains	1,284,000	48,000
Contributions	-	200,000
At the end of the year	2,802,000	1,481,000

RIDLEY VILLAS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

9. Pension commitments (continued)

Composition of plan assets:

	2018 £	2017 £
Cash	189,000	636,000
Property	1,261,000	845,000
Loans	1,352,000	-
Total plan assets	2,802,000	1,481,000

	2018 £	2017 £
Fair value of plan assets	2,802,000	1,481,000
Present value of plan liabilities	(1,346,000)	(1,481,000)
Net pension scheme assets	1,456,000	-

The amounts recognised in profit or loss are as follows:

	2018 £	2017 £
Current service cost	-	(105,000)

10. Commitments under operating leases

At 31 August 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	446,750	446,750
Later than 1 year and not later than 5 years	1,787,000	1,787,000
Later than 5 years	17,139,288	17,586,038
	19,373,038	19,819,788

RIDLEY VILLAS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

11. Related party transactions

The Company is exempt from disclosing related party transactions with companies that are wholly owned within the Group.

At the year end the outstanding balances due from related entities in which the owners hold a participating interest in the company are £8,728,308 (2017 - £8,525,687).

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